

SISTEMA MAPFRE RECORDED
REVENUES OF €6,459 MILLION AND A NET PROFIT OF €366 MILLION
UNDER IFRS AT THE CLOSE OF JUNE 2005

CORPORACIÓN MAPFRE, THE GROUP'S LISTED HOLDING COMPANY,
INCREASED ITS NET PROFIT BY 38.2%

SISTEMA MAPFRE and its listed holding company CORPORACIÓN MAPFRE are releasing their results for the first half of 2005 prepared in accordance with International Financial Reporting Standards (IFRS).

1. SISTEMA MAPFRE (MAPFRE MUTUALIDAD AND ITS SUBSIDIARIES)

SISTEMA MAPFRE recorded consolidated revenues of €6,459 million, a 12.3% increase over the previous year, €5,394.4 million of which corresponded to direct insurance and accepted reinsurance premiums.

The consolidated profit before tax was €514.6 million, an 18.6% increase. Profit after tax amounted to €366.4 million, up 17.2% over the same period of fiscal year 2004.

Consolidated third-party funds managed by the Group in Life insurance and savings products grew 16.2% with respect to the same period of the previous year, reaching €19,077 million.

2. CORPORACIÓN MAPFRE

CORPORACIÓN MAPFRE, the listed holding company for most of the Group's subsidiaries, filed today with the National Securities' Markets Commission ("Comisión Nacional del Mercado de Valores" or "CNMV") a report on its results at the close of June 2005, which likewise evolved very positively. Non-life insurance premiums grew 13.5%, while third-party funds managed in Life insurance and savings products rose by 16%. Total revenues reached €4,937.4 million, a 13.4% increase.



The consolidated profit before tax and minority interests was €333.4 million and the net profit reached €149 million, exceeding the result for the same period of the previous year by 38.2%.

The subsidiaries of CORPORACIÓN MAPFRE that operate in Spain, which are grouped under MAPFRE-CAJA MADRID HOLDING DE ENTIDADES ASEGURADORAS, obtained a volume of premiums of €2,699.9 million and a consolidated profit before tax and minority interests of €221.8 million (a 29.6% increase).

In Life insurance, it is worth noting the consolidated profit before tax and minority interests of MAPFRE VIDA, which was €87.9 million, a 28.1% increase over the same period of the previous year. Third-party funds managed by MAPFRE VIDA and its subsidiaries reached €18,789.6 million.

In Non-life insurance, it is worth noting the growth of the General Insurance Operating Unit, which recorded increases in the region of 12% across virtually all its business lines and of 17.5% in its profit before tax and minority interests, and of the Commercial Insurance Unit, both in its volume of premiums (7.6%) and in its profit (21.5%).

International insurer MAPFRE RE stood out among the subsidiaries of CORPORACIÓN MAPFRE operating abroad, recording increases of 18.7% in its premiums, to €666.8 million, and of 35.3% in its profit before tax and minority interests, to €58.7 million. It is worth noting also MAPFRE AMÉRICA, with increases of 11.2% in its premiums volume (€732.4 million) and 30% in its profit before tax and minority interests (€44.6 million).

3. RATINGS ASSIGNED BY INTERNATIONAL AGENCIES

- Standard & Poor's affirmed the 'AA' rating assigned to MAPFRE MUTUALIDAD, with a stable outlook, as well as the 'AA-' rating assigned to the bonds issued by CORPORACIÓN MAPFRE, the 'AA-' rating assigned to MAPFRE RE and the 'AA-' rating assigned to MAPFRE REINSURANCE CORPORATION, the US subsidiary of MAPFRE RE, all with a stable outlook. Furthermore, the agency assigned for the first time its 'AA' long-term issuer credit and financial strength ratings to MAPFRE EMPRESAS, with a stable outlook.
- AM Best affirmed the 'A+ (Superior)' rating assigned to MAPFRE MUTUALIDAD, with a positive outlook; the 'aa-' rating assigned to the bonds issued by CORPORACIÓN MAPFRE, with a stable outlook; the 'A+ (Superior)' rating assigned to MAPFRE ASISTENCIA, with a stable outlook; and the 'A+ (Superior)' financial strength rating assigned to MAPFRE RE, raising the debt rating of the latter to 'aa'. The outlook for both ratings is positive. MAPFRE REINSURANCE CORPORATION's 'A (Excellent)' rating was also affirmed. Also AM Best assigned for the first time its 'A (Excellent)' rating to MAPFRE EMPRESAS, with a stable outlook.



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- Both Standard & Poor's and AM Best underscore MAPFRE's leading position and its excellent operating results. Moreover, Standard & Poor's highlights the quality of the management team as a key rating factor.

Madrid, 21 July 2005

Should you need further information, please contact MAPFRE, Dirección General de Comunicación y Responsabilidad Social (phone +34-91-581-2216, fax +34-91-581-8382, e-mail ndelolm@mapfre.com).



FINANCIAL INFORMATION FOR SISTEMA MAPFRE AS AT 30.06.2005

1. Consolidated Income Statement for MAPFRE MUTUALIDAD and its subsidiaries (IFRS)

ITEMS	€ million		% Variation 05 / 04
	2005	2004	
NON-LIFE INSURANCE AND REINSURANCE			
Gross written and accepted premiums	4,170.2	3,736.9	11.6
Premiums earned, net of ceded and retroceded reinsurance	3,055.2	2,664.0	14.7
Net claims incurred and variation in other technical provisions	(2,159.9)	(1,839.1)	17.4
Net operating expenses	(625.6)	(514.8)	21.5
Other technical income and expenses	(29.0)	(43.5)	(33.3)
TECHNICAL RESULT	240.7	266.6	(9.7)
Net financial and other non-technical income	174.4	106.7	63.4
Result of the Non-life business	415.1	373.3	11.2
LIFE INSURANCE AND REINSURANCE			
Gross written and accepted premiums	1,224.2	1,232.1	(0.6)
Premiums earned, net of ceded and retroceded reinsurance	1,133.8	1,149.0	(1.3)
Net claims incurred and variation in other technical provisions	(1,465.4)	(1,317.9)	11.2
Net operating expenses	(95.3)	(105.9)	(10.0)
Other technical income and expenses	(6.0)	(4.0)	50.0
TECHNICAL RESULT	(432.9)	(278.8)	55.3
Net financial and other non-technical income	489.2	314.2	55.7
Unrealised gains and losses in unit-linked investments	12.0	7.7	55.8
Result of the Life business	68.3	43.1	58.5
OTHER BUSINESS ACTIVITIES			
Operating income	140.4	107.3	30.8
Operating expenses	(126.6)	(105.2)	20.3
Net financial and other income	13.6	12.2	11.5
Results from minority interests	3.8	3.1	22.6
Result of the Other Business Activities	31.2	17.4	79.3
Result before tax and minority interests	514.6	433.8	18.6
Taxes	(148.2)	(121.3)	22.2
Result after tax	366.4	312.5	17.2



MAPFRE

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FINANCIAL INFORMATION FOR SISTEMA MAPFRE AS AT 30.06.2005

2. Consolidated results of CORPORACION MAPFRE (IFRS)

COMPANIES	€ million		% Variation 05 / 04
	2005	2004	
<u>Subsidiaries of MAPFRE-CAJA MADRID HOLDING</u>			
MAPFRE VIDA	87.9	68.6	28.1
MAPFRE SEGUROS GENERALES	66.6	56.7	17.5
MAPFRE EMPRESAS	65.0	53.5	21.5
MAPFRE CAJA SALUD	8.3	3.2	159.4
<u>Other subsidiaries of CORPORACION MAPFRE</u>			
MAPFRE AMERICA	44.6	34.3	30.0
MAPFRE RE	58.7	43.4	35.3
MAPFRE ASISTENCIA	4.3	4.1	4.9
TOTAL SUBSIDIARIES	335.4	263.8	27.1
Consolidation adjustments and other items	(2.0)	(13.1)	-
Result before tax and minority interests	333.4	250.7	27.1
Taxes	(107.9)	(78.8)	36.9
Result after tax	225.5	171.9	31.2
Result attributable to minority interests	(76.5)	(64.1)	19.3
Result attributable to CORPORACIÓN MAPFRE	149.0	107.8	38.2

FINANCIAL INFORMATION FOR SISTEMA MAPFRE AS AT 30.06.2005

3. Comparison of key figures: IFRS vs. PGC/PCEA

COMPANIES	€million	
	IFRS	PGC/PCEA
MAPFRE MUTUALIDAD AND ITS SUBSIDIARIES		
Total revenues	6,459.0	6,325.5
Premiums written	5,394.4	5,399.7
Result before tax	366.4	308.3
Third-party funds managed in Life ins. and savings prods.	19,076.7	17,018.0
CORPORACIÓN MAPFRE		
Total revenues	4,937.4	4,807.1
Premiums written	3,979.4	3,987.2
Result before tax	333.4	264.0
Result after tax and minority interests	149.0	118.5