

**QUARTERLY INFORMATION  
(INTERIM DECLARATION OR QUARTERLY FINANCIAL REPORT)**

QUARTER: **Third**

YEAR: **2008**

END OF REPORTING PERIOD: **30/09/2008**

**I. ISSUER IDENTIFICATION INFORMATION**

<b>Corporate name:</b>	MAPFRE, S.A.
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<b>Legal address:</b>	Paseo de Recoletos, 25. 28004 MADRID	<b>TAX ID</b>
		A-08055741

**II. COMPLEMENTARY INFORMATION TO PREVIOUSLY RELEASED REGULATORY FILINGS**

**Explanation of the main changes with respect to previously filed information:  
(only to be completed for those conditions stipulated in section B) of the instructions)**

### III. INTERIM DECLARATION

#### OPERATING REVENUES AND FUNDS UNDER MANAGEMENT

Direct insurance and accepted reinsurance premiums written by the subsidiaries of the Company amounted to €11,263.7 million in the first nine months of 2008, a 13.5% increase. Consolidated premiums totalled €10,668.1 million, a rise of 13.9%. Total operating revenues reached €13,378.6 million, including €321.9 million of new gross contributions to pension funds. The breakdown of these revenues by business line is shown in the following table:

	9M 2008	9M 2007	% 08/07
<b>Companies operating mainly in Spain</b>	<b>7,724.7</b>	<b>7,328.1</b>	5.4%
- Gross written and accepted premiums	5,965.9	5,821.3	2.5%
- Income from investments	1,245.2	1,040.8	19.6%
- Other revenues	513.6	466.0	10.2%
<b>Companies operating mainly abroad</b>	<b>5,390.6</b>	<b>3,994.4</b>	35.0%
- Gross written and accepted premiums	4,702.2	3,546.3	32.6%
- Income from investments	551.2	346.7	59.0%
- Other revenues	137.2	101.4	35.3%
<b>Parent company</b>	<b>488.0</b>	<b>180.5</b>	170.4%
<b>TOTAL REVENUES</b>	<b>13,603.3</b>	<b>11,503.0</b>	18.3%
Consolidation adjustments and other companies	-546.6	-319.3	71.2%
<b>TOTAL CONSOLIDATED REVENUES</b>	<b>13,056.7</b>	<b>11,183.7</b>	16.7%
Gross contributions to pension funds	321.9	188.2	71.0%
<b>TOTAL REVENUES FROM OPERATIONS</b>	<b>13,378.6</b>	<b>11,371.9</b>	17.6%

*Figures in million euros*

In the first nine months of 2008, both the total cumulative and total consolidated revenues exceeded the figures for the previous year, having grown 18.3% and 16.7%, respectively, as a consequence of the following factors:

- Organic growth in premiums volumes.

- Consolidation of the companies in which the Group has acquired a stake (BANKINTER VIDA, CCM VIDA Y PENSIONES, UNION DUERO and DUERO PENSIONES, THE COMMERCE GROUP and GENEL SIGORTA) or absorbed (MUTUA VALENCIANA AUTOMOVILISTA).
- The evolution of the Euro, which in the third quarter has depreciated against the US Dollar and the Turkish Lira.
- Notable increase in financial income, which include the gains generated by the operations connected with the reorganisation of the structure of the alliance with CAJA MADRID.

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

	<b>9M 2008</b>	9M 2007	% Var. 08/07
Life assurance technical reserves	16,767.8	16,414.3	2.2%
Pension funds	3,435.4	2,731.5	25.8%
Mutual funds and managed portfolios	3,222.0	4,119.7	-21.8%
<b>TOTAL</b>	<b>23,425.2</b>	<b>23,265.5</b>	0.7%

*Figures in million euros*

Excluding the effect of the adjustments arising from the change in the market value of the assets backing Life assurance technical reserves, funds under management would have grown 2.5%.

## Spain

Direct insurance and accepted reinsurance premiums written by the companies that operate primarily in Spain reached €5,965.9 million, to which €321.9 million of new gross contributions to pension funds must be added, with the following breakdown by company:

	9M 2008	9M 2007	% 08/07
MOTOR INSURANCE <sup>(1)</sup>	1,925.6	1,857.6	3.7%
GENERAL INSURANCE <sup>(1)</sup>	930.5	867.2	7.3%
HEALTH INSURANCE	469.0	427.7	9.7%
AGRICULTURAL & LIVESTOCK INSURANCE	188.5	179.2	5.2%
COMMERCIAL INSURANCE	1,130.4	1,058.0	6.8%
<b>NON-LIFE INSURANCE IN SPAIN</b>	<b>4,644.0</b>	<b>4,389.7</b>	<b>5.8%</b>
LIFE SAVINGS	1,396.8	1,525.2	-8.4%
Agents channel	786.9	668.4	17.7%
Bank channel - CAJA MADRID	435.9	803.9	-45.8%
Bank channel - Other <sup>(2)</sup>	174.0	52.9	---
LIFE PROTECTION	265.6	238.4	11.4%
Agents channel	127.9	128.6	-0.5%
Bank channel - CAJA MADRID	93.9	100.6	-6.7%
Bank channel - Other <sup>(2)</sup>	43.8	9.2	---
<b>LIFE ASSURANCE IN SPAIN<sup>(2)</sup></b>	<b>1,662.4</b>	<b>1,763.6</b>	<b>-5.7%</b>
<b>TOTAL CUMULATIVE PREMIUMS</b>	<b>6,306.4</b>	<b>6,153.3</b>	<b>2.5%</b>
Consolidation adjustments	-340.5	-332.0	2.6%
<b>TOTAL PREMIUMS</b>	<b>5,965.9</b>	<b>5,821.3</b>	<b>2.5%</b>
<b>Gross contributions to pension funds</b>	<b>321.9</b>	<b>188.2</b>	<b>71.0%</b>

*Figures in million euros*

(1) The business from the former MVA and MAPFRE SEGUROS GENERALES' Motor Insurance business in the Canary Islands are included in MAPFRE AUTOMÓVILES; and the branches in Portugal of MAPFRE VIDA and MAPFRE EMPRESAS are included in MAPFRE SEGUROS GERAIS (MAPFRE INTERNACIONAL).

(2) Includes BANKINTER VIDA and CCM VIDA Y PENSIONES, companies integrated on 30<sup>th</sup> June 2007 and UNIOIN DUERO VIDA, company consolidated from 1.7.2008 onwards.

The following aspects must be noted:

- MAPFRE has continued to grow more than the rest of the Spanish market in the main lines of Non-Life insurance, which has resulted in an increase of 0.6% in its market share, rising to 18.9%<sup>(1)</sup>.

<sup>1</sup> Own calculation based on the figures published by ICEA on 23rd October 2008.

- MAPFRE FAMILIAR:
  - MOTOR INSURANCE UNIT: the increase in issuance exceeds by 1.3 percentage points the growth for the market<sup>(2)</sup>, despite the significant decline in the sale of vehicles. During the first nine months of the year, the number of vehicles insured recorded a net increase of 29.000 units.
  - The development of premiums at the GENERAL INSURANCE OPERATING UNIT reflects a favourable sales performance, which has mitigated the impact of the slowdown in the demand from those segments linked to mortgages.
  - The increase in premiums at MAPFRE CAJA SALUD has been driven mainly by the Health Assistance group business and by the Expense Reimbursement line.
  
- The development of premiums at the COMMERCIAL INSURANCE OPERATING UNIT reflects mainly the growth of the Global Risks (international business) and the Credit lines, which have mitigated the slowdown in demand in the Engineering and Third-party Liability lines.
  
- The evolution of Life assurance premiums reflects:
  - the excellent performance of the agents channel, thanks to the larger issuance of retail single premium savings products and the launch of new products linked to money markets and the US Dollar;
  - the comparatively smaller volumes through the CAJA MADRID channel, due to timing differences in the execution of sales campaigns;
  - the good development of premium issuance at BANKINTER VIDA and CCM VIDA Y PENSIONES;
  - the winning of large corporate operations for €73.7 million;
  - and the consolidation of UNION DUERO VIDA from 1<sup>st</sup> July 2008.

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<sup>2</sup> Own calculation based on the figures published by ICEA on 23rd October 2008. Market growth calculated eliminating the figures for MAPFRE

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

	AGENTS AND OTHER			BANK CHANNEL			TOTAL		
	9M 2008	9M 2007	Var. %	9M 2008	9M 2007	Var. %	9M 2008	9M 2007	Var. %
LIFE <sup>(1)</sup>	841.1	713.1	17.9%	747.6	966.6	-22.7%	1,588.7	1,679.7	-5.4%
MOTOR <sup>(2)</sup>	1,886.3	1,826.2	3.3%	39.3	31.4	25.2%	1,925.6	1,857.6	3.7%
GENERAL INSURANCE <sup>(2)</sup>	840.7	775.8	8.4%	89.8	91.4	-1.8%	930.5	867.2	7.3%
AGRICULTURAL & LIVESTOCK	188.2	178.9	5.2%	0.3	0.3	0.0%	188.5	179.2	5.2%
HEALTH	442.4	403.4	9.7%	26.6	24.3	9.5%	469.0	427.7	9.7%
COMMERCIAL INSURANCE <sup>(2)</sup>	1,114.7	1,036.0	7.6%	15.7	22.0	-28.6%	1,130.4	1,058.0	6.8%
NON-LIFE	4,472.3	4,220.4	6.0%	171.7	169.3	1.4%	4,644.0	4,389.7	5.8%
LIFE <sup>(1)</sup>									
MAPFRE VIDA - Large corporate operations							73.7	83.9	-12.2%
Consolidation adjustments							-340.5	-332.0	---
<b>TOTAL<sup>(1)</sup></b>	<b>5,313.4</b>	<b>4,933.5</b>	<b>7.7%</b>	<b>919.3</b>	<b>1,135.9</b>	<b>-19.1%</b>	<b>5,965.9</b>	<b>5,821.3</b>	<b>2.5%</b>

Figures in million euros

- (1) Includes BANKINTER VIDA and CCM VIDA Y PENSIONES, which were integrated on 30.6.2007, and UNION DUERO and DUERO PENSIONES, integrated from 1.7.2008 onwards.
- (2) The business from the former MVA and MAPFRE SEGUROS GENERALES' Motor Insurance business in the Canary Islands are included in MAPFRE AUTOMÓVILES; and the branches in Portugal of MAPFRE VIDA and MAPFRE EMPRESAS are included in MAPFRE SEGUROS GERAIS (MAPFRE INTERNACIONAL).

Other revenues from companies that operate primarily in Spain reached €513.6 million, an increase of 10.2% over the previous year. Their breakdown by company is shown in the following table:

	9M 2008	9M 2007	% 08/07
MAPFRE INVERSIÓN and subsidiaries	76.4	87.8	-13.0%
MAPFRE INMUEBLES	48.7	30.1	61.8%
MAPFRE QUAVITAE	89.7	89.4	0.3%
Other entities	298.8	258.6	15.5%
<b>TOTAL</b>	<b>513.6</b>	<b>466.0</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 €76.4 million, a 13% decrease over the first nine months of 2007. The volume of assets in mutual funds and managed portfolios stood at €3,222 million, equivalent to a 21.8% decrease, and assets managed in pension funds reached €1,512 million, a 2.2% decrease.

The increase in "Others" reflects primarily the growth in the business volume of the subsidiaries of MAPFRE AUTOMÓVILES operating in vehicle financing and car dealerships.

## International

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

	<b>9M 2008</b>	9M 2007	% 08/07
Life	575.8	493.9	16.6%
LATIN AMERICA <sup>(1)</sup>	545.1	467.7	16.5%
OTHER COUNTRIES <sup>(2)</sup>	30.7	26.2	17.2%
Non-life	2,788.4	1,830.3	52.3%
LATIN AMERICA <sup>(1)</sup>	2,095.8	1,716.8	22.1%
OTHER COUNTRIES <sup>(2)</sup>	692.6	113.5	---
<b>DIRECT INSURANCE</b>	<b>3,364.2</b>	<b>2,324.2</b>	<b>44.7%</b>
ACCEPTED REINSURANCE	1,355.3	1,206.6	12.3%
ASSISTANCE	237.8	236.9	0.4%
<b>TOTAL CUMULATIVE PREMIUMS</b>	<b>4,957.3</b>	<b>3,767.7</b>	<b>31.6%</b>
Consolidation adjustments	-255.1	-221.3	15.3%
<b>TOTAL CONSOLIDATED PREMIUMS<sup>(3)</sup></b>	<b>4,702.2</b>	<b>3,546.4</b>	<b>32.6%</b>

*Figures in million euros*

- (1) Includes the consolidated figures for holding company MAPFRE AMÉRICA, company merged with MAPFRE AMÉRICA VIDA with retroactive effect from 1.1.2008.
- (2) Includes THE COMMERCE GROUP and MAPFRE USA (USA), MAPFRE INSULAR (the Philippines), GENEL SIGORTA (Turkey) and the businesses in Portugal.

The solid 20.9% increase in premiums at MAPFRE AMERICA (as a result of a 22.1% increase in Non-Life and a 16.5% increase in Life) came mainly from retail business distributed through the regional network, as well as from the development of new distribution channels. Growth in Non-Life in Mexico and Life in Brazil has been affected by the non-renewal of some corporate accounts.

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
	9M 2008	9M 2007	% 08/07	Currency % 08/07
BRAZIL <sup>(1)</sup>	1,055.2	879.4	20.0%	16.2%
VENEZUELA	315.1	219.9	43.3%	61.6%
MEXICO	313.7	317.7	-1.3%	7.8%
ARGENTINA	279.5	233.7	19.6%	33.1%
PUERTO RICO	232.3	206.5	12.5%	27.3%
OTHER COUNTRIES <sup>(2)</sup>	445.1	327.3	36.0%	---
<b>MAPFRE AMÉRICA</b>	<b>2,640.9</b>	<b>2,184.5</b>	<b>20.9%</b>	<b>---</b>

*Figures in million euros*

(1) Figures for Brazil for 9M08 include premiums from MAPFRE NOSSA CAIXA of €134.2 million (€106 million in 9M07).

(2) Includes Chile, Colombia, the Dominican Republic, Ecuador, El Salvador, Paraguay, Peru and Uruguay.

The INTERNATIONAL OPERATING UNIT obtained a total premiums volume of €723.3 million:

- the business activities in Portugal booked premiums written of €111.7 million, equivalent to a 0.8% decrease.
- the premiums contributed by GENEL SIGORTA (Turkey), consolidated as of 30.9.2007, and THE COMMERCE GROUP (USA), consolidated from 31.5.2008, amounted to €181.9 million and €400.5 million, respectively.

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

COUNTRY	PREMIUMS (LIFE AND NON-LIFE)		
	9M 2008	9M 2007	% 08/07
USA <sup>(1)</sup>	411.9	10.6	---
TURKEY	181.9	---	---
PORTUGAL	111.7	112.6	-0.8%
PHILIPPINES	17.8	16.5	7.9%
<b>MAPFRE INTERNACIONAL OPERATING UNIT</b>	<b>723.3</b>	<b>139.7</b>	<b>---</b>

*Figures in million euros*

(1) Includes THE COMMERCE GROUP and MAPFRE USA. Does not include Puerto Rico.

In the accepted reinsurance business, MAPFRE RE and its subsidiaries recorded a consolidated volume of premiums of €1,355.3 million (€1,206.6 million in the first nine months of 2007), a 12.3% increase. Growth reflects the development of the European offices, the expansion in Asia, the inclusion of premiums from GENEL SIGORTA and THE COMMERCE GROUP, as well as the growth of business coming from MAPFRE AMÉRICA.

The total revenues (premiums and revenues from the sale of services) of MAPFRE ASISTENCIA and its subsidiaries reached €331.1 million, a 1.6% increase over the previous year. Of these, €237.8 million corresponded to written and accepted premiums, with a 0.4% rise, and €93.3 million to revenues from services, a 4.8% increase.

## MANAGEMENT RATIOS

In Non-life lines, the consolidated combined ratio was 93.0%, virtually the same as in the previous year. 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>	
	9M 2008	9M 2007	9M 2008	9M 2007	9M 2008	9M 2007
<b>MAPFRE S.A. consolidated</b>	<b>23.9%</b>	24.0%	<b>69.1%</b>	68.9%	<b>93.0%</b>	92.9%
<b>Companies operating primarily in Spain</b>						
MOTOR INSURANCE OP. UNIT	<b>14.3%</b>	15.2%	<b>74.8%</b>	74.6%	<b>89.1%</b>	89.8%
GENERAL INSURANCE OP. UNIT	<b>25.7%</b>	26.0%	<b>58.3%</b>	63.3%	<b>84.0%</b>	89.3%
HEALTH	<b>19.6%</b>	16.5%	<b>75.2%</b>	77.6%	<b>94.8%</b>	94.1%
AGRICULTURAL AND LIVESTOCK	<b>21.0%</b>	20.7%	<b>73.6%</b>	75.7%	<b>94.6%</b>	96.4%
COMMERCIAL INSURANCE OP. UNIT <sup>(4)</sup>	<b>19.7%</b>	20.4%	<b>65.0%</b>	63.3%	<b>84.7%</b>	83.7%
<b>TOTAL NON-LIFE SPAIN</b>	<b>18.2%</b>	18.5%	<b>70.2%</b>	71.3%	<b>88.4%</b>	89.8%
LIFE ASSURANCE OP. UNIT <sup>(5)</sup>	<b>0.9%</b>	0.8%				
<b>Companies operating primarily abroad</b>						
MAPFRE AMÉRICA	<b>34.1%</b>	34.7%	<b>68.6%</b>	66.9%	<b>102.7%</b>	101.6%
INTERNATIONAL OP. UNIT	<b>25.4%</b>	29.4%	<b>69.8%</b>	70.0%	<b>95.2%</b>	99.4%
<b>INT'L. DIRECT INSURANCE DIVISION</b>	<b>32.1%</b>	34.3%	<b>68.9%</b>	67.1%	<b>101.0%</b>	101.4%
REINSURANCE	<b>29.2%</b>	31.1%	<b>65.2%</b>	61.2%	<b>94.4%</b>	92.3%
ASSISTANCE	<b>25.3%</b>	26.4%	<b>68.5%</b>	66.1%	<b>93.8%</b>	92.5%

- (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) Given their importance, the net revenues from the risk classification activities of the credit and surety business are added to the numerator of the expense ratio.
- (5) Net operating expenses / average third party funds under management (annualised ratio). Figures for MAPFRE VIDA.

## **RESULTS**

The net consolidated result (after tax) amounted to €781.5 million (€670.3 million for 9M2007), a 16.6% increase; and the net result attributable to the parent company (after minority interests) reached €715.6 million, a 41.6% increase.

The following table shows the sources and breakdown of results:

	9M 2008	9M 2007	% Var.
<b>NON-LIFE INSURANCE AND REINSURANCE</b>			
Gross written and accepted premiums	8,354.9	7,058.8	18.4%
Premiums earned, net of ceded and retroceded reinsurance	6,669.9	5,628.1	18.5%
Net claims incurred and variation in other technical provisions	-4,610.7	-3,875.9	19.0%
Operating expenses, net of reinsurance	-1,556.3	-1,296.4	20.0%
Other technical income and expenses	-35.3	-55.9	-36.9%
Technical result	467.6	399.9	16.9%
Net financial income	401.5	387.2	3.7%
<b>Result of Non-life business</b>	<b>869.1</b>	<b>787.1</b>	<b>10.4%</b>
<b>LIFE ASSURANCE AND REINSURANCE</b>			
Gross written and accepted premiums	2,313.2	2,308.9	0.2%
Premiums earned, net of ceded and retroceded reinsurance	2,191.5	2,181.4	0.5%
Net claims incurred and variation in other technical provisions	-2,283.1	-2,226.8	2.5%
Operating expenses, net of reinsurance	-353.5	-308.1	14.7%
Other technical income and expenses	-5.8	-7.8	-25.6%
Technical result	-450.9	-361.3	24.8%
Net financial income	702.4	504.6	39.2%
Unrealised gains and losses in Unit Linked products	-29.4	3.6	---
<b>Result of Life business</b>	<b>222.1</b>	<b>146.9</b>	<b>51.2%</b>
<b>OTHER BUSINESS ACTIVITIES</b>			
Operating income	429.7	385.6	11.4%
Operating expenses	-431.2	-345.6	24.8%
Net financial income	-2.2	-24.3	-90.9%
Results from minority shareholdings	2.8	11.0	-74.5%
Other net income	-1.6	-0.3	---
<b>Results from other business activities</b>	<b>-2.5</b>	<b>26.4</b>	<b>-109.5%</b>
<b>Result before tax and minority shareholders</b>	<b>1,088.7</b>	<b>960.4</b>	<b>13.4%</b>
Taxes	-307.2	-290.1	5.9%
<b>Result after tax</b>	<b>781.5</b>	<b>670.3</b>	<b>16.6%</b>
Result after tax from discontinued operations	-0.9	0.0	---
<b>Result for the year</b>	<b>780.6</b>	<b>670.3</b>	<b>16.5%</b>
Result attributable to minority shareholders	-65.0	-165.1	-60.6%
<b>Result attributable to the controlling Company</b>	<b>715.6</b>	<b>505.2</b>	<b>41.6%</b>

*Figures in million euros*

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

	Net Result	Minority interests	Contribution to consolidated result 9M 2008	Contribution to consolidated result 9M 2007
<b>INSURANCE ACTIVITIES</b>				
MOTOR <sup>(1)</sup>	234.0		<b>234.0</b>	227.2
LIFE AND SAVINGS <sup>(2)</sup>	122.3	-2.7	<b>119.6</b>	52.5
GENERAL INSURANCE	120.6		<b>120.6</b>	44.7
COMMERCIAL INSURANCE	79.1		<b>79.1</b>	36.4
HEALTH	28.3		<b>28.3</b>	7.7
AGRICULTURAL & LIVESTOCK	8.6		<b>8.6</b>	7.2
<b>OTHER ACTIVITIES</b>				
MAPFRE INMUEBLES	-20.5		<b>-20.5</b>	2.3
MAPFRE QUAVITAE	-0.9	0.4	<b>-0.5</b>	-0.3
BANCO DE S.F. CAJA MADRID - MAPFRE			<b>2.9</b>	3.1
Other companies and consolidation adjustments				-4.7
<b>COMPANIES OPERATING MAINLY IN SPAIN</b>			<b>572.1</b>	376.1
<hr/>				
MAPFRE AMÉRICA <sup>(3)</sup>	74.6	-8.3	<b>66.3</b>	58.8
MAPFRE RE	77.1	-6.6	<b>70.5</b>	61.3
ASSISTANCE OPERATING UNIT	9.4		<b>9.4</b>	7.1
INTERNATIONAL OP. UNIT <sup>(4)</sup>	12.8	-1.5	<b>11.3</b>	6.3
			<b>157.5</b>	133.5
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<b>COMPANIES OPERATING MAINLY ABROAD</b>				
Other companies and consolidation adjustments			<b>-14.0</b>	-4.4
<b>MAPFRE S.A.<sup>(1)</sup></b>			<b>715.6</b>	505.2

Figures in million euros

- 1) The 2008 figures for MAPFRE AUTOMÓVILES include the items corresponding to the former MVA and MAPFRE SEGUROS GENERALES' Motor Business in the Canary Islands.
- 2) Includes BANKINTER VIDA and CCM VIDA Y PENSIONES, UNION DUERO VIDA and DUERO PENSIONES.
- 3) Figures for 9M2007 include MAPFRE AMERICA VIDA, which has been absorbed by MAPFRE AMERICA, with retroactive effect from 1<sup>st</sup> January 2008.
- 4) Includes THE COMMERCE GROUP (USA), MAPFRE USA, MAPFRE INSULAR (the Philippines), GENEL SIGORTA (Turkey) and the businesses in Portugal.

## EQUITY

The net consolidated equity stood at €5,936.8 million, compared to €5,586.4 million as at 30.9.2007. Of said amount, €864.1 million corresponded to minority interests in subsidiaries. Consolidated equity per share amounted to €1.90 at the end of the first nine months of 2008 (€1.89 as at 30.9.2007).

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

	2008		2007
	9M	6M	9M
<b>BALANCE AS AT PRIOR YEAR END</b>	<b>5,614.4</b>	<b>5,614.4</b>	<b>5,054.3</b>
Additions and deductions accounted for directly in equity			
Investments available for sale	-656.1	-754.9	-412.3
Translation adjustments	-2.7	-137.6	-9.5
Shadow accounting	251.4	407.5	360.9
TOTAL	-407.4	-485.0	-61.0
Result for the period	780.6	576.5	670.3
Distribution of previous year's result	-203.1	-203.1	-174.4
Interim dividend for the year	---	---	---
Other items	152.3	78.9	97.2
<b>BALANCE AS AT PERIOD END</b>	<b>5,936.8</b>	<b>5,581.7</b>	<b>5,586.4</b>

*Figures in million euros*

Shareholders' equity has increased €355.1 million versus 30.6.2008, due to:

- the notable decrease of negative translation adjustments
- the moderate impact of the global financial crisis on the valuation adjustments reserve of available for sale assets
- the accumulated result for the period
- the capitalisation of a €50 million loan given by CAJA MADRID to MAPFRE INTERNACIONAL

## **ACQUISITIONS, PROJECTS AND DISPOSALS**

During the first nine months of the year, the following operations were carried out:

### **Acquisitions and disposals linked to the process aimed at defining the new structure of the alliance with CAJA MADRID**

- Undertaken by the Group's parent company:
  - Acquisition of a shareholding in MAPFRE – CAJA MADRID HOLDING DE ENTIDADES ASEGURADORAS through the payment of €464.3 million
  - Sale to CORPORACIÓN FINANCIERA CAJA MADRID of the holdings in GESMADRID, CAJA MADRID BOLSA and CAJA MADRID PENSIONES, for a price of €114.4 million
  
- Undertaken by MAPFRE VIDA:
  - Sale to CORPORACIÓN FINANCIERA CAJA MADRID of a shareholding in GESMUSINI SERVICIOS (which has changed its name to MAPFRE – CAJA MADRID VIDA) for a price of €33.2 million. Subsequently, this subsidiary has carried out a capital increase of €222.6 million, which was wholly subscribed by CORPORACIÓN FINANCIERA CAJA MADRID

### **Other acquisitions carried out by the Group Parent Company**

During the third quarter the Group Parent Company subscribed a capital increase undertaken by its subsidiary MAPFRE INTERNACIONAL through the capitalisation of a loan for €400 million, of which it had lent 87.5% of this amount.

As part of the agreement between MAPFRE and CAJA DUERO to jointly develop, sell and distribute Life assurance and pension plans through the branch network of said Savings Bank, stakes of 50% each have been acquired in UNION DUERO VIDA and DUERO PENSIONES, for a total cash outlay of €105.6 million.

### **Acquisitions and disposals carried out by subsidiaries**

MAPFRE INTERNACIONAL has acquired the entire share capital of the insurance group THE COMMERCE GROUP, INC. (USA), for a total consideration of USD 2,211 million. The cost of the investment on the Balance Sheet amounts to €1,513.4 million.

MAPFRE INTERNACIONAL has subscribed a capital increase at its subsidiary MAPFRE USA for USD 32 million (€22 million).

MAPFRE AMERICA has acquired an 18.3% shareholding in its subsidiary MAPFRE DOMINICANA for €2.5 million, thereby increasing its shareholding in this company to 99.9%.

MAPFRE AMERICA has completed the acquisition of a 58.2% stake in ATLAS COMPAÑIA DE SEGUROS in Ecuador through a cash outlay of USD 6.3 million (€4.0 million).

### **DIRECT INVESTMENTS CARRIED OUT BY THE PARENT COMPANY**

Overall, the net amount of the investments made by holding company MAPFRE S.A. totalled €2,130.2 million, as shown in the following table:

<b>Company</b>	<b>Investments</b>
MAPFRE – CAJA MADRID HOLDING	464.3
CAJA MADRID BOLSA, CAJA MADRID PENSIONES, GESMADRID	(114.4)
MAPFRE INTERNACIONAL	1,673.9
UNION DUERO VIDA y DUERO PENSIONES	105.6
Other	0.8
<b>TOTAL</b>	<b>2,130.2</b>

## **Funding**

The investments detailed above were paid for with available excess cash and with the drawdown of syndicated loans.

## **INTERIM DIVIDEND**

The Board of Directors has agreed to pay an interim dividend of €0.07 against the 2008 results, an increase of 16.7% versus the previous year. As a result the total dividend paid during the year amounts to €0.14 per share, a rise of 27.3% versus the previous year.

## **Dividend reinvestment programme**

The Board of Directors of MAPFRE S.A. has today agreed to offer shareholders the possibility to reinvest the next interim dividend in newly issued shares of the company.

The dividend reinvestment plan will have the following features:

- Optional: Shareholders will continue to receive their dividends in cash, and may choose to participate in the reinvestment plan, if they so wish
- Any MAPFRE shareholder who holds at least 39 rights on the day prior to the payment of the dividend will be eligible
- The issue price will be €2.21 per share, which is the lower of:
  - the average closing price of MAPFRE's shares, thirty (30) calendar days prior to the 29th October 2008 (from 29th September 2008 to 28th October 2008, inclusive): €2.67 per share
  - and the volume weighted average price of MAPFRE's shares, for those transactions undertaken on 28th October 2008: €2.21 per share
- Shareholders will be able to choose to reinvest 82% of their gross dividend in new shares
- The programme is initially made available for the 2008 interim dividend. However, MAPFRE's Board of Directors foresees that it will analyse the possibility of offering this or other dividend reinvestment formulas which may be agreed in the future

## **HUMAN RESOURCES**

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

	9M 2008	9M 2007	Var.
Insurance companies	24,548	20,273	21.1%
Other businesses	9,545	10,159	-6.0%
TOTAL	34,093	30,432	12.0%

At the end of the first nine months of 2008, there were 16,598 employees in Spain and 17,495 abroad (17,093 and 13,339, respectively, as at 30.9.2007).