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A snapshot of MAPFRE

An overview of the acquisition of Commerce

Brief summary of 9 months 2007 results



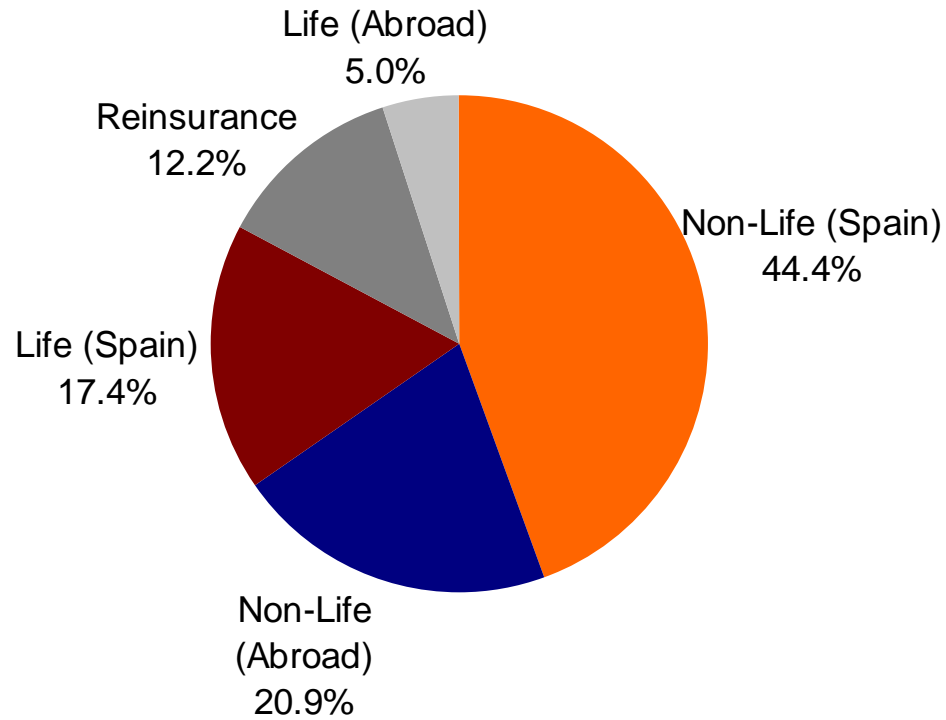
MAPFRE at a glance

- MAPFRE is an independent Spanish group which carries out activities in the fields of insurance, reinsurance and services primarily in Spain, Europe and the Americas.
- It has a direct presence in 40 countries across various business lines, which has consistently provided increasing and diversified results:
 - Spain's leading insurance group, with the strongest brand name, the widest distribution network and market shares of 17.4% in Non-Life insurance premiums and 8.3% in Life assurance premiums (2006 figures);
 - Largest Non-life insurer in Latin America, with a 6.2% market share, and 3rd largest overall, with a 4.5% market share (2006 figures).
- Recently announced acquisitions will further increase the level of diversification and consolidate MAPFRE's position as a Top 10 Non-life insurer in Europe.
- At year-end 2006, MAPFRE recorded premium volume of €10.9 bn, third-party funds under management of €20.5 bn and a pretax profit of €1.2 bn.



Breakdown of premiums and profits by business line – 9M 07

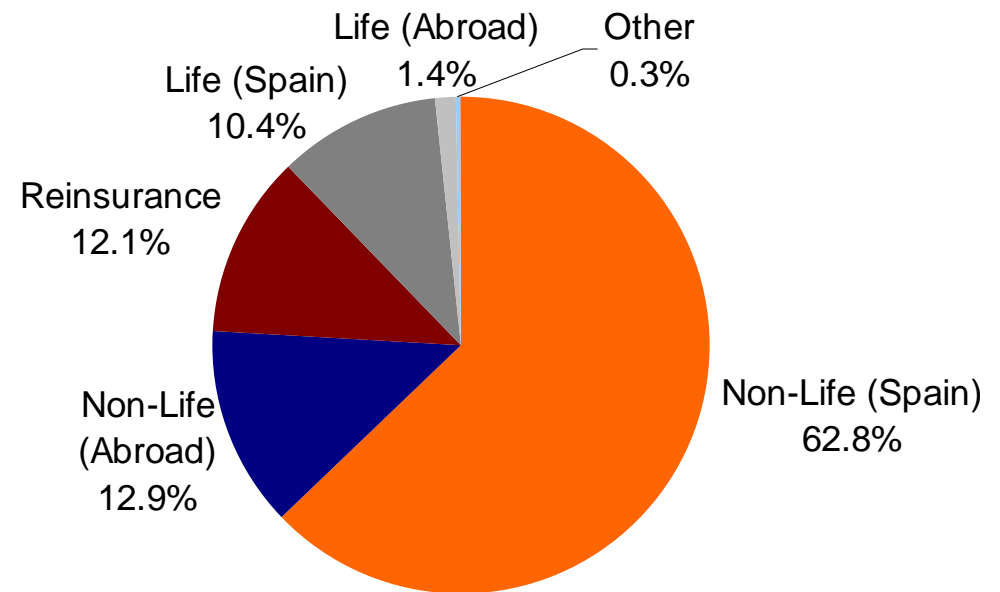
Premiums⁽¹⁾



€9,367.7 million

+11.8%

Profits⁽²⁾



€505.2 million

+10.6%

(1) Aggregated figures for MAPFRE

(2) Result after tax and minority interests. Consolidated figures for MAPFRE



Growth drivers

- Top line:

- Expansion of business in comparatively faster-growing and underpenetrated areas.
- Integration and development of product portfolio in new acquisitions and JVs.
- Enhanced cross-selling of retail Non-life products.
- Expansion of the distribution network.

- Bottom line:

- Integration of new acquisitions and JVs.
- Efficiency improvement initiatives in Spain.
- Higher productivity and larger network in Latin America.



External growth

- MAPFRE has recently announced an agreement to acquire US insurer Commerce Group, Inc. (“Commerce”). Once completed, this will be the largest investment in the Group’s history.
- The acquisition of Commerce is in addition to a series of acquisitions, JVs and agreements announced over the last twelve months, which have considerably enhanced MAPFRE’s global reach and competitive position.
- MAPFRE INTERNATIONAL will now focus on consolidating its new business activities.
- Additional bancassurance JVs and acquisitions are possible in those countries where MAPFRE already has a presence, if:
 - They increase MAPFRE’s exposure to unexploited or underdeveloped market segments
 - Their growth and profitability can be enhanced by MAPFRE’s expertise.
 - They are expected to become accretive or value-additive within a short period.

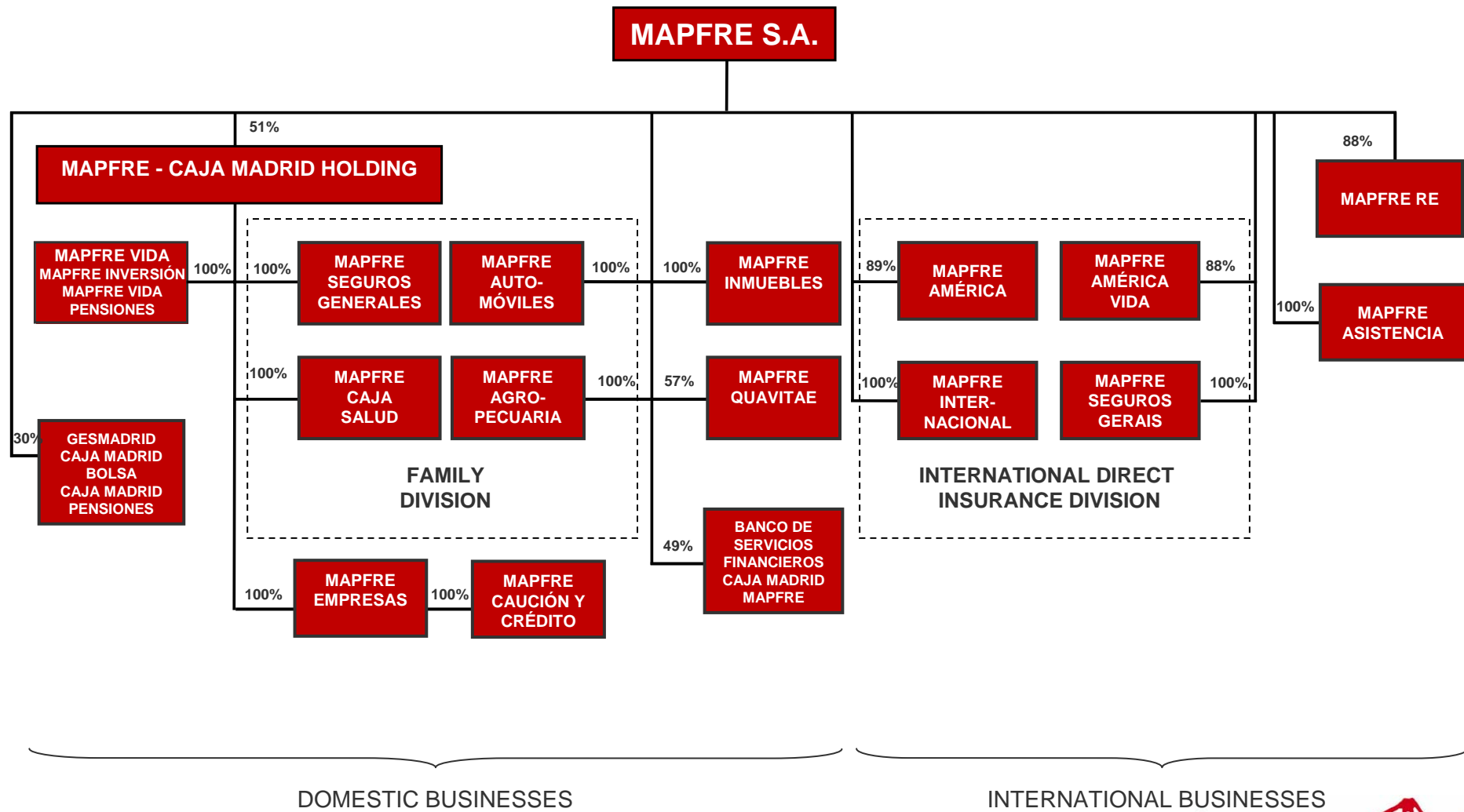


Cancellation of the planned joint venture with Cattolica

- MAPFRE and Cattolica will no longer set up the planned joint venture MAPFRE CATTOLICA AUTO, which has not received the mandatory authorisation from ISVAP (Italy's insurance supervisor), due to the lack of agreement on the terms of shared management in the new company and the planned collaboration of Cattolica's network
- MAPFRE and Cattolica, which have a long track record of good institutional relationships, will conduct additional studies to identify new areas and ways of collaboration, both at an industrial and institutional level.
- The cancellation of the joint venture reduces MAPFRE's investment commitments by €473 million.
- MAPFRE intends to maintain its 8.5% stake in Cattolica.



Organisational chart



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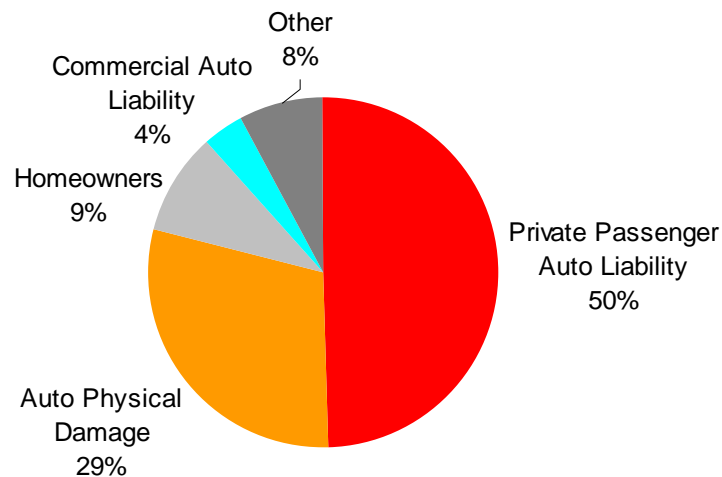
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Profile of Commerce

- Commerce began operating in 1971. Today it focuses on writing personal automobile insurance and other property and casualty lines, which it distributes primarily through independent agents
- Since 1990, it is the largest and most profitable personal auto writer in Massachusetts. It ranks as the 20th largest company nationwide in this line
- Its operations are rated 'A+ (Superior)' by A.M. Best, 'A2' by Moody's and 'A' by S&P

'06 Breakdown of written and accepted premiums



	Written and accepted premiums	% of Total
Massachusetts	\$1.72B	88%
Outside Massachusetts	0.23	12%
Total	\$1.96B	



Commerce: a strong business profile

- Leading position in motor insurance in Massachusetts.
- Licenses in 50 states.
- Large network of independent agents, strongly loyal to the company.
- Strategic relationship with numerous American Automobile Association (AAA) clubs.
- Quality operations and consistent underwriting profits.
- Low-cost structure, high degree of centralisation and unsurpassed economies of scale.
- Recurring investment yields from a high-quality investment portfolio.
- Experienced management team with proven track record.



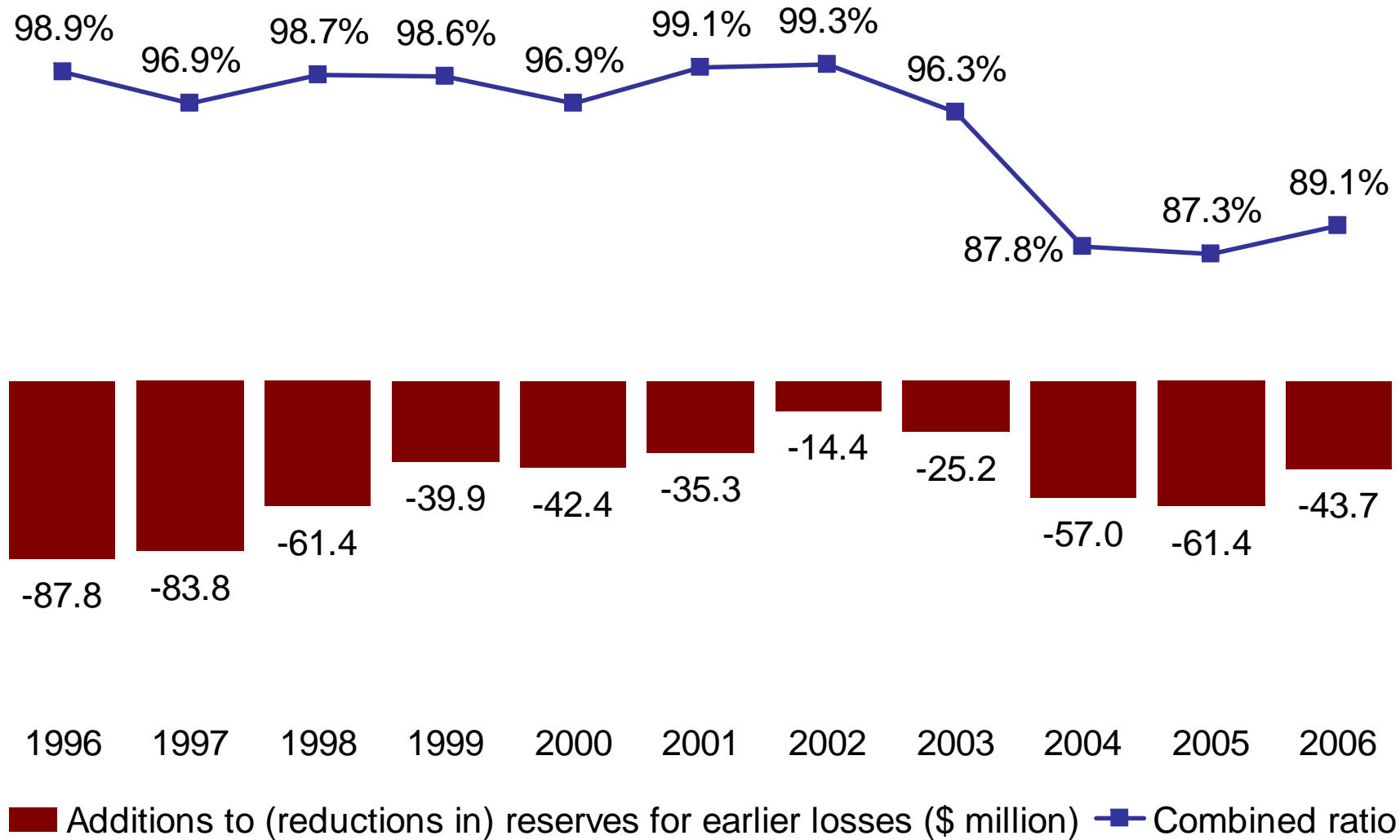
Commerce: leading competitive position in Massachusetts

	Personal Auto		Homeowners		Commercial Auto	
	Rank	% of market	Rank	% of market	Rank	% of market
Commerce Group	1	31.5%	1	9.8%	2	12.7%
Safety Group	2	11.2%	11	3.2%	3	11.0%
Arbella Insurance Group	3	9.6%	7	5.2%	4	10.5%
Liberty Mutual Insurance Companies	4	7.7%	5	6.7%	9	3.6%
MetLife Auto & Home Group	5	7.1%	10	3.2%	---	---
Travelers Insurance Companies	6	7.0%	3	8.2%	1	13.5%
Plymouth Rock Companies	7	6.1%	16	2.1%	6	6.0%
Amica Mutual Group	8	3.6%	13	3.0%	44	0.1%
Hanover Insurance Group P&C Companies	9	3.6%	9	3.3%	5	7.9%
White Mountains Insurance Group	10	2.9%	14	2.6%	8	3.8%
Allstate Insurance Group	11	2.3%	27	1.1%	---	---
USAA Group	12	2.1%	15	2.5%	---	---
Quincy Mutual Group	13	1.4%	6	5.9%	36	0.2%
Main Street America Group	14	1.3%	21	1.5%	16	1.4%

Source: A.M. Best (2006)

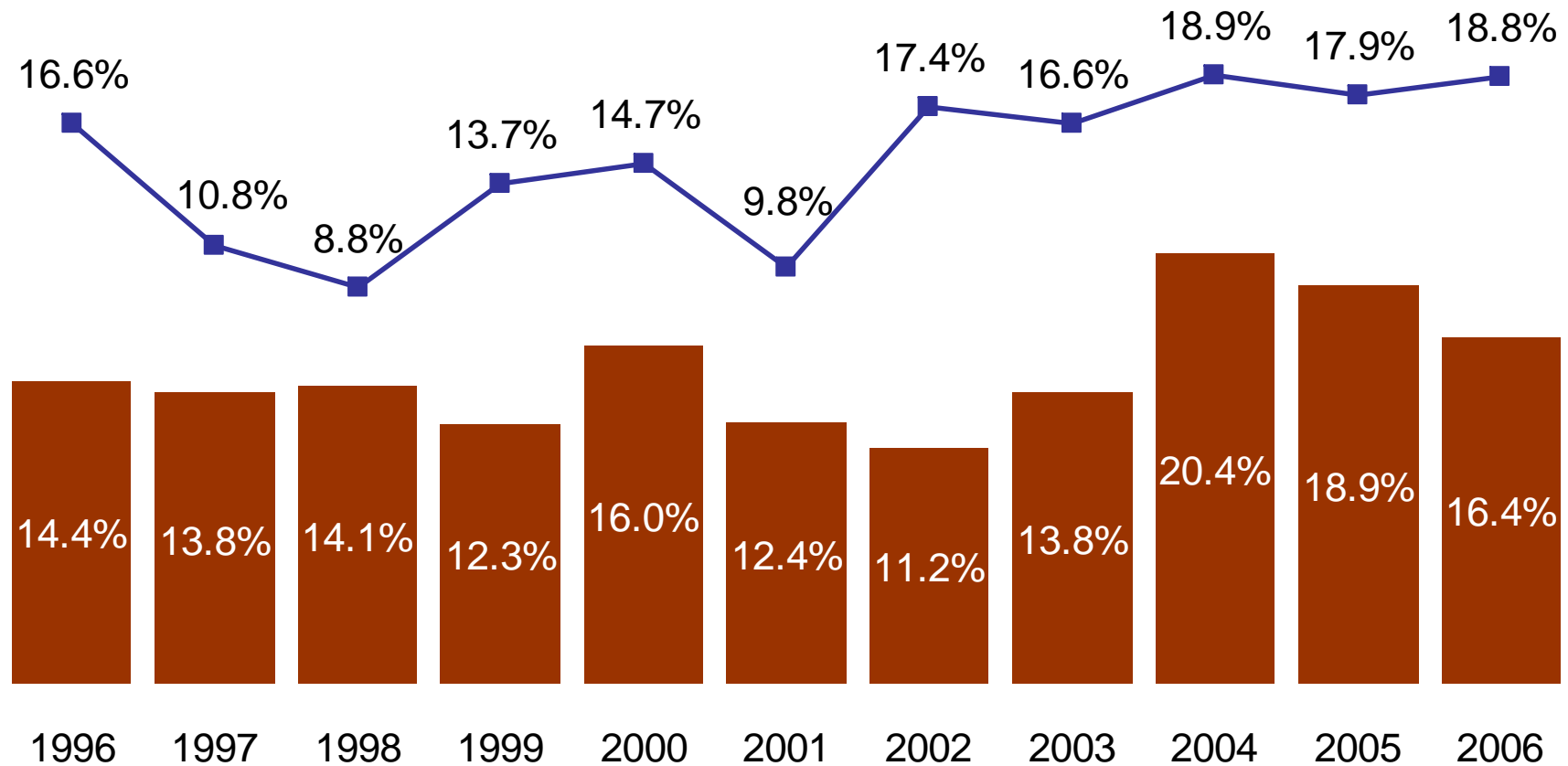


Commerce: strong underwriting track record



Commerce: strong profitability and cash generation

- Commerce has consistently recorded above-industry-average returns and substantial cash generation on the back of its recurring positive underwriting results and strong net financial income.



■ ROE (excluding AOCI and realised gains)

■ Cash flow from operations as a % of net premiums written



Commerce development within the MAPFRE Group

- Upon completion, MAPFRE would retain Commerce's management team and together both groups would design a cautious growth strategy, which would initially focus on:
 - Business expansion in and outside of Massachusetts.
 - Design of dedicated products and services for the Hispanic community.
 - The deployment of MAPFRE's expertise in personal lines products, IT and in reinsurance .
 - Cost savings from discontinuation of listing (estimated at about \$7mn/year).
- Commerce's operations will remain in Massachusetts.



Financial impact: value creation for MAPFRE shareholders

- MAPFRE is offering to acquire all shares of Commerce at a price of \$36.70 each, paid entirely in cash, implying:
 - A total consideration of \$2,207mn (€1,538mn).
 - Multiples of 13.1x 2008 expected earnings (First Call consensus) and 1.65x book value (Q3 '07).
 - A premium to market of 17.9% vs. 30th October's closing price, 22.5% vs. the 30-day average and of 20.4% vs. the 3-month average.
- The Board of Commerce deems the offer to be fair and will recommend the transaction to its shareholders.
- The acquisition will be funded initially through a bridge loan. Long-term funding expected to come from an equity capital raising of €500mn, the issuance of hybrid debt of up to €800mn and internal resources.
- The transaction will be immediately EPS accretive (€0.007 in 2008 and €0.008 in 2009).
- Completion is subject to the relevant regulatory authorisations and to the requisite approval by the holders of at least two-thirds of Commerce's common stock. Once approved, it will be carried out through the merger of a subsidiary of MAPFRE with Commerce, under U.S. regulations.



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9M 2007 results: continued strong performance⁽¹⁾

- Total operating revenues reached €11,371.9 million, an increase of 10.8%.
- Gross written and accepted premiums amounted to €9,367.7 million, an 11.8% rise.
- Funds under management in Life and Savings products amounted to €23,265.5 million, representing an increase of 15.6% (21% excluding the effect of shadow accounting adjustments);
- The Non-life combined ratio was 92.9% (94.0% in the first nine months of 2006).
- Results after tax and minority interests amounted to €505.2 million, a rise of 10.6% versus the same period of the previous year.
- The ROE stood at 16.1% (16.1% as at 31.12.2006).

1) In this document the accounting information for MAPFRE for the first nine months of 2007 is compared with the pro forma figures for the first nine months of 2006, which comprise all the activities that were included in its scope of consolidation in January 2007.



Summarised breakdown of results

	9M 2007	9M 2006 ⁽¹⁾	Var.% 07/06
NON-LIFE INSURANCE AND REINSURANCE			
Gross written and accepted premiums	7,058.8	6,685.0	5.6%
Technical Result	399.9	315.1	26.9%
Net fin'l. income and other non-technical income and expenses	387.2	395.8	-2.2%
Technical-financial result of the Non-life business	787.1	710.9	10.7%
LIFE ASSURANCE AND REINSURANCE			
Gross written and accepted premiums	2,308.9	1,693.9	36.3%
Technical-financial result of the Life business	146.9	120.1	22.3%
Results from other business activities	26.4	35.9	-26.5%
Result before tax and minority interests	960.4	866.9	10.8%
Taxes	-290.1	-272.6	6.4%
Result after tax	670.3	594.3	12.8%
Result attributable to minority interests	-165.1	-137.7	19.9%
Result after tax and minority interests	505.2	456.6	10.6%
Non-life loss ratio ⁽²⁾	68.9%	70.5%	
Non-life expense ratio ⁽²⁾	24.0%	23.5%	
Non-life combined ratio ⁽²⁾	92.9%	94.0%	

1) The figures for the first nine months of 2006 have been calculated on the basis of the pro forma financial statements of MAPFRE, which have been prepared purely for comparative purposes using the information included in the consolidated financial statements of the Company for the first nine months of 2006 and the financial statements for the same period of those companies which were included in its scope of consolidation in January 2007.

2) Ratios calculated over net premiums earned.

Million Euros

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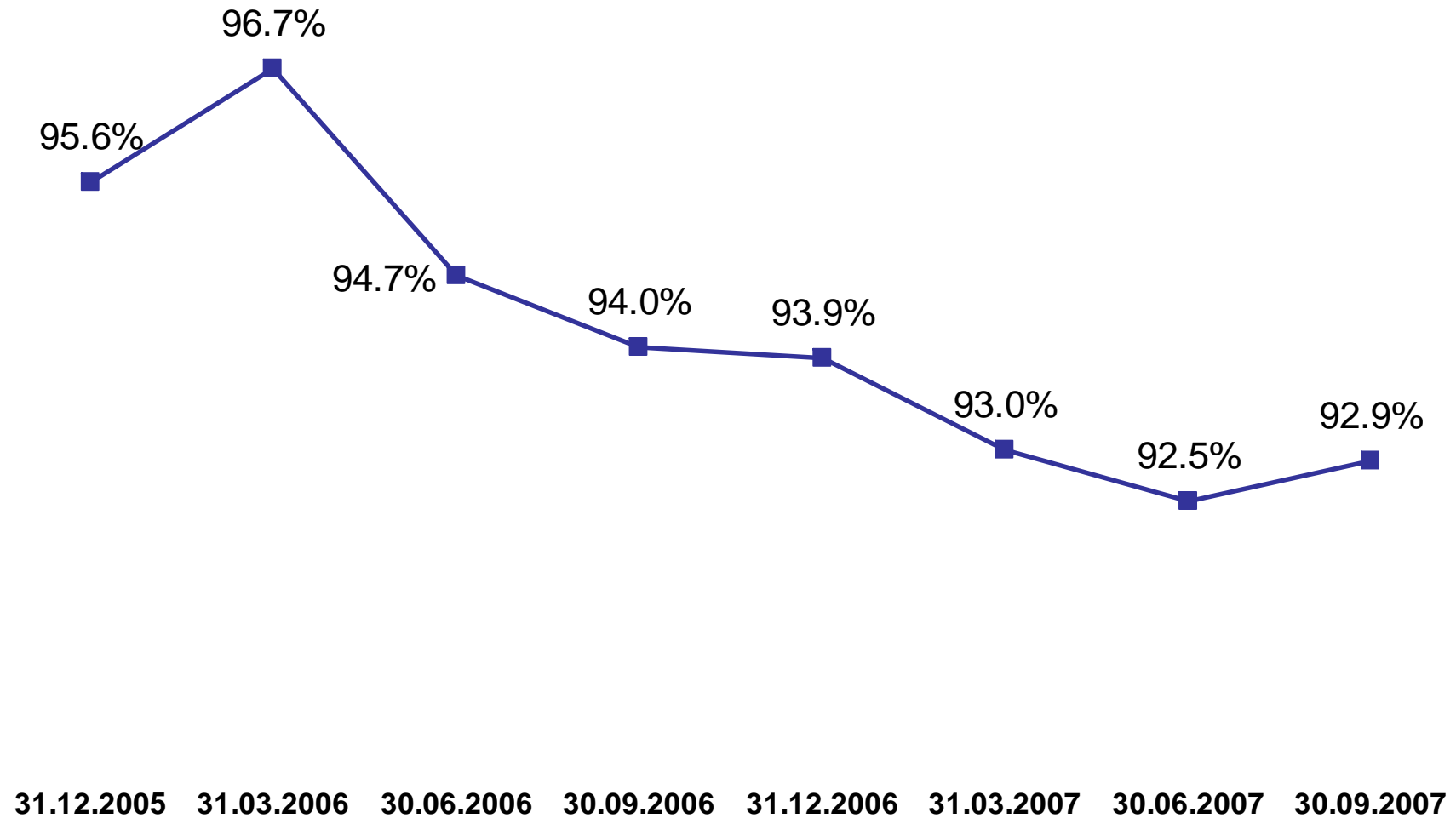


Drivers of 2007 results to 30.09.2007

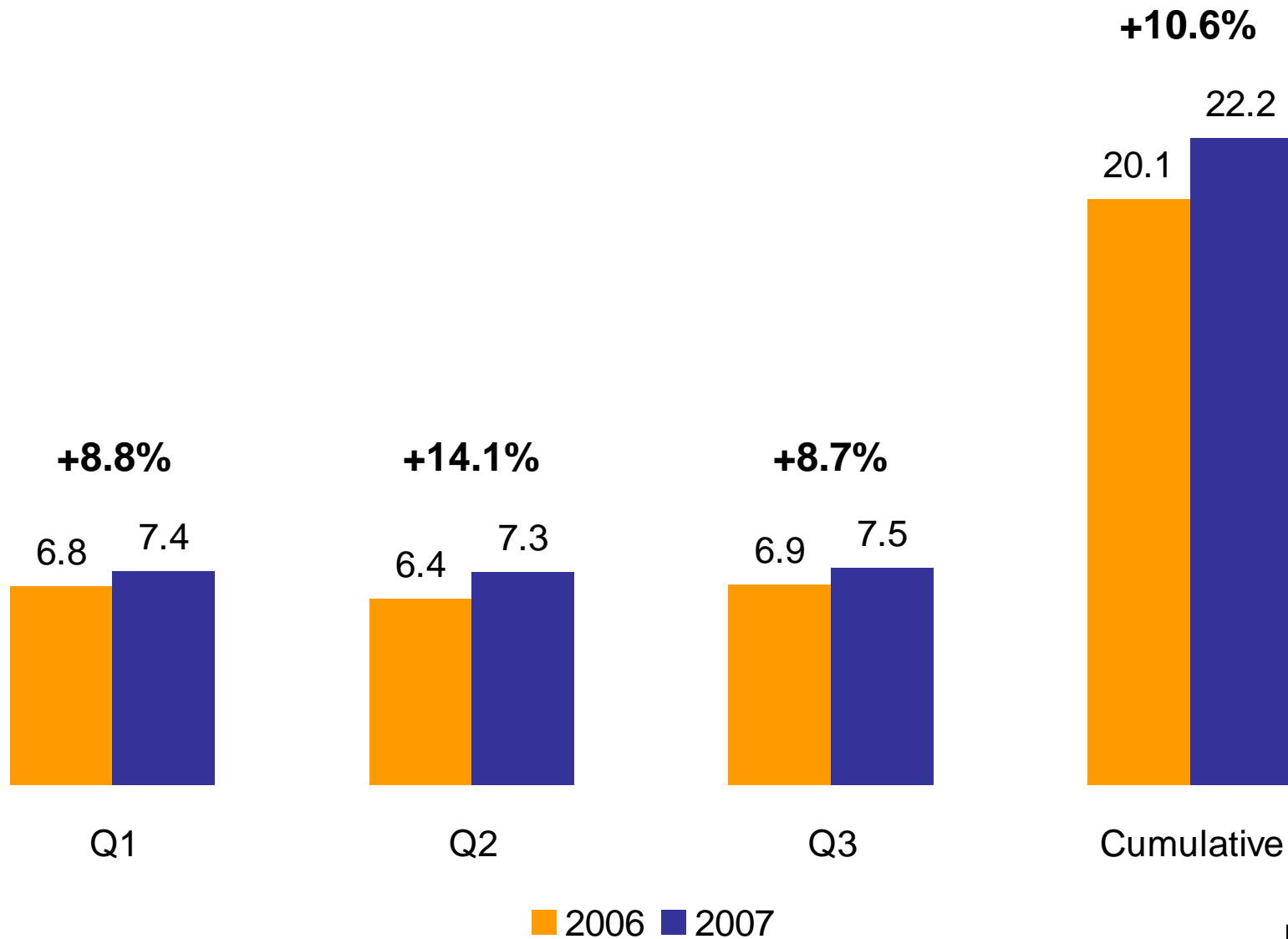
- Gross written and accepted premiums grew 11.8% to €9,367.7 million, reflecting:
 - Spain Non-life (+3.4%): virtual stability in Motor (-0.7%) and growth in Non-Motor lines (+6.5%).
 - Spain Life: strong 36.2% increase, coming primarily from the Life – Savings business.
 - Abroad: sustained expansion in direct insurance (+14.5% in Non-life and +28% in Life), driven primarily by Brazil and Mexico.
 - Reinsurance: +10.3% increase, thanks to good business development, especially in Latin America, the USA and Asia.
- The combined ratio decreased 1.1 p.p., due primarily to a significant decline of the loss ratio in Motor insurance in Spain, in Latin America and in Commercial insurance.
- The net financial income decreased slightly because of: lower gains from the realisation of real estate investments in the Motor business in Spain; the reduction in the value of hedging swaps in the Life business in Spain stemming from the rise in interest rates; and larger financial expenses arising from the increase in debt levels.
- Taxes grew at a slower rate than the gross result, due mainly to the reduction in the corporate tax rate in Spain to 32.5% (35% in 2006).
- The result attributable to minority interests grew faster than the result after tax, due to the 18.1% increase in results after tax at MAPFRE – CAJA MADRID HOLDING.



Sustained improvement in quarterly combined ratios



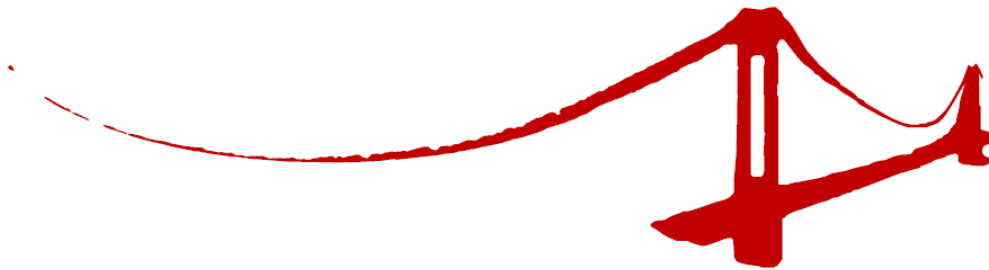
Growing quarterly EPS



Interim dividend

- The Board of Directors has resolved to pay, from 8th November 2007 onwards, an interim dividend of €0.06 gross per share, against the results of fiscal year 2007. Therefore, the total dividends to be paid in the year will amount to €0.11 gross per share, representing an increase of 57.1% with respect the amounts paid out in 2006.





Thank you!

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MAPFRE does not undertake to update or revise periodically the content of this document.

