

APPENDIX III

INSURANCE COMPANIES

2nd

HALF-YEARLY FINANCIAL REPORT CORRESPONDING TO YEAR

2010

END OF REPORTING PERIOD

31/12/2010

I. ISSUER IDENTIFICATION INFORMATION

Corporate name: MAPFRE, S.A.

Legal address:

Paseo de Recoletos, 25. 28004 MADRID

TAX ID

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. 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

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

Name/Company name	Position

Date of signing of this half-yearly information by the corresponding administrative body:

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

Thousands Euros

ASSETS		CURRENT PERIOD 31/12/2010	PRIOR PERIOD 31/12/2009
1. Cash and other equivalent liquid assets	005	7,182	939
2. Financial assets held for negotiation	010		
3. Other financial assets at reasonable value, with changes in profit and loss account	015	8,730	
4. Financial assets available for sale	020		
5. Loans and amounts due	025	731,487	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	862	930
a) Tangible assets	046	862	930
b) Investments in property, plant and equipment	047		
10. Intangible assets	050	3,045	2,010
a) Goodwill	051		
b) Acquisition costs of portfolios of policies	053		
c) Other intangible assets	052	3,045	2,010
11. Equity investments in group and associated companies	055	8,163,128	8,704,069
a) Associated companies	056	135,010	309,760
b) Multigroup companies	057		
c) Group companies	058	8,028,118	8,394,309
12. Tax assets	060	53,495	46,461
a) Current tax assets	061	171	1,013
b) Deferred tax assets	062	53,324	45,448
13. Other assets	075	194,272	115,581
14. Assets held for sale	080		
TOTAL ASSETS	100	9,162,201	8,923,348

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 31/12/2010	PRIOR PERIOD 31/12/2009
TOTAL LIABILITIES	170	2,133,336
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	2,028,730
a) Subordinated liabilities	121	610,071
b) Bonds and other negotiable securities	122	283,670
c) Debits with credit institutions	123	701,298
d) Other debits	124	433,691
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	70,530
7. Tax liabilities	145	34,076
a) Current tax liabilities	146	34,076
b) Deferred tax liabilities	147	
8. Other liabilities	150	
9. Liabilities linked to assets held for sale	165	
TOTAL NET EQUITY	195	7,028,865
SHARE EQUITY	180	7,028,865
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	2,675,715
4. Less: treasury stock and participation in equity	174	
5. Prior years results	178	562,127
6. Other contributions from partners and mutual members	179	
7. Profit / (loss) for the year	175	361,939
8 Less: interim dividend	176	-210,851
9. Other equity instruments	177	
VALUATION ADJUSTMENTS	188	
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	
Subsidies, donations and legacies received	193	
TOTAL LIABILITIES AND EQUITY	200	9,162,201

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

Thousands Euros

		CURRENT PERIOD (2nd HALF)	PRIOR PERIOD (2nd HALF)	ACCUMULATED CURRENT YEAR 31/12/2010	ACCUMULATED PRIOR YEAR 31/12/2009
(+) 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				
A) TECHNICAL RESULT FROM NON-LIFE OPERATIONS (1 + 2 + 3 + 4 + 5 + 6 + 7 + 8 + 9)	220				
(+) 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) TECHNICAL RESULT FROM LIFE OPERATIONS (10 + 11 + 12 + 13 + 14 + 15 + 16 + 17 + 18 + 19 + 20)	240				
C) TECHNICAL RESULT (A + B)	245				
(+) 21. Income from tangible assets and investments	246	193,599	888,705	500,701	888,705
(+) 22. Negative difference on business combinations	250				
(-) 23. Expenses from tangible assets and investments	247	(43,823)	(216,570)	(89,966)	(216,570)
(+) 24. Other income	248	41,623	(411,344)	64,121	45,648
(-) 25. Other expenses	249	(131,733)	1,310	(166,523)	(75,830)
E) RESULT BEFORE TAX (C + 21 + 22 + 23 + 24 + 25)	265	59,666	262,101	308,333	641,953
(+/-) 26. Corporate Income Tax	270	39,015	53,909	53,606	51,616
F) RESULT BEFORE TAX FROM ONGOING OPERATIONS (E + 26)	280	98,681	316,010	361,939	693,569
(+/-) 27. Result after tax from discontinued operations	285				
G) RESULT OF THE YEAR (F + 27)	300	98,681	316,010	361,939	693,569
EARNINGS PER SHARE		Amount (X,XX euros)	Amount (X,XX euros)	Amount (X,XX euros)	Amount (X,XX euros)
Reported	290	0.04	0.11	0.12	0.24
Diluted	295	0.04	0.11	0.12	0.24

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

Thousands Euros

		CURRENT PERIOD 31/12/2010	PRIOR PERIOD 31/12/2009
A) RESULT FOR THE PERIOD	305	361,939	693,569
B) OTHER RECOGNISED INCOME / (EXPENSES)	310		1,258
1. Financial assets available for sale:	315		
a) Gains/(Losses) due to valuation	316		
b) Amounts recognised in results	317		
c) Other reclassifications	318		
2. Cash flow hedging:	320		
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		
3. Hedging of net investments in businesses abroad:	325		
a) Gains/(Losses) due to valuation	326		
b) Amounts recognised in results	327		
c) Other reclassifications	328		
4. Translation differences	330		
a) Gains/(Losses) due to valuation	331		
b) Amounts recognised in results	332		
c) Other reclassifications	333		
5. Correction of shadow accounting:	335		
a) Gains/(Losses) due to valuation	336		
b) Amounts recognised in results	337		
c) Other reclassifications	338		
6. Assets held for sale:	340		
a) Gains/(Losses) due to valuation	341		
b) Amounts recognised in results	342		
c) Other reclassifications	343		
7. Actuarial gains/(losses) due to personnel long term incentives	345		1,258
8. Other recognised income and expenses	355		
9. Corporate Income Tax	360		
TOTAL RECOGNISED INCOME/(EXPENSES) (A+B)	400	361,939	694,827

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			
Balance as at 01/01/2010	3010	292,271	5,947,950		693,569			6,933,790	
Adjustments for changes in accounting criteria	3011								
Adjustments for errors	3012								
Adjusted opening balance	3015	292,271	5,947,950		693,569			6,933,790	
I. Total recognised income / (expenses)	3020				361,939			361,939	
II. Operations with shareholders or owners	3025	8,944	(275,425)					(266,481)	
1. Increases (Reductions) in capital	3026	8,944	169,244					178,188	
2. Conversion of financial liabilities to equity	3027								
3. Distribution of dividends	3028		(444,669)					(444,669)	
4. Operations involving treasury stock or participations in equity (net)	3029								
5. Increases / (Decreases) due to changes in business combinations	3030								
6. Other operation with shareholders or owners	3032								
III. Other variations in equity	3035		693,186		(693,569)			-383	
1. Payments using equity instruments	3036								
2. Transfers between equity classes	3037		693,569		(693,569)				
3. Other variations	3038		(383)					(383)	
Balance as at 31/12/2010	3040	301,215	6,365,711		361,939			7,028,865	

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			
Balance as at 01/01/2009	3050	274,483	5,500,601		565,906			6,340,990
Adjustments for changes in accounting criteria	3051							
Adjustments for errors	3052							
Adjusted opening balance	3055	274,483	5,500,601		565,906			6,340,990
I. Total recognised income / (expenses)	3060				693,569	1,258		694,827
II. Operations with shareholders or owners	3065	17,788	(119,816)					(102,028)
1. Increases (Reductions) in capital	3066	17,788	300,208					317,996
2. Conversion of financial liabilities to equity	3067							
3. Distribution of dividends	3068		(420,024)					(420,024)
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							
III. Other variations in equity	3075		567,164		(565,906)			1,258
1. Payments using equity instruments	3076							
2. Transfers between equity classes	3077		565,906		(565,906)			0
3. Other variations	3078		1,258					1,258
Balance as at 31/12/2009	3080	292,271	5,947,949		693,569	1,258		6,933,789

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

Thousands Euros

		CURRENT PERIOD 31/12/2010	PRIOR PERIOD 31/12/2009
A) NET CASH FLOW FROM OPERATING ACTIVITIES (1 + 2 + 3)	7435	2,361	(19,582)
1. Insurance activities:	7405		
(+) Inflows from insurance activities	7406		
(-) Outflows from insurance activities	7407		
2. Other operating activities:	7410	(30,426)	(47,999)
(+) Other operating activities cash inflows	7415	58,221	45,607
(-) Other operating activities cash outflows	7416	(88,647)	(93,606)
3. Inflows/(outflows) due to corporate income tax	7425	32,787	28,417
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (1 + 2)	7460	256,578	527,239
1. Inflows from investment activities:	7450	853,560	906,658
(+) Tangible assets	7451		
(+) Investments in property, plant and equipment	7452		
(+) Intangible assets	7453		
(+) Financial instruments	7454	302,973	59,277
(+) Participations	7455	13,955	
(+) Other business units	7457		
(+) Receivable interests	7456	10,310	7,887
(+) Receivable dividends	7459	526,322	839,494
(+) Other income related to investment activities	7458		
2. Payments related to investment activities:	7440	(596,982)	(379,419)
(-) Tangible assets	7441		
(-) Investments in property, plant and equipment	7442		
(-) Intangible assets	7443		
(-) Financial instruments	7444	(584,311)	(322,905)
(-) Participations	7445	(12,671)	(56,514)
(-) Other business units	7447		
(-) Other payments related to investment activities	7448		
C) NET CASH FLOW FROM FINANCING ACTIVITIES (1 + 2)	7490	(252,696)	(543,076)
1. Inflows from financing activities:	7480	821,976	1,248,607
(+) Subordinated liabilities	7481		
(+) Inflows from the issue of equity instruments and capital increases	7482	177,752	317,161
(+) Capital contributions from owners or mutual members	7483		
(+) Sales of treasury stock	7485	1,597	
(+) Other income related to financing activities	7486	642,627	931,446
2. Payments related to financing activities:	7470	(1,074,672)	(1,791,683)
(-) Dividends to shareholders	7471	(444,043)	(412,447)
(-) Interest payments	7475	(49,771)	(66,612)
(-) 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	(578,877)	(1,263,465)
D) TRANSLATION DIFFERENCES IN CASH FLOW	7492		
E) NET INCREASE / (DECREASE) IN CASH FLOW (A + B + C + D)	7495	6,243	(35,419)
F) OPENING CASH BALANCE AND EQUIVALENTS	7499	939	36,358
G) CLOSING CASH BALANCES AND EQUIVALENTS (E + F)	7500	7,182	939

COMPONENTS OF CASH FLOW AND EQUIVALENTS AT PERIOD END		CURRENT PERIOD 31/12/2010	PRIOR PERIOD 31/12/2009
(+) Cash and banks	7550	7,182	939
(+) Other financial assets	7552		
(-) Less: Bank overdrafts payable on demand	7553		
TOTAL CLOSING CASH FLOW AND EQUIVALENTS	7600	7,182	939

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

Thousands Euros

ASSETS		CURRENT PERIOD 31/12/2010	PRIOR PERIOD 31/12/2009
1. Cash and other equivalent liquid assets	1005	1,497,413	861,067
2. Financial assets held for negotiation	1010	1,127,356	1,216,239
3. Other financial assets at reasonable value, with changes in profit and loss account	1015	1,767,265	9,414
4. Financial assets available for sale	1020	26,392,100	25,118,152
5. Loans and amounts due	1025	4,507,967	3,788,117
6. Investments held to maturity	1030	1,108,700	924,274
7. Hedging derivatives	1035	38,589	0
8. Participation of Reinsurance in technical provisions	1041	3,092,604	2,484,112
9. Tangible assets and investments:	1045	2,868,073	2,394,623
a) Tangible assets	1046	1,400,933	1,536,194
b) investments in property, plant and equipment	1047	1,467,140	858,429
10. Intangible assets	1050	3,156,027	2,121,014
a) Goodwill	1051	2,258,386	1,643,833
b) Acquisition costs of portfolios of policies	1053	693,024	321,152
c) Other intangible assets	1052	204,617	156,029
11. Participation in companies valued using equity method	1055	400,266	429,228
12. Tax assets	1060	998,568	736,404
a) Current tax assets	1061	28,665	24,571
b) Deferred tax assets	1062	969,903	711,833
13. Other assets	1075	1,624,570	3,018,944
14. Assets held for sale	1080	92,808	4,149
TOTAL ASSETS	1100	48,672,306	43,105,737

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

Thousands Euros

LIABILITIES AND EQUITY		CURRENT PERIOD 31/12/2010	PRIOR PERIOD 31/12/2009
TOTAL LIABILITIES	1170	40,876,497	36,012,011
1. Financial liabilities held for negotiation	1110	102,775	230,479
2. Other financial liabilities at reasonable value, with changes in profit and loss account	1115	82,128	0
3. Debits	1120	4,912,393	4,210,655
a) Subordinated liabilities	1121	610,071	620,693
b) Bonds and other negotiable securities	1122	433,502	428,011
c) Debits with credit institutions	1123	1,078,556	1,013,926
d) Other debits	1124	2,790,264	2,148,025
4. Hedging derivatives	1130		
5. Technical provisions	1131	33,461,885	29,767,129
a) for unearned premiums	1132	5,885,943	5,615,807
b) for risks in progress	1133	9,837	9,957
c) for life assurance	1134	19,649,758	17,253,469
d) for outstanding claims	1135	7,347,636	6,382,724
e) for profit sharing and returned premiums	1136	41,121	40,162
f) other technical provisions	1137	527,590	465,010
6. Non technical provisions	1140	713,223	404,938
7. Tax liabilities	1145	1,224,605	1,028,627
a) Current tax liabilities	1146	128,297	158,383
b) Deferred tax liabilities	1147	1,096,308	870,244
8. Other liabilities	1150	348,608	368,274
9. Liabilities linked to assets held for sale	1165	30,880	1,909
TOTAL NET EQUITY	1195	7,795,809	7,093,726
SHARE EQUITY	1180	6,735,870	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	3,190,360	2,855,576
4. Less: treasury stock and participation in equity	1174		
5. Prior years results	1178	1,014,874	754,302
6. Other contributions from partners and mutual members	1179		
7. Profit and loss of the year attributable to the controlling company	1175	933,543	926,841
8 Less: interim dividend	1176	(210,851)	(200,439)
9. Other equity instruments	1177		
VALUATION ADJUSTMENTS	1188	(193,988)	30,396
1. Financial assets available for sale	1181	(444,821)	421,936
2. Hedging operations	1182	1,915	
3. Translation differences	1184	66,384	(129,654)
4. Correction of shadow accounting	1185	190,254	(235,731)
5. Companies valued using equity method	1186	(9,415)	(15,562)
6. Other adjustments	1187	1,695	(10,593)
TOTAL LIABILITIES AND EQUITY ATTRIBUTABLE TO THE CONTROLLING COMPANY	1189	6,541,882	6,165,676
MINORITY INTERESTS	1193	1,253,927	928,050
1. Adjustments for changes in value	1191	(26,372)	(18,898)
2. Other	1192	1,280,299	946,948
TOTAL LIABILITIES AND NET EQUITY	1200	48,672,306	43,105,737

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

Thousands Euros

		CURRENT PERIOD (2 ND HALF)	PREVIOUS PERIOD (2 ND HALF)	ACCUMULATED CURRENT YEAR 31/12/2010	ACCUMULATED PRIOR YEAR 31/12/2009
(+) 1. Net written premiums	1201	5,497,420	5,183,300	10,882,573	10,242,385
(+) 2. Income from tangible assets and investments	1202	673,543	541,841	1,413,611	1,171,779
(+) 3. Other technical income	1203	14,577	(10,527)	37,325	33,059
(-) 4. Net claims incurred	1204	(3,793,111)	(3,680,363)	(7,645,485)	(7,206,274)
(+/-) 5. Net variation of other technical provisions	1205	(3,669)	(17,320)	(34,556)	(37,761)
(+/-) 6. Profit sharing and returned premiums	1206	845	(2,780)	(2,275)	(4,823)
(-) 7. Net operating expenses	1207	(1,429,270)	(1,274,673)	(2,705,907)	(2,481,471)
(+/-) 8. Other technical expenses	1209	(43,523)	(37,468)	(73,241)	(100,800)
(-) 9. Expenses from tangible assets and investments	1210	(302,636)	(209,918)	(621,290)	(482,612)
A) TECHNICAL RESULT FROM NON-LIFE OPERATIONS (1+ 2 + 3 + 4 + 5 + 6 + 7 + 8 + 9)	1220	614,176	492,092	1,249,755	1,133,482
(+) 10. Net written premiums	1221	1,752,972	1,749,561	3,940,396	3,471,831
(+) 11. Income from tangible assets and investments	1222	647,100	568,166	1,348,837	1,227,435
(+) 12. Income from investments on account of the life policyholders bearing the investment risk	1223	59,456	35,249	93,555	65,462
(+) 13. Other technical income	1224	6,769	2,813	12,415	6,888
(-) 14. Net claims incurred	1225	(1,678,671)	(1,863,926)	(3,554,987)	(3,641,696)
(+/-) 15. Net variation of other technical provisions	1226	(21,830)	111,910	(279,131)	186,381
(+/-) 16. Profit sharing and returned premiums	1227	(27,725)	(9,813)	(47,975)	(24,079)
(-) 17. Net operating expenses	1228	(306,854)	(283,236)	(612,763)	(525,314)
(+/-) 18. Other technical expenses	1229	(7,803)	(4,041)	(13,637)	(10,467)
(-) 19. Expenses from tangible assets and investments	1230	(223,664)	(138,391)	(412,990)	(404,387)
(-) 20. Expense from investments on account of the life policyholders bearing the investment risk	1231	(40,981)	(17,807)	(95,273)	(39,359)
B) TECHNICAL RESULT FROM LIFE OPERATIONS (10 + 11 + 12 + 13 + 14 + 15 + 16 + 17 + 18 + 19 + 20)	1240	158,769	150,485	378,447	312,695
C) TECHNICAL RESULT (A + B)	1245	772,945	642,577	1,628,202	1,446,177
(+) 21. Income from tangible assets and investments	1246	20,871	22,652	40,241	96,061
(+) 22. Negative consolidation differences	1250				
(-) 23. Expenses from tangible assets and investments	1247	(90,689)	(74,257)	(177,104)	(147,898)
(+) 24. Other income	1248	222,523	325,192	551,719	611,375
(-) 25. Other expenses	1249	(283,079)	(283,009)	(612,019)	(559,546)
E) RESULT BEFORE TAX (C + 21 + 22 + 23 + 24 + 25)	1265	642,571	633,155	1,431,039	1,446,169
(+/-) 26. Corporate Income Tax	1270	(146,816)	(178,893)	(367,442)	(407,764)
F) RESULT BEFORE TAX FROM ONGOING OPERATIONS (E + 26)	1280	495,755	454,262	1,063,597	1,038,405
(+/-) 27. Result after tax from discontinued operations	1285	4,243	(1,450)	64	(2,330)
G) RESULT FOR THE PERIOD (F + 27)	1288	499,998	452,812	1,063,661	1,036,075
a) Result attributable to the controlling company	1300	433,386	396,258	933,543	926,841
b) Result attributable to minority interests	1289	66,612	56,554	(130,118)	109,234

EARNINGS PER SHARE		Amount (X,XX euros)	Amount (X,XX euros)	Amount (X,XX euros)	Amount (X,XX euros)
Reported	1290	0.15	0.14	0.31	0.33
Diluted	1295	0.15	0.14	0.31	0.33

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

Thousands Euros

		CURRENT PERIOD 31/12/2010	PRIOR PERIOD 31/12/2009
A) CONSOLIDATED PROFIT AND LOSS OF THE YEAR	1305	1,063,661	1,036,075
B) OTHER INCOME / (EXPENSES) RECOGNISED	1310	(231,856)	397,566
1. Financial assets available for sale:	1315	(1,497,910)	624,843
a) Gains/(Losses) due to valuation	1316	(1,468,146)	692,070
b) Amounts recognised in results	1317	38,158	(34,847)
c) Other reclassifications	1318	(67,922)	(32,380)
2. Cash flow hedging:	1320	5,478	
a) Gains/(Losses) due to valuation	1321	5,640	
b) Amounts recognised in results	1322	(162)	
c) Amounts recognised at historical value of paid up items	1323		
d) Other reclassifications	1324		
3. Hedging of net investments in businesses abroad:	1325		20,972
a) Gains/(Losses) due to valuation	1326		27,503
b) Amounts recognised in results	1327		
c) Other reclassifications	1328		(6,531)
4. Translation differences:	1330	232,467	
a) Gains/(Losses) due to valuation	1331	233,255	
b) Amounts recognised in results	1332	(3)	
c) Other reclassifications	1333	(785)	
5. Correction of shadow accounting:	1335	834,122	(127,795)
a) Gains/(Losses) due to valuation	1336	828,449	(154,687)
b) Amounts recognised in results	1337	5,673	26,892
c) Other reclassifications	1338		
6. Assets held for sale:	1340		
a) Gains/(Losses) due to valuation	1341		
b) Amounts recognised in results	1342		
c) Other reclassifications	1343		
7. Actuarial gains/(losses) due to personnel long term incentives	1345		
8. Other recognised income and expenses	1350	21,196	20,152
a) Gains/(Losses) from valuation	1351	21,205	(12,531)
b) Amounts transferred to the profit and loss account	1352		53
c) Other reclassifications	1353	(9)	32,630
9. Other income and expenses	1355	18,663	(1,236)
10. Corporate Income Tax	1360	154,128	(139,370)
TOTAL RECOGNISED INCOME/(EXPENSES) (A+B)	1400	831,805	1,433,641
a) Attributable to the controlling company	1398	709,161	1,291,561
b) Attributable to minority interests	1399	122,644	142,080

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 attributable to the controlling company	Other equity instruments			
Balance as at 01/01/2010	3110	292,271	4,916,168		926,841	30,396	928,050	7,093,726	
Adjustments for changes in accounting criteria	3111								
Adjustments for errors	3112								
Adjusted opening balance	3115	292,271	4,916,168		926,841	30,396	928,050	7,093,726	
I. Total income / (expenses) recognised	3120				933,543	(224,384)	122,646	831,805	
II. Operations with shareholders or owners	3125	8,944	(279,198)				199,296	(70,958)	
1. Increases (Reductions) in capital	3126	8,944	169,244					178,188	
2. Conversion of financial liabilities to equity	3127								
3. Dividend distributions	3128		(444,669)				(40,623)	(485,292)	
4. Operations with treasury stock or participations in equity (net)	3129								
5. Increases / (Decreases) due to changes in business combinations	3130						260,578	260,578	
6. Other operations with shareholders or owners	3132		(3,773)				(20,659)	(24,432)	
III. Other variations in equity	3135		864,142		(926,841)		3,935	(58,764)	
1. Payments based on equity instruments	3136								
2. Transfers between equity items	3137		926,841		(926,841)			0	
3. Other variations	3138		(62,699)				3,935	(58,764)	
Final Balance as at 31/12/2010	3140	301,215	5,501,112		933,543	(193,988)	1,253,927	7,795,809	

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

Thousands Euros

PRIOR 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 attributable to the controlling company	Other equity instruments			
Balance as at 01/01/2009 (comparison period)	3150	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								
Adjusted opening balance	3155	274,483	4,116,033		900,689	(389,033)	814,194	5,716,366	
I. Total income / (expenses) recognised	3160				926,841	364,720	142,080	1,433,641	
II. Operations with shareholders or owners	3165	17,788	(137,316)				(42,579)	(162,107)	
1. Increases (Reductions) in capital	3166	17,788	300,208					317,996	
2. Conversion of financial liabilities to equity	3167								
3. Dividend distributions	3168		(420,024)				(51,764)	(471,788)	
4. Operations with treasury stock or participations in equity (net)	3169								
5. Increases / (Decreases) due to changes in business combinations	3170						31,328	31,328	
6. Other operations with shareholders or owners	3172		(17,500)				(22,143)	(39,643)	
III. Other variations in equity	3175		937,451		(900,689)	54,709	14,355	105,826	
1. Payments based on equity instruments	3176								
2. Transfers between equity items	3177		840,060		(900,689)	60,629		0	
3. Other variations	3178		97,391			(5,920)	14,355	105,826	
Final Balance as at 31/12/2009 (comparison period)	3180	292,271	4,916,168		926,841	30,396	928,050	7,093,726	

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

Thousands Euros

		CURRENT PERIOD 31/12/2010	PRIOR PERIOD 31/12/2009
A) NET CASH FLOW FROM OPERATING ACTIVITIES (1 + 2 + 3)	8435	705,885	(491,225)
1. Insurance activities:	8405	1,038,460	2,437,925
(+) Inflows from insurance activities	8406	17,035,855	16,369,970
(-) Outflows from insurance activities	8407	(15,997,395)	(13,932,045)
2. Other operating activities:	8410	15,723	(2,626,051)
(+) Other operating activities cash inflows	8415	400,364	1,042,184
(-) Other operating activities cash outflows	8416	(384,641)	(3,668,235)
3. Inflows/(outflows) due to corporate income tax	8425	(348,298)	(303,099)
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (1 + 2)	8460	319,542	1,064,087
1. Inflows from investment activities:	8450	10,126,598	9,396,920
(+) Tangible assets	8451	17,668	161,103
(+) Investments in property, plant and equipment	8452	174,104	180,837
(+) Intangible assets	8453	4,036	2,449
(+) Financial instruments	8454	7,306,567	6,649,060
(+) Participations	8455	67,420	325,428
(+) Dependent companies and other business units	8457	401,874	80,299
(+) Receivable interests	8456	994,501	905,915
(+) Receivable dividends	8459	134,378	144,792
(+) Other income related to investment activities	8458	1,026,050	947,037
2. Payments related to investment activities:	8440	(9,807,056)	(8,332,833)
(-) Tangible assets	8441	(137,881)	(112,520)
(-) Investments in property, plant and equipment	8442	(52,008)	(77,015)
(-) Intangible assets	8443	(100,286)	(52,824)
(-) Financial instruments	8444	(7,561,144)	(6,737,530)
(-) Participations	8445	(195,098)	(126,608)
(-) Dependent companies and other business units	8447	(631,869)	(103,006)
(-) Other payments related to investment activities	8448	(1,128,770)	(1,123,330)
C) NET CASH FLOW FROM FINANCING ACTIVITIES (1 + 2)	8490	(418,042)	(1,126,194)
1. Inflows from financing activities:	8480	897,154	955,673
(+) Subordinated liabilities	8481		
(+) Inflows from the issue of equity instruments and capital increases	8482	211,135	317,990
(+) Capital contributions from owners or mutual members	8483	(1)	
(+) Sale of treasury stock	8485	1,597	
(+) Other income related to financing activities	8486	684,423	637,683
2. Payments related to financing activities:	8470	(1,315,196)	(2,081,867)
(-) Dividends	8471	(510,461)	(465,810)
(-) Interests	8475	(95,341)	(100,063)
(-) Subordinated liabilities	8472		(49,159)
(-) Capital contributions returned to shareholders	8473		
(-) Capital contributions returned to owners or mutual members	8474	(1)	
(-) Acquisition of treasury stock	8477	(1,982)	
(-) Other payments related to financing activities	8478	(707,411)	(1,466,835)
D) TRANSALTION DIFFERENCES IN CASH FLOW	8492	28,963	(676)
E) NET INCREASE / (DECREASE) IN CASH FLOW (A + B + C + D)	8495	636,348	(554,008)
F) OPENING CASH BALANCE AND EQUIVALENTS	8499	861,066	1,415,075
G) CLOSING CASH BALANCES AND EQUIVALENTS (E + F)	8500	1,497,414	861,067

COMPONENTS OF CASH FLOW AND EQUIVALENTS AT PERIOD END

		CURRENT PERIOD 31/12/2010	PRIOR PERIOD 31/12/2009
(+) Cash and banks	8550	1,352,823	793,789
(+) Other financial assets	8552	116,861	67,278
(-) Less: Bank overdrafts payable on demand	8553	27,730	
TOTAL CLOSING CASH FLOW AND EQUIVALENTS	8600	1,497,414	861,067

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	150.00	0.15	444,668	150.00	0.15	420,025
Other shares (non-voting, redeemable, etc)	2159						
Total dividendos paid	2160			444,668			420,025
a) Dividends paid out against results	2155	150.00	0.15	444,668	150.00	0.15	420,025
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 carried forward
		Balance brought forward	(+) Issued	(-) Repurchase or reimbursement	(+/-) Adjustments for translation effect and others	
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					
TOTAL	2200					

		PRIOR PERIOD				Balance carried forward
		Balance brought forward	(+) Issued	(-) Repurchase or reimbursement	(+/-) Adjustments for translation effect and others	
Debt issued within a Member State of the European Union, which has required the prior filing of a prospectus	4191					
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					
TOTAL	4200					

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

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

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			7,556,078	7,491,477
International:	2215			7,266,891	6,222,739
a) European Union	2216			713,808	655,246
b) O.E.C.D. countries	2217			1,879,759	2,100,495
c) Other countries	2218			4,673,324	3,466,998
TOTAL	2220			14,822,969	13,714,216

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
	2221						
	2222						
	2223						
	2224						
	2225						
	2226						
	2227						
	2228						
	2229						
	2230						
(-) Adjustments and eliminations of ordinary revenues between segments	2231						
TOTAL	2235						

Table 3:

SEGMENTS		Results	
		CONSOLIDATED	
		CURRENT PERIOD	PRIOR PERIOD
	2250		
	2251		
	2252		
	2253		
	2254		
	2255		
	2256		
	2257		
	2258		
	2259		
Total results of reported segments	2260		
(+/-) Results not assigned	2261		
(+/-) Elimination of internal results (between segments)	2262		
(+/-) Other results	2263		
(+/-) Corporate income tax and/or discontinued operations result	2264		
RESULT BEFORE TAX	2270		

IV. SELECTED FINANCIAL INFORMATION

16. AVERAGE WORK FORCE

		INDIVIDUAL		CONSOLIDATED	
		CURRENT PERIOD	PRIOR PERIOD	CURRENT PERIOD	PRIOR PERIOD
AVERAGE WORK FORCE	2295	318	304	35,704	34,326
Men	2296	152	146	15,157	14,680
Women	2297	166	158	20,547	19,646

BUSINESS DEVELOPMENT

OPERATING REVENUES AND FUNDS UNDER MANAGEMENT

Direct insurance and accepted reinsurance premiums written by the Group's subsidiaries amounted to €18,137.0 million in 2010, a 9.9% increase. Consolidated premiums totalled €16,973.1 million, an 8.8% rise. Total operating revenues reached €20,801.6 million, including €330.8 million of new gross contributions to pension funds. The breakdown of these revenues by business line is shown in the following table¹:

	2010	2009	% 10/09
Direct Insurance Spain	9,551.6	9,502.8	0.5%
- Gross written and accepted premiums	7,404.9	7,305.8	1.4%
- Income from investments	1,625.6	1,576.6	3.1%
- Non-insurance companies' revenues and other	521.1	620.4	-16.0%
International Direct Insurance	7,834.3	6,603.1	18.6%
- Gross written and accepted premiums	7,039.1	5,946.3	18.4%
- Income from investments	731.0	593.0	23.3%
- Non-insurance companies' revenues and other	64.2	63.8	0.6%
Global Businesses	4,413.8	3,719.4	18.7%
- Gross written and accepted premiums	3,693.0	3,249.2	13.7%
- Income from investments	552.9	323.2	71.1%
- Non-insurance companies' revenues and other	167.9	147.0	14.2%
Parent company	564.8	935.6	-39.6%
TOTAL REVENUES	22,364.5	20,760.9	7.7%
Consolidation adjustments and other companies	-1,893.7	-1,930.5	-1.9%
TOTAL CONSOLIDATED REVENUES	20,470.8	18,830.4	8.7%
Gross contributions to pension funds	330.8	377.3	-12.3%
TOTAL REVENUES FROM OPERATIONS	20,801.6	19,207.7	8.3%

Figures in million Euros

In 2010, the total consolidated revenues exceeded the figures for the previous year on the back of the dynamism of the international direct insurance and reinsurance businesses, the recovery of sales in Spain and larger financial revenues.

¹ MAPFRE GLOBAL RISKS' figures are included in Global Businesses in both years

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

	2010	2009	% 10/09
Life assurance technical reserves	20,319.8	17,663.1	15.0%
Pension funds	5,193.1	3,781.4	37.3%
Mutual funds and managed portfolios	2,605.7	2,686.0	-3.0%
TOTAL	28,118.6	24,130.5	16.5%

Figures in million Euros

The variation in funds under management is mainly due to the consolidation of the insurance operations of CATALUNYACAIXA, the winning of Life-Savings business in Spain through the bancassurance channel, the development of Life Assurance abroad, and the consolidation of FINIBANCO VIDA (Portugal).

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 20.3%.

Direct Insurance in Spain

Direct insurance and accepted reinsurance premiums written by the Group's direct insurance companies operating in Spain reached €7,404.9 million, to which €330.8 million of new gross contributions to pension funds must be added, with the following breakdown by company:

	2010	2009	% 10/09
MAPFRE FAMILIAR	4,005.4	4,071.9	-1.6%
MAPFRE EMPRESAS	682.6	666.4	2.4%
NON-LIFE INSURANCE IN SPAIN	4,688.0	4,738.3	-1.1%
LIFE SAVINGS	2,320.6	2,210.4	5.0%
Agents channel	973.5	1,215.9	-19.9%
Bank channel - CAJA MADRID	821.8	573.1	43.4%
Bank channel - Other ⁽¹⁾	525.3	421.4	24.7%
LIFE PROTECTION	396.3	357.1	11.0%
Agents channel	147.6	149.6	-1.4%
Bank channel - CAJA MADRID	141.5	130.5	8.4%
Bank channel - Other ⁽¹⁾	107.2	77.0	39.1%
LIFE ASSURANCE IN SPAIN	2,716.9	2,567.5	5.8%
TOTAL PREMIUMS	7,404.9	7,305.8	1.4%
Gross contributions to pension funds	330.8	377.3	-12.3%

Figures in million euros

(1) Includes BANKINTER VIDA, CCM VIDA Y PENSIONES and UNIÓN DUERO VIDA as well as the insurance operations of CATALUNYACAIXA (the latter consolidated as from 30.9.10). 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 1.6% 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 the effect of this, the growth would have been 1.5%, reflecting:

- a 0.8% increase in Motor insurance, versus a 1.5% contraction for the rest of the sector, thanks to the segmentation and loyalty campaigns implemented in the year. At the end of the period, MAPFRE insured 5,856,075 vehicles in Spain, equivalent to a net increase of 56,434 units over the previous year;
- the good performance of Home insurance (+5.2%);

- a 3.3% rise in Health, Accident and Burial segment, thanks to the strength of the Health line, which grows 7.8% (excluding the business from the civil servants' mutual purchasing associations), compared to 6.5% for the rest of the sector.

The growth in premiums at MAPFRE EMPRESAS reflects the implementation of several sales campaigns, the success of which has allowed to face the drop in demand resulting from the economic crisis.

The increase in issuance at the LIFE ASSURANCE OPERATING UNIT is a result of the consolidation of the insurance operations of CATALUNYACAIXA in the last quarter of the year, the increase in issuance through the bancassurance channel, and the good development of Life-Protection insurance, which has grown 11%.

The following table shows the breakdown of written and accepted premiums by insurance lines for 2009 and 2010, together with the corresponding market shares (provisional figures for 2010):

	2010	2009	% Var.	Market shares ⁽¹⁾	
				2010	2009
Motor	2,367.4	2,348.5	0.8%	20.5%	20.1%
Health	400.8	499.3	-19.7%	6.3%	8.1%
Other - Non-Life	1,919.8	1,890.5	1.6%	17.4%	17.2%
TOTAL NON-LIFE	4,688.0	4,738.3	-1.1%	16.3%	16.5%
Life Protection	396.3	357.1	11.0%		
Life Savings	2,320.6	2,210.4	5.0%		
TOTAL LIFE	2,716.9	2,567.5	5.8%	12.8%	9.0%
TOTAL	7,404.9	7,305.8	1.4%	14.7%	13.0%

Figures in million Euros

(1) Market shares based on data published by ICEA, which only consider written premiums. MAPFRE GLOBAL RISKS' figures are included in Global Businesses in both years.

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

	AGENTS AND OTHER			BANK CHANNEL			TOTAL		
	2010	2009	Var. %	2010	2009	Var. %	2010	2009	Var. %
LIFE ASSURANCE OP. UNIT ⁽¹⁾	1,121.1	1,260.0	-11.0%	1,595.8	1,202.0	32.8%	2,716.9	2,462.0	10.4%
MAPFRE FAMILIAR	3,805.5	3,888.0	-2.1%	199.9	183.9	8.7%	4,005.4	4,071.9	-1.6%
MAPFRE EMPRESAS ⁽²⁾	672.2	655.8	2.5%	10.4	10.6	-1.9%	682.6	666.4	2.4%
NON-LIFE	4,477.7	4,543.8	-1.5%	210.3	194.5	8.1%	4,688.0	4,738.3	-1.1%
LIFE ⁽¹⁾									
MAPFRE VIDA - Large corporate operations							0.0	105.5	---
TOTAL	5,598.8	5,803.8	-3.5%	1,806.1	1,396.5	29.3%	7,404.9	7,305.8	1.4%

Figures in million Euros

- (1) Includes MAPFRE VIDA and its subsidiaries, CCM VIDA Y PENSIONES, UNIÓN DUERO VIDA and the insurance operations of CATALUNYACAIXA (the latter consolidated as from 30.9.10).
- (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.

The volume of premiums issued through the CAJA MADRID network in 2010 amounted to €1,164.4 million, a 29.7% increase, mainly due to the good performance of issuance in Life Assurance. Sales of CAJA MADRID banking products (loans and deposits) contributed by the MAPFRE network stood at €1,973.2 million, a 22.4% decrease.

Total revenues from investments for direct insurance companies operating in Spain increased 3.1%, and amounted to €1,625.6 million compared to €1,576,6 million in 2009.

Other revenues from the companies operating primarily in Spain amounted to €521.1 million, a decrease of 16.0% over the previous year. Their breakdown by company is shown in the following table:

	2010	2009	% 10/09
MAPFRE FAMILIAR	311.6	293.7	6.1%
MAPFRE INVERSIÓN and subsidiaries	85.0	83.7	1.6%
MAPFRE INMUEBLES	65.6	56.9	15.3%
MAPFRE QUAVITAE	0.9	134.7	-99.3%
Other entities	58.0	51.4	12.8%
TOTAL	521.1	620.4	-16.0%

Figures in million Euros

The aforementioned decrease in revenues reflects the reclassification of the business of MAPFRE QUAVITAE as a discontinued operation, pursuant to the agreement reached with the SAR Group for the sale thereof. Excluding this reclassification, the revenues from the companies operating primarily in Spain would have amounted to €660.5 million, a 6.5% increase over the previous year.

The non-insurance activities of MAPFRE FAMILIAR contributed revenues of €311.6 million, an increase of 6.1%.

The subsidiaries that operate in stockbroking, as well as mutual and pension fund management, which are grouped under MAPFRE INVERSIÓN, obtained revenues of €85.0 million, a 1.6% rise versus 2009. The volume of assets in mutual funds and managed portfolios stood at €2,605.7 million, equivalent to a 3.0% decrease. At the end of the year, assets managed in pension funds amounted to €1,581.2 million, a decrease of 3.3%.

International direct insurance

Premiums written and accepted by the Group's direct insurance companies operating outside Spain evolved as follows:

	2010	2009	% 10/09
Life	1,200.8	953.5	25.9%
MAPFRE AMÉRICA	1,128.1	909.7	24.0%
MAPFRE INTERNACIONAL	72.7	43.8	66.0%
Non-life	5,838.3	4,992.8	16.9%
MAPFRE AMÉRICA	4,027.5	3,395.7	18.6%
MAPFRE INTERNACIONAL	1,810.8	1,597.1	13.4%
TOTAL PREMIUMS	7,039.1	5,946.3	18.4%

Figures in million Euros

The following table shows the breakdown of premiums written by these companies by business lines:

	2010	2009	% Var
Motor	2,932.2	2,583.9	13.5%
Health and accidents	844.0	738.6	14.3%
Life & Burial	1,190.6	953.0	24.9%
Other lines	2,072.3	1,670.8	24.0%
TOTAL	7,039.1	5,946.3	18.4%

Figures in million Euros

The premiums growth at MAPFRE AMÉRICA reflects:

- growth across the region, especially in the General Insurance, Motor and Life lines;
- the consolidation of the insurance operations of GRUPO MUNDIAL, which contribute €146.9 million as at 31.12.2010.

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)			
	2010	2009	% 10/09	Local Currency % 10/09
BRAZIL	2,106.6	1,644.5	28.1%	8.1%
VENEZUELA	619.7	855.4	-27.6%	36.5%
MEXICO	500.4	379.7	31.8%	16.5%
ARGENTINA	458.6	402.1	14.1%	13.1%
COLOMBIA	382.2	251.8	51.8%	26.0%
PUERTO RICO	310.7	287.1	8.2%	2.0%
CHILE	210.6	138.0	52.6%	32.4%
CENTRAL AMERICA	187.5	38.5	---	---
PERU	189.6	144.5	31.2%	16.4%
OTHER COUNTRIES ⁽¹⁾	189.7	163.8	15.8%	---
MAPFRE AMÉRICA	5,155.6	4,305.4	19.7%	

Figures in million Euros

(1) Includes Ecuador, Paraguay, the Dominican Republic and Uruguay

According to 2009 figures, the latest available, MAPFRE once again ranked as the largest Non-life insurer in Latin America, with a 7.9% market share in the countries and regions in which it operates. The following table shows the Non-life Direct Insurance market shares in the various countries:

COUNTRY	MARKET SHARES⁽¹⁾
Argentina	8.4%
Brazil	8.3%
Chile	9.2%
Colombia	6.5%
Ecuador	4.2%
El Salvador	16.0%
Mexico	4.8%
Paraguay ⁽²⁾	25.8%
Peru	13.6%
Puerto Rico	12.7%
Dominican Republic	15.2%
Uruguay	5.7%
Venezuela	7.9%

(1) Figures according to latest figures available for each market

(2) Total market share (Life and Non-life)

The insurance subsidiaries of MAPFRE INTERNACIONAL obtained total premiums of €1,883.5 million, with a 14.8% increase due to:

- the increase in issuance in the USA and Turkey, as a result of rate rises and the accomplishment of expansion plans;
- the appreciation of the US dollar and the Turkish Lira;
- and the consolidation of FINIBANCO VIDA, which contributed €25.3 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
	2010	2009	% 10/09	% 10/09
USA	1,420.7	1,263.8	12.4%	6.5%
TURKEY	266.0	212.8	25.0%	15.3%
PORTUGAL	168.9	141.1	19.7%	19.7%
PHILIPPINES	27.9	23.2	20.3%	7.5%
MAPFRE INTERNACIONAL	1,883.5	1,640.9	14.8%	

Figures in million Euros

The total revenues from the investments of the international direct insurance companies amount to €731.0 million, a 23.3% increase.

Global businesses

Premiums written and accepted by the companies included in the Global Business Division performed as follows:

	2010	2009	% 10/09
MAPFRE GLOBAL RISKS	910.4	838.4	8.6%
MAPFRE RE	2,371.6	2,053.7	15.5%
MAPFRE ASISTENCIA	411.0	357.1	15.1%
TOTAL PREMIUMS	3,693.0	3,249.2	13.7%

Figures in million Euros

MAPFRE GLOBAL RISKS achieved a premium volume of €910.4 million, an 8.6% increase. This performance reflects the development of the international business and the strong growth of the Fire and Property Damage lines, which offset the effects of the adaptation of the Credit and Suretyship business to the new market scenario.

In the accepted reinsurance business, MAPFRE RE and its subsidiaries recorded consolidated premiums of €2,371.6 million (€2,053,7 million in 2009). The 15.5% increase reflects the winning of new business, quota increases in existing contracts, larger cessions from the Group's international subsidiaries, the growth in Life Assurance and Personal lines, as well as the Euro's weakness versus other currencies (at constant exchange rates, growth would have amounted to 10%). Net written premiums amounted to €1,603.6 million, representing a retention rate of 67.6% (68.2% in the previous year).

The total revenues (premiums and income from the sale of services) at MAPFRE ASISTENCIA and its subsidiaries reached €556.6 million, a 15.0% increase over the same period of the previous year. Of these, €411.0 million corresponded to written and accepted premiums, with a 15.1% increase, and €145.7 million to revenues from services, a 15.0% rise.

Total revenues from investments from Global Businesses amount to €552.9 million, representing a 71.1% increase compared to the previous year.

MANAGEMENT RATIOS

In Non-life lines, the consolidated combined ratio was 95.8%, reflecting the good performance of the loss ratio at MAPFRE AMÉRICA and of Non-life insurance in Spain, which has offset the impact of Chile's earthquake, the largest loss in MAPFRE's history. The development of the main management ratios is shown in the following table:

COMPANY	RATIOS					
	EXPENSE RATIO ⁽¹⁾		LOSS RATIO ⁽²⁾		COMBINED RATIO ⁽³⁾	
	2010	2009	2010	2009	2010	2009
MAPFRE S.A. consolidated	25.2%	24.9%	70.6%	70.8%	95.8%	95.7%
Direct Insurance Spain	18.8%	18.5%	72.1%	72.6%	90.9%	91.1%
MAPFRE FAMILIAR	18.3%	17.3%	73.2%	73.4%	91.4%	90.7%
MAPFRE EMPRESAS	23.0%	27.1%	63.8%	66.6%	86.8%	93.7%
LIFE ASSURANCE OP. UNIT ⁽⁴⁾	1.07%	1.16%				
International Direct Insurance	31.2%	31.4%	69.8%	71.0%	101.0%	102.3%
MAPFRE AMÉRICA	33.3%	33.2%	67.9%	70.7%	101.3%	103.9%
MAPFRE INTERNACIONAL	26.1%	27.3%	74.4%	71.6%	100.5%	98.9%
Global Businesses	28.3%	28.8%	68.0%	64.8%	96.2%	93.6%
MAPFRE GLOBAL RISKS	25.3%	23.3%	80.8%	74.8%	106.1%	98.1%
MAPFRE RE	29.2%	29.9%	66.5%	63.6%	95.7%	93.5%
MAPFRE ASISTENCIA	26.4%	27.3%	65.3%	63.9%	91.6%	91.2%

- (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.

RESULTS

The net result attributable to the parent company (after minority interests) amounted to €933.5 million, a 0.7% increase. The following table shows the sources and breakdown of results:

	2010	2009	% Var.
NON-LIFE INSURANCE AND REINSURANCE			
Gross written and accepted premiums	12,767.9	11,900.3	7.3%
Premiums earned, net of ceded and retroceded reinsurance	10,882.6	10,242.4	6.3%
Net claims incurred and variation in other technical provisions	-7,680.0	-7,244.0	6.0%
Operating expenses, net of reinsurance	-2,711.9	-2,486.3	9.1%
Other technical income and expenses	-36.0	-67.7	-46.8%
Technical Result	454.7	444.4	2.3%
Net fin'l. income and other non-technical income and expenses	783.3	723.5	8.3%
Result of Non-life business	1,238.0	1,167.9	6.0%
LIFE ASSURANCE AND REINSURANCE			
Gross written and accepted premiums	4,205.2	3,706.5	13.5%
Premiums earned, net of ceded and retroceded reinsurance	3,940.4	3,471.8	13.5%
Net claims incurred and variation in other technical reserves	-3,834.1	-3,455.3	11.0%
Operating expenses, net of reinsurance	-658.0	-549.4	19.8%
Other technical income and expenses	-1.3	-3.6	-63.9%
Technical Result	-553.0	-536.5	3.1%
Net fin'l income and other non-technical income and expenses	922.5	834.3	10.6%
Unrealised gains and losses in Unit-Linked products	-1.7	26.2	---
Result of Life business	367.8	324.0	13.5%
OTHER BUSINESS ACTIVITIES			
Operating revenues	438.2	532.5	-17.7%
Operating expenses	-418.1	-488.4	-14.4%
Other revenues and expenses	-179.8	-71.3	---
Results from other business activities	-159.7	-27.2	---
Result on restatement of financial accounts	-15.1	-18.5	---
Result before tax and minority interests	1,431.0	1,446.2	-1.1%
Taxes	-367.4	-407.8	-9.9%
Result after tax	1,063.6	1,038.4	2.4%
Result after tax from discontinued operations	0.1	-2.3	---
Result for the year	1,063.7	1,036.1	2.7%
Result attributable to minority shareholders	-130.1	-109.2	19.1%
Result attributable to the controlling Company	933.5	926.8	0.7%

Figures in million Euros

The result attributable to the parent company includes for both years a series of extraordinary items. Excluding these, the result would have grown 11.4%. 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 2010	Contribution to consolidated result 2009
Direct Insurance Spain	642.4		642.4	615.3
LIFE ASSURANCE OP. UNIT ⁽¹⁾	135.1		135.1	125.2
MAPFRE FAMILIAR	412.8		412.8	430.8
MAPFRE EMPRESAS	94.5		94.5	59.3
Internacional Direct Insurance	317.6		280.9	202.4
MAPFRE AMERICA	214.6	-23.9	190.7	100.8
MAPFRE INTERNACIONAL	103.0	-12.8	90.2	101.6
Global Businesses	166.3		155.7	136.6
MAPFRE GLOBAL RISKS	21.5		21.5	17.4
MAPFRE RE	124.2	-10.6	113.6	102.9
MAPFRE ASISTENCIA	20.6		20.6	16.3
Other activities	-21.5		-79.3	-64.1
MAPFRE INMUEBLES	-22.4		-22.4	-13.3
MAPFRE QUAVITAE	0.9	-0.4	0.5	-1.8
BANCO DE S.F. CAJA MADRID - MAPFRE			-57.4	-49.0
Other companies and consolidation adjustments			-66.2	36.6
MAPFRE S.A.			933.5	926.8

Figures in million Euros

- 1) Includes MAPFRE VIDA and its subsidiaries, CCM VIDA Y PENSIONES, UNIÓN DUERO VIDA, DUERO PENSIONES, as well as the insurance operations of CATALUNYACAIXA (the latter consolidated as from 30.9.10).

INVESTMENTS AND LIQUID ASSETS

The book value of investments and liquid assets as at 31 December 2010 was €35,204.6 million, an 11.0% increase over the previous year. The following table shows their breakdown and percentage distribution:

	2010	% over total	2009	% over total
Risk-free investments	3,214.1	9.1%	1,659.8	5.2%
- Cash	1,497.4	4.3%	861.1	2.7%
- Unit-linked investments	1,716.7	4.8%	798.7	2.5%
Real Estate Investments	2,468.8	7.0%	1,913.9	6.0%
- Buildings for own use	1,001.7	2.8%	1,055.5	3.3%
- Other Real Estate investments	1,467.1	4.2%	858.4	2.7%
Financial investments	28,678.7	81.5%	27,268.1	86.0%
- Shares	942.2	2.7%	554.9	1.8%
- Fixed income	26,695.5	75.8%	25,772.3	81.3%
- Mutual funds	585.9	1.7%	527.9	1.7%
- Other financial investments	455.1	1.3%	413.0	1.3%
Other investments	843.0	2.4%	863.4	2.7%
- Investments in associated companies	400.3	1.1%	429.2	1.4%
- Accepted reinsurance deposits	234.0	0.7%	202.6	0.6%
- Hedging derivatives	38.6	0.1%	0.0	0.0%
- Other	170.1	0.5%	231.6	0.7%
TOTAL	35,204.6	100.0%	31,705.2	100.0%

Figures in million Euros

The value of real estate investments shown in the previous table does not include unrealised gains, which amounted to €1,418.4 million at year end, according to valuations performed by independent surveyors.

FUNDING OPERATIONS

The main variations in the funding sources of the Group in 2010 were the following:

- A capital increase with pre-emptive subscription right totalling €179.6 million², carried out in execution of the scrip dividend plan approved by the Board of Directors of the Company. As a result of this capital increase, 89,444,572 new shares were issued, so that the total number of outstanding shares reached 3,012,154,351.

² Before taxes, duties and expenses

- Drawdown of credit facilities for a total net amount of €201 million, including a new syndicated “revolving credit facility” loan of €500 million maturing in 2013, which was arranged in 2010.
- Reimbursements of credit facilities drawn on by subsidiaries for a total amount of €29.6 million.

Overall, the balance of financial and subordinated debts of the Group at consolidated level has experienced a net increase of €59.5 million during the year.

As part of the 50% acquisition of the Insurance and Pension operations of CATALUNYACAIXA, said company has granted the Group a loan of €266.5 million.

Payments on interests arising from debts with financial institutions and securities in issue amounted to €86.1 million (€94.6 million in 2009), a 9.0% decrease.

BALANCE SHEET

The following table shows the consolidated balance sheet:

	2010	2009
ASSETS		
Goodwill	2,258.4	1,643.9
Fixed assets	399.3	480.6
Cash & equivalents	1,497.4	861.1
Investments & real estate	33,707.2	30,844.1
Participation of reinsurance in technical reserves	3,092.6	2,484.1
Other assets	7,717.4	6,792.0
TOTAL ASSETS	48,672.3	43,105.8
LIABILITIES		
Shareholders' Equity	6,541.9	6,165.7
Minority interests	1,253.9	928.1
Financial & subordinated debt	2,122.1	2,062.6
Technical reserves	33,461.9	29,767.1
- Life assurance reserves ⁽¹⁾	19,649.8	17,253.5
- Other technical reserves	13,812.1	12,513.6
Reserves for risks and expenses	713.2	405.0
Other liabilities	4,579.3	3,777.3
TOTAL LIABILITIES	48,672.3	43,105.8

Figures in million Euros

1) Includes unit-linked reserves

Total assets under management, including mutual and pension funds, amounted to €56,471.1 million (€49,573.2 million at the end of the previous year), a 13.9% increase.

SHAREHOLDERS' EQUITY AND RETURNS

The net consolidated equity stood at €7,795.8 million, compared to €7,093.8 million in 2009. Of said amount, €1,253.9 million corresponded to minority interests in subsidiaries. Consolidated shareholders' equity per share amounted to €2.17 at the end of 2010 (€2.11 as at 31.12.2009).

On 8th February 2010 the Company purchased 700,336 shares of treasury stock, for a consideration of €1,981,178; said shares were sold during the year, recording a reduction in equity amounting to €384,070.

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

	2010	2009
BALANCE AS AT PRIOR YEAR END	7,093.8	5,716.4
Additions and deductions accounted for directly in equity		
Investments available for sale	-1,073.3	461.9
Translation adjustments	231.6	16.4
Shadow accounting	584.0	-89.5
TOTAL	-257.7	388.8
Result for the period	1,063.7	1,036.1
Distribution of previous year's result	-274.4	-237.1
Interim dividend for the year	-210.9	-252.2
Other items	381.3	441.8
BALANCE AS AT PERIOD END	7,795.8	7,093.8

Figures in million Euros

Equity shows an increase of €702.0 million during 2010, which reflects:

- the result for the year;
- the negative impact of volatility in the financial markets on the value of the investments, partly offset by the application of shadow accounting;
- positive translation differences, mainly as a result of the appreciation of the US Dollar and most of the Latin American currencies;
- “other items”, which include primarily the incorporation of minority interests in the insurance operations of CATALUNYACAIXA as well as the funds obtained through the scrip dividend plan implemented in the first quarter, which contributed €179.6 million (before duties, taxes and expenses) to shareholders’ equity.

The return on equity (ROE), defined as the ratio between the net profit attributable to the parent company (after minority interests) and its average shareholders’ equity, was 14.7% (16.7% in 2009).

The ROE for the main Units and Companies is shown in the following table:

	2010			2009
	Average equity	Net result	ROE % ⁽¹⁾	ROE % ⁽¹⁾
MAPFRE FAMILIAR	1,346.8	412.8	30.7%	32.4%
LIFE ASSURANCE OP. UNIT	832.5	135.1	16.2%	14.6%
MAPFRE EMPRESAS	286.9	94.5	32.9%	---
MAPFRE AMÉRICA	1,493.5	214.6	14.4%	9.2%
MAPFRE INTERNACIONAL	2,168.4	103.0	4.8%	5.9%
MAPFRE GLOBAL RISKS	406.5	21.5	5.3%	---
MAPFRE RE ASSISTANCE	844.0	124.2	14.7%	14.2%
	145.3	20.6	14.2%	12.8%
MAPFRE S.A. (consolidated)	6,353.8	933.5	14.7%	16.7%

Figures in million Euros

1) Results after taxes and minority interests / Average equity (after minority interests)