

QUARTERLY REPORT

OFFICIAL NAME

CORPORACIÓN MAPFRE, S.A.

Amounts in EUROS

- | | | |
|-------------------------------------|-------------------------------------|----------|
| <input type="checkbox"/> | Financial Institutions | B |
| <input type="checkbox"/> | Investment Companies..... | C |
| <input type="checkbox"/> | General | G |
| <input checked="" type="checkbox"/> | Insurance Companies | S |

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| Page 1 and 1 bis..... | <input checked="" type="checkbox"/> |
| Page 2..... | <input checked="" type="checkbox"/> |
| Page 3..... | <input checked="" type="checkbox"/> |
| Page 4..... | <input checked="" type="checkbox"/> |
| Additional explanatory material | <input checked="" type="checkbox"/> |

DATE:

29 APRIL 2004

QUARTER:

FIRST 2004

INSURANCE

INTERIM QUARTERLY RESULTS REPORT FOR THE FOLLOWING PERIOD:

QUARTER

FIRST

YEAR

2004

Official Name:

CORPORACIÓN MAPFRE, S.A.

Legal Address:

Pº de Recoletos, 25
28004 MADRID

N.I.F.

A/08055741

Persons assuming responsibility for the information contained herein, positions they hold with the company, and identification of the power and authority by virtue of which they represent the company:

Mr. Domingo Sugranyes Bickel
Vice-Chairman and Chief Executive Officer of CORPORACIÓN MAPFRE, S.A.
Public deed nº 2845 signed before notary public Mr. José María Prada Guaita on 20 September 2001

SIGNATURE:

A) INTERIM QUARTERLY RESULTS

		NON-CONSOLIDATED		CONSOLIDATED	
		Current Fiscal Year	Previous Fiscal Year	Current Fiscal Year	Previous Fiscal Year
NET PREMIUMS & SURCHARGES (*)	0820	---	---	1,321,353	1,133,648
RESULT BEFORE TAXES	1040	20,689	751	104,635	83,930
RESULT AFTER TAXES	1044	21,991	1,584	72,816	57,486
Results attributable to minority interests	2050			27,564	23,353
RESULTS ATTRIBUTABLE TO THE CONTROLLING COMPANY	2060			45,252	34,133
PAID-UP CAPITAL	0500	90,782	90,782		
AVERAGE NUMBER OF EMPLOYEES	3000	44	61	14,208	12,297

(*) Premiums earned, net of reinsurance.

Figures in € thousand

B) BUSINESS DEVELOPMENT

During the first quarter of 2004, the business of Corporacion Mapfre and its subsidiaries developed positively, and growth in net profits exceeded published targets for the present fiscal year:

- In Spain, direct Non-life insurance premiums grew 48.3%;
- Third-party funds managed by MAPFRE VIDA and its subsidiaries grew 10.5%. Including MUSINI VIDA, these funds grew 19.3%;
- Premiums written and accepted by MAPFRE AMÉRICA increased by 13.2%, and its net profit by 18.0%;
- Premiums written and accepted by MAPFRE RE increased by 37.5%, and its net profit by 38.9%;
- Net profit reached €45.2 million, a 32.6% increase over the first quarter of the previous year.

The tragic March 11 terrorist attacks in Madrid, whose main economic consequences for the insured are largely absorbed by a State-operated compensation pool (the 'Consortio de Compensación de Seguros'), had little effect on the results of CORPORACIÓN MAPFRE. Through its foundations, the MAPFRE Group set up a €1 million fund to provide free professional retraining to victims who cannot continue carrying out their occupations because of the consequences of the attacks.

B1) CONSOLIDATED FIGURES

• Revenues

The total revenues of CORPORACIÓN MAPFRE and its subsidiaries amounted to €2,508.6 million at the end of March 2004, with the following breakdown by line of business:

TOTAL REVENUES			
(Million euros)			
	31.03.04	31.03.03	% Var. 04/03
Companies operating primarily in Spain			
Direct insurance premiums: Non-life	1,031.1	695.2	48.3%
Direct insurance premiums: Life	573.7	496.8	15.5%
Income from investments	231.2	197.6	17.0%
Other income from consolidated companies	33.6	16.6	102.4%
Brokerage and fund management (*)	15.3	13.0	17.7%
Real estate management and development (*)	21.3	18.4	15.8%
Other equity-accounted companies	6.1	6.1	---
Cumulative Subtotal	1,912.3	1,443.7	32.5%
Companies operating primarily abroad			
Direct insurance premiums: Non-life	332.2	291.5	14.0%
Direct insurance premiums: Life	11.0	11.3	-2.7%
Accepted reinsurance premiums	274.9	200.0	37.5%
Assistance premiums and other revenues	53.9	47.1	14.4%
Income from investments	56.2	69.5	-19.1%
Other income (**)	0.6	0.4	50.0%
Cumulative Subtotal	728.8	619.8	17.6%
Total cumulative revenues	2,641.1	2,063.5	28.0%
Intra-group transactions eliminated upon consolidation ..	-132.5	-89.5	48.0%
TOTAL CONSOLIDATED REVENUES	2,508.6	1,974.0	27.1%

(*) Equity-accounted

(**) Includes income from equity-accounted companies

Total direct insurance and accepted reinsurance premiums grew 30.2% over the same quarter of the previous year, reaching €2,149.5 million. Net premiums earned grew 16.6%, reaching €1,321.4 million.

Total Life direct insurance and accepted reinsurance premiums grew 19.2% (13.0% excluding premiums written and accepted by MUSINI, S.A. and MUSINI VIDA), reaching €609.9 million. Total Non-life direct insurance and accepted reinsurance premiums grew 35.2% (26.9% excluding premiums written and accepted by MUSINI, S.A.), reaching €1,539.6 million.

- **Results**

The consolidated profit after taxes and minority interests was €72.8 million, a 26.6% increase over the same quarter of the previous year. The net attributable result after minority interests grew 32.6%, reaching €45.2 million, with the following breakdown by line of business:

CONSOLIDATED RESULTS			
(Million euros)			
	31.03.04	31.03.03	% Var. 04/03
FULLY CONSOLIDATED RESULTS			
<u>Companies operating primarily in Spain</u>			
Direct Insurance	74.9	61.5	21.8%
Subtotal	74.9	61.5	21.8%
<u>Companies operating primarily abroad</u>			
Direct Insurance	15.8	13.8	14.5%
Accepted reinsurance.....	14.5	10.4	39.4%
Assistance.....	2.0	1.8	11.1%
Other	0.1	-0.4	---
Subtotal	32.4	25.6	26.6%
EQUITY-ACCOUNTED SUBSIDIARIES			
Brokerage and fund management	6.6	5.2	26.9%
Real estate management and development	2.3	1.9	21.1%
Other	0.5	---	---
Total result from subsidiaries	116.7	94.2	23.9%
Amortisation of goodwill and portfolio acquisition costs	-7.7	-7.1	8.5%
Holding company results (non-consolidated)	20.7	0.8	---
Consolidation adjustments	-25.1	-4.0	---
Result before tax and minority interests	104.6	83.9	24.7%
Taxes	-31.8	-26.4	20.5%
Result after tax	72.8	57.5	26.6%
Minority interests	-27.6	-23.4	17.9%
Net attributable result	45.2	34.1	32.6%

B2) SUBSIDIARIES' FIGURES

> Companies operating primarily in Spain and Portugal

The direct insurance and accepted reinsurance premiums of the subsidiaries of MAPFRE CAJA MADRID HOLDING evolved as follows:

CONSOLIDATED WRITTEN AND ACCEPTED PREMIUMS			
	Million euros		
	31.03.04	31.03.03	% Var 04/03
LIFE INSURANCE OPERATING UNIT	543.7	495.5	9.7%
MAPFRE Vida	538.8	495.5	8.7%
MUSINI Vida.....	4.9	--	--
GENERAL INSURANCE OPERATING UNIT	406.2	244.4	66.2%
MAPFRE Seguros Generales	158.5	143.0	10.8%
MAPFRE Guanarteme	58.9	50.1	17.6%
MAPFRE Finisterre	188.8	51.3	268.0%
COMMERCIAL INSURANCE OPERATING UNIT	338.3	175.1	93.2%
MAPFRE Industrial	174.9	140.0	24.9%
MAPFRE Caución y Crédito	39.5	35.1	12.5%
MUSINI, S.A	123.9	--	--
MAPFRE Caja Salud	316.6	277.0	14.3%
TOTAL	1,604.8	1,192.0	34.6%

Total written and accepted premiums figures include those of the Portuguese branches of MAPFRE VIDA (€9.4 million, a 25.0% increase) and MAPFRE CAUCIÓN Y CREDITO (€2.1 million, a 26.7% increase).

The following table shows a breakdown of written and accepted premiums by line of business:

WRITTEN AND ACCEPTED PREMIUMS			
	Million euros		
	31.03.04	31.03.03	% Var. 04/03
Motor (MAPFRE Guanarteme).....	42.0	36.0	16.7%
Health	316.6	277.0	14.3%
Other Non-life	672.5	382.2	76.0%
TOTAL NON-LIFE	1,031.1	695.2	48.3%
Life Risk	62.3	51.6	20.7%
Life Savings	511.4	445.2	14.9%
TOTAL LIFE	573.7	496.8	15.5%
TOTAL	1,604.8	1,192.0	34.6%

The following table shows a breakdown of premiums written and accepted by the main subsidiaries through the Agents channel and the Caja Madrid bank channel:

WRITTEN AND ACCEPTED PREMIUMS			
	Million euros		
	31.03.04	31.03.03	% Var. 04/03
AGENTS CHANNEL	1,269.5	889.9	42.7%
MAPFRE Vida	244.8	226.4	8.1%
MAPFRE Seguros Generales	386.5	226.9	70.3%
MAPFRE Industrial	168.0	135.3	24.2%
MAPFRE Caja Salud	302.1	266.2	13.5%
MAPFRE Caución y Crédito	39.3	35.1	12.0%
MUSINI, S.A	123.9	--	--
MUSINI Vida	4.9	--	--
CAJA MADRID BANK CHANNEL.....	335.3	302.1	11.0%
MAPFRE Vida	294.0	269.1	9.3%
MAPFRE Seguros Generales	19.7	17.5	12.6%
MAPFRE Industrial	6.9	4.7	46.8%
MAPFRE Caja Salud	14.5	10.8	34.3%
MAPFRE Caución y Crédito	0.2	--	--

LIFE, SAVINGS AND INVESTMENTS OPERATING UNIT

Premiums growth over the same period of the previous year reflects primarily:

- New group business, both in savings and risk products, in the Agents channel;
- Growth in retail savings products in the Bank channel, partly due to the maturity and renewal of a product subscribed in previous years;
- Sustained growth in risk products.

The following table shows a breakdown by type of product and by distribution channel of premiums written and accepted by MAPFRE VIDA and MUSINI VIDA:

	31.03.04	31.03.03	% Var. 04/03
Regular Premiums	102.3	100.3	2.0%
- Agents Channel.....	96.9	94.2	2.9%
- Bank Channel	5.4	6.1	-11.5%
Single Premiums	379.1	343.6	10.3%
- Agents Channel	106.2	96.9	9.6%
- Bank Channel	270.8	246.7	9.8%
- Musini Vida	2.1	---	---
Life premiums - Savings	481.4	443.9	8.4%
Life premiums - Risk	62.3	51.6	20.7%
- Agents Channel	41.7	35.3	18.1%
- Bank Channel	17.8	16.3	9.2%
- Musini Vida	2.8	---	---
TOTAL PREMIUMS	543.7	495.5	9.7%
- Agents Channel	249.7	226.4	10.3%
- Bank Channel	294.0	269.1	9.3%

Figures in €million

Third-party funds under management grew 19.3% over the same period of the previous year, and 1.3% since the end of 2003 (10.5% and 1.6%, respectively, excluding MUSINI VIDA). In absolute terms, technical reserves grew comparatively less than written and accepted premiums since the end of 2003, mainly due to the maturity and renewal of a savings product in the Bank channel mentioned previously.

The following table shows a breakdown by type of product and by distribution channel of the funds managed by MAPFRE VIDA and its subsidiaries:

	31.03.04	31.03.03	% Var. 04/03
Regular premiums insurance.....	3,363.0	3,149.8	6.8%
- Agents channel.....	3,136.7	2,934.4	6.9%
- Bank channel.....	226.3	215.4	5.1%
Single premiums insurance	6,442.0	6,060.6	6.3%
- Agents channel.....	2,595.5	2,438.3	6.4%
- Bank channel.....	3,846.5	3,622.3	6.2%
Life Insurance - Risk	105.1	85.3	23.2%
- Agents channel.....	27.4	26.9	1.9%
- Bank channel.....	77.7	58.4	33.0%
MUSINI VIDA.....	1,117.1	---	---
Total Mathematical reserves	11,027.2	9,295.7	18.6%
Other reserves	207.2	150.3	37.9%
TECHNICAL RESERVES	11,234.4	9,446.0	18.9%
MUTUAL FUNDS	2,406.2	1,967.8	22.3%
PENSIONS FUNDS	1,579.7	1,346.0	17.4%
THIRD-PARTY FUNDS UNDER MANAGEMENT	15,220.3	12,759.8	19.3%
SHAREHOLDERS' EQUITY.....	429.2	385.4	11.4%
TOTAL FUNDS UNDER MANAGEMENT	15,649.5	13,145.2	19.1%
MUSINI S.A.	607.1	---	---
- Technical reserves	502.0	---	---
- Mutual funds.....	31.2	---	---
- Pensions funds	73.9	---	---
Consolidation adjustments ⁽¹⁾	-704.3	-662.3	6.3%
TOTAL FUNDS UNDER MANAGEMENT, LIFE AND SAVINGS BUSINESS	15,552.3	12,482.9	24.6%

(1) Corresponding to defined benefit pension funds entered into through Life insurance policies.

The mathematical reserves of MUSINI VIDA decreased since the end of 2003, due to the payment of rents to retirees.

GENERAL INSURANCE OPERATING UNIT

On 01/01/04, the whole portfolio of the new funeral insurance product 'Seguro Universal de Decesos' was renewed for a year. This led to a significant increase in written and accepted premiums, which will be gradually reduced over the rest of the year by accruals. This renewal does not have any impact on premiums earned, which increased by 15.3%, from €210.8 million as at 31/03/03, to €243.0 million as at 31/03/04, thanks to new business growth in most business lines.

Claims and expense ratios did not vary significantly with respect to previous quarters.

The growth of the consolidated result of MAPFRE SEGUROS GENERALES was limited by the following factors:

- During the first quarter of the previous year, MAPFRE FINISTERRE obtained gains from the early redemption of a pension savings product sold in previous years, which was not repeated in this quarter. In addition, the result of this subsidiary includes reserves for restructuring expenses of €1.6 million;
- The claims ratio of the Motor insurance business of MAPFRE GUANARTEME, increased over the first quarter of the previous year due to a larger volume of serious claims. Nevertheless, it remains very low in absolute terms.

On the other hand, the net profit is positively affected by the purchase of the stakes of minority shareholders in MAPFRE GUANARTEME carried out in 2003.

In 2004, MAPFRE FINISTERRE and ORIENTE will merge into MAPFRE SEGUROS GENERALES.

COMMERCIAL INSURANCE OPERATING UNIT

The business of the Commercial Insurance Operating Unit evolved very favourably during the first quarter of the year, with a significant increase in its business volumes. It is worth highlighting that this Unit won the insurance programs of the Telefónica Group globally, as well as the policies of Spanair and Trasmediterránea.

Claims ratios decreased with respect to the same period of the previous year, particularly in the case of MAPFRE CAUCIÓN Y CRÉDITO.

MUSINI, S.A. and MUSINI VIDA, which were acquired in the last quarter of 2003, obtained a net profit of €5.5 million during the first quarter of 2004, which, after the share of minority shareholders in MAPFRE CAJA MADRID HOLDING and the amortisation of goodwill, translated into a €2.5 million contribution to the net profit of CORPORACIÓN MAPFRE after taxes and minorities.

MAPFRE CAJA SALUD

The increase in the volume of premiums reflects primarily strong growth in new group business.

The result remained stable, due to a slight pick up in the claims ratio, and to expenses related with IT investments and the wider presence in new provinces.

Magazine 'Actualidad Económica' selected the insurance policy for the self-employed sold by MAPFRE CAJA SALUD as one of the 100 Best Business Ideas of 2003.

> **Companies operating primarily abroad**

Premiums written by Units and Companies whose activity is primarily international evolved as follows:

CONSOLIDATED PREMIUMS			
	Million euros		
	31.03.04	31.03.03	% Var. 04/03
<u>DIRECT INSURANCE</u>			
<u>MAPFRE AMERICA (Countries)</u>			
Argentina	45.4	32.5	39.7%
Brazil	69.7	50.0	39.4%
Chile	18.7	13.7	36.5%
Colombia	10.5	9.6	9.4%
El Salvador	7.4	8.3	-10.8%
Mexico	75.7	87.9	-13.9%
Paraguay	1.8	1.5	20.0%
Peru	5.8	5.2	11.5%
Puerto Rico	51.0	50.1	1.8%
Uruguay.....	2.1	2.0	5.0%
Venezuela	52.5	40.0	31.3%
Subtotal	340.6	300.8	13.2%
<u>OTHER COUNTRIES</u>			
MAPFRE ASIAN (The Philippines)	2.6	2.0	30.0%
Total Direct Insurance	343.2	302.8	13.3%
<u>ACCEPTED REINSURANCE (REINSURANCE OPERATING UNIT)</u>	274.9	200.0	37.5%
<u>ASSISTANCE (ASSISTANCE OPERATING UNIT)</u>	36.8	31.3	17.6%
TOTAL CUMULATIVE PREMIUMS	654.9	534.1	22.6%
Intra-group transactions eliminated upon consolidation.....	-110.2	-89.5	23.1%
TOTAL CONSOLIDATED PREMIUMS	544.7	444.6	22.5%

The breakdown by business line of the direct insurance premiums written by the Units and Companies whose activity is primarily international is shown in the following table:

WRITTEN PREMIUMS			
	Million euros		
	31.03.04	31.03.03	% Var. 04/03
Motor	175.7	163.7	7.3%
Health and accidents	47.7	31.3	52.4%
Other Non-Life	108.8	96.5	12.7%
TOTAL NON-LIFE	332.2	291.5	14.0%
TOTAL LIFE	11.0	11.3	-2.7%
TOTAL	343.2	302.8	13.3%

MAPFRE AMÉRICA

The business activities and results of the direct insurance subsidiaries of MAPFRE AMÉRICA evolved very positively, reflecting:

- Strong premium growth in most subsidiaries, due, among other reasons, to: their good image in their respective markets; the widening of the distribution network; and economic recovery in some countries;
- The decrease in the claims and expense ratios, which confirms the tendency observed in 2003.

Financial income decreased with respect to the same period of the previous year, mainly due to lower interest rates.

The appreciation of the euro against local currencies and the US dollar limited the growth rates of premiums and results expressed in euros, albeit to a comparatively lesser extent than in the same period of the previous year. The following table shows a comparison of premiums growth rates both in euros and in local currency:

Country	Company	Premiums growth	
		€	Local Currency
Argentina	MAPFRE ARGENTINA	39.7%	46.0%
Brazil	MAPFRE VERA CRUZ	39.4%	31.5%
Colombia	MAPFRE S.G. COLOMBIA	9.4%	14.0%
Chile	MAPFRE S.G. CHILE	36.5%	26.1%
El Salvador	LA CENTRO AMERICANA	-10.8%	2.2%
Mexico	MAPFRE TEPEYAC	-13.9%	0.0%
Paraguay	MAPFRE PARAGUAY	20.0%	13.0%
Peru	MAPFRE PERU	11.5%	25.9%
Puerto Rico	MAPFRE USA	1.8%	16.2%
Uruguay	MAPFRE URUGUAY	5.0%	18.0%
Venezuela	MAPFRE LA SEGURIDAD	31.3%	67.4%

MAPFRE RE

Premiums grew over 30%, on the back of the new business accepted in the recent renewal campaign.

The claims ratio decreased with respect to the same period of the previous year, reflecting the continuation of sufficient technical conditions and a low incidence of catastrophe claims.

The contribution to the equalisation reserve was €10.2 million, against €1.5 million for the same period of the previous year.

The tax rate decreased, primarily due to the payment of donations to foundations.

MAPFRE ASISTENCIA

Business volumes increased significantly in local currency, although the depreciation of the US dollar still limits growth rates in euros. Subsidiaries ROAD AMERICA and NUOVI SERVIZI AUTO, acquired in 2003, contributed, respectively, €5.3 million and €3.7 million to total revenues, and €0.3 million and €0.6 million to the consolidated result before amortisation of goodwill, taxes and minorities.

The net result did not vary with respect to the previous year, primarily due to higher goodwill amortisation charges and to interest expenses related with the increase in the level of indebtedness.

After the close of the quarter, MAPFRE ASISTENCIA signed an agreement with hotel group SOL MELIÁ, by virtue of which it acquired 50% of the share capital and took control of the management of MELIATOUR, the hotel group's tour operator. Through this agreement, both parties wish to promote the business development of MELIATOUR, as well as the sale of the hotel services of SOL MELIÁ.

The following table shows the variations in the results of subsidiaries with respect to the same period of the previous year:

RESULTS OF SUBSIDIARY COMPANIES				
(Million euros)				
	Before tax, minority interests, and amortisation of goodwill and portfolio acquisition costs		After tax, minority interests, and amortisation of goodwill and portfolio acquisition costs	
	31.03.04	31.03.03	31.03.04	31.03.03
<u>FULLY CONSOLIDATED SUBSIDIARIES</u>				
<u>Companies operating primarily in Spain</u>				
LIFE OPERATING UNIT	35.5	29.0	25.3	21.1
MAPFRE Vida (1)	31.5	29.0	22.7	21.1
MUSINI Vida	4.0	--	2.6	--
GENERAL INSURANCE OPERATING UNIT	23.6	22.7	14.2	13.0
MAPFRE Seguros Generales (2).....	14.9	11.8	8.6	6.9
MAPFRE Guanarteme	5.5	5.3	4.0	3.9
MAPFRE Finisterre	3.2	4.0	1.7	2.2
COMMERCIAL INSURANCE OPERATING UNIT	18.7	10.3	11.8	6.6
MAPFRE Industrial	10.5	7.7	6.8	5.1
MAPFRE Caución y Crédito	3.5	2.6	2.1	1.5
MUSINI S.A.	4.7	---	2.9	---
<u>MAPFRE CAJA SALUD</u>	4.5	4.5	2.5	2.5
<u>Companies operating primarily abroad</u>				
MAPFRE AMÉRICA	15.7	13.6	11.8	10.0
MAPFRE ARGENTINA	1.2	1.1	0.7	1.0
MAPFRE VERA CRUZ	1.4	0.8	0.9	0.5
MAPFRE S.G. COLOMBIA	0.6	0.5	0.4	0.4
MAPFRE S.G. CHILE	0.6	0.4	0.6	0.4
LA CENTRO AMERICANA	0.5	0.5	0.4	0.4
MAPFRE TEPEYAC	2.7	5.2	2.3	5.2
MAPFRE PARAGUAY	0.2	0.0	0.1	0.0
MAPFRE PERU	0.2	0.3	0.2	0.2
MAPFRE USA	4.7	5.8	3.4	5.6
MAPFRE URUGUAY	0.1	0.2	0.1	0.2
MAPFRE LA SEGURIDAD	7.2	3.8	6.8	3.4
MAPFRE RE	14.5	10.4	10.0	7.2
MAPFRE Asistencia	2.0	1.8	1.1	1.1
Others	0.1	0.2	0.2	0.2
<u>EQUITY-ACCOUNTED SUBSIDIARIES (3)</u>				
MAPFRE INMUEBLES	3.7	3.0	2.3	1.9
GESMADRID	1.2	1.4	0.8	0.9
CAJA MADRID PENSIONES	0.4	0.3	0.2	0.2
CAJA MADRID BOLSA	0.3	0.2	0.2	0.2

(1) Includes the results of MAPFRE INVERSIÓN and MAPFRE VIDA PENSIONES, which are accounted for by the equity method.

(2) Without its subsidiary MAPFRE INDUSTRIAL, which is shown as part of the Commercial Insurance Operating Unit.

(3) Consolidated in proportion to the percentage of ownership in each company.

B3) INVESTMENTS AND FINANCING

> Rights issue

In its meeting of 6 March 2004, the Board of Directors of CORPORACIÓN MAPFRE, making use of the authorisation given to it by the General Shareholders' Meeting of 21 April 2001, approved a €500,544,764.10 million capital increase, to be carried out through the issuance of 57,336,170 new ordinary shares with a nominal value of €0.50 each, at an issuance premium of €8.23 per new share. The new shares were offered to existing shareholders through the issuance of preferential subscription rights, every 19 existing shares permitting their holder to subscribe for 6 new shares. The capital increase was announced during the General Shareholders' Meeting also held on 6 March 2004.

The prospectus for the rights issue was filed with the CNMV on 22 March 2004. After such filing, a series of investor roadshows began on that same day, which finished on 2 April 2004. During such roadshows, meetings were held with 111 investors in 23 cities of 11 European and North American countries.

The preferential rights traded from 25 March 2004 to 8 April 2004, both inclusive. During this period, the 'ex-rights' share price increased from €10.07 to €10.47, varying between a minimum closing price of €9.78, and a maximum closing price of €10.47. Trading volumes fluctuated between a minimum of 604,729 and a maximum of 2,666,699 shares per day, with an average of 1,591,150 shares traded per day, equal to over four times the daily average for the three previous months. In the same period, the rights started trading at a price of €0.41 and finished at €0.47 per right, varying between a minimum closing price of €0.32 and a maximum closing price of €0.54 per right. Trading volumes fluctuated between a minimum of 2,038,031 and a maximum of 10,801,487 rights per day, with an average volume of 6,175,509 rights traded per day.

The rights issue was fully subscribed. Majority shareholder MAPFRE MUTUALIDAD exercised all of its rights. Of the remaining new shares, 24% were subscribed for in Spain, with the following breakdown: mutual funds, 37.6%; non-financial companies, 34.7%; individual investors, 22.1%; pension funds, 2.1%; other private investors, 3.5%. The remaining 76% of the new shares were subscribed for abroad, almost entirely by institutional investors.

The funds obtained from the rights issue will be used in accordance with the guidelines announced in the prospectus for the rights issue:

- €140 million have been used to repay the debt raised in connection with the acquisitions of MUSINI, S.A. and ROAD AMERICA MOTOR CLUB, which were carried out in 2003;
- Approximately €130 million will be used to subscribe for the share of CORPORACIÓN MAPFRE in the €150 million capital increase carried out by the group's reinsurance subsidiary MAPFRE RE to support its organic growth. Of these, €126.5 million have already been disbursed on 28 April 2004, and the balance will be used to subscribe for shares that may not be taken up by other shareholders of the subsidiary;
- The remaining funds will be devoted primarily to fund the planned investment in residential homes for the elderly (MAPFRE ASISTENCIA ORO), as well as a portion of the cost of future acquisitions in the Iberian peninsula direct insurance sector.

After the completion of this rights issue, the consolidated shareholders' funds of CORPORACIÓN MAPFRE amount to approximately €1,589 million and there are 238,900,706 outstanding shares.

The new shares started trading on 23 April, and have the same voting and economic rights as existing shares.

CITIGROUP and CAJA MADRID acted as Joint Global Coordinators for the rights issue.

B4) SOCIAL RESPONSIBILITY

The Board of Directors of MAPFRE MUTUALIDAD, in its meeting held on 23 January 2004, agreed to join the United Nations' World Pact (Global Compact), therefore undertaking to ensure that all its companies, including CORPORACIÓN MAPFRE, develop and support the nine principles of this pact concerning the respect for Human Rights, Labour Rights and Environmental Protection.

MAPFRE has gone up three positions, being ranked 11th, in the MERCO (Spanish Monitor of Corporate Reputation, 'Monitor Español de Reputación Corporativa') 2004 general ranking, which selects every year the Spanish companies with the highest prestige and best corporate image. MAPFRE was once again selected as the highest ranking company in the insurance sector and it also was included by the managers of NGOs among the five best companies in terms of environmental and social management.

B5) PERSONNEL

As at 31 March 2004, CORPORACIÓN MAPFRE and its subsidiaries employed 14,478 people (5,835 in Spain and 8,643 in other countries), an increase of 1,210 people with respect to the previous year.

B6) SISTEMA MAPFRE RESULTS

CORPORACIÓN MAPFRE is a subsidiary of MAPFRE MUTUALIDAD, the leading Motor insurer in Spain, which owns 55.2% of its share capital. Together with their respective subsidiaries they form SISTEMA MAPFRE, which in the first quarter of 2004 recorded total revenues of €3,166.8 million, a 22.0% increase over the previous year. During the first quarter of the previous year, the group booked a non-recurring €34.3 million pre-tax gain from the sale of a building in Barcelona. The result after-tax increased 1.7%. Excluding the non-recurring gain mentioned above, it increased 25.9%.

The consolidated profit and loss account of SISTEMA MAPFRE is shown in the following table:

RESULTS OF SISTEMA MAPFRE			
	31.03.04	31.03.03	% Var. 04/03
Direct Insurance and Accepted Reinsurance			
Gross written premiums	2,753.4	2,178.7	26.4%
Unearned premiums and claims reserve	-628.1	-393.0	59.8%
Claims and other technical expenses	-2,043.1	-1,745.6	17.0%
Result, accepted and retroceded reinsurance	-98.8	-59.0	67.5%
Investment results	237.6	227.1	4.6%
Net other technical income	-24.8	-20.1	23.4%
Result, non-technical account	-10.2	-8.7	17.2%
Result before taxes and minorities	186.0	179.4	3.7%
Taxes	-50.4	-46.0	9.6%
Result after tax	135.6	133.4	1.6%

Figures in € million

C) BASIS OF PRESENTATION AND VALUATION CRITERIA

The same accounting principles, criteria and policies, which were applied in the latest annual accounts, and conform to the requirements of the current regulation applicable to the company, have been followed.

D) DIVIDENDS DISTRIBUTED DURING THE PERIOD

		% based on nominal	Euros per Share	Amount (€'000)
1. Ordinary Shares	3100	20	0.10	18,156
2. Preferred Shares	3110	----	----	----
3. Non-voting Shares	3120	----	----	----

Further information on dividend payments (interim, supplementary, etc.):

Supplementary dividend paid out of the results for fiscal year 2003 on 18 March 2004.
Shares numbered 1 to 181,564,536, both inclusive, collected €0.10 gross per share.