

**MAPFRE EXPECTS TO GENERATE REVENUES OF
31,000 MILLION EUROS IN 2018**

- **The Group presents its new strategic plan for 2016-2018, which focuses on profitable growth.**
- **At least 50 percent of profits will be paid out to shareholders, with an average return of approximately 5 percent.**
- **An average ROE of at least 11 percent over the three-year period.**
- **Continued development of digital direct business and the launch of VERTI in the United States in 2017.**
- **Deployment of the 2016-2018 Sustainability Plan and the Active Transparency Plan to reinforce MAPFRE's image as the most trusted global insurance company.**
- **MAPFRE pays over 540 million euros in taxes in 2015, with an effective tax rate of 30.4 percent.**

MAPFRE expects to generate 31,000 million euros in revenues by the end of 2018, and will pay out at least 50 percent of the Group's profits to its shareholders during the 2016-2018 period, with an average return of approximately 5 percent. These are some of MAPFRE's strategic objectives which were presented by its Chairman and CEO, Antonio Huertas, during the Annual General Meeting held today in Madrid, at which he announced that the Group plans to maintain the average combined ratio below 96 percent in said period, and generate an average ROE of no less than 11 percent.

These objectives are included in the new strategic plan, which focuses on profitable growth and is based on four key pillars for the company: customer orientation, digital transformation, excellence in technical and operational management, and culture and talent.

The cost containment policy will continue to be applied across the Group with the aim of maintaining the expense ratio at a rolling average of below 28 percent of premiums over the three-year period, and taking advantage of the various strategic initiatives to achieve cost savings of at least 150 million euros.

The progressive development of digital direct business, which will be increased by 50 percent between 2016 and 2018, reflects MAPFRE's commitment to diversification, not only in geographical terms but also by business line and distribution channel. In this regard, MAPFRE's Chairman and CEO announced that VERTI will be launched in the United States in 2017, and further headway will be made in the integration of the Direct Line operations in Italy and Germany, which will operate under the VERTI brand in the future.

MAPFRE continues to work on the development of a company specialized in the sale of online Motor insurance in China and is currently awaiting receipt of the pre-license application to start operations during 2017 from the Chinese authorities. Moreover, MAPFRE has recently been authorized to operate as reinsurer in the country.

The Group's commitment to digital transformation is also aimed at boosting the development of the operations already initiated, as well as launching others, and to this end, all regional areas will have a plan in place to develop digital direct business, as a first step towards the coordinated expansion of this channel.

The adaptation to this new reality is commensurate with the strengthening of MAPFRE's branch network, which will continue to be enhanced, searching for distribution agreements –either with financial institutions or other types of companies, depending on the specific characteristics of each market– and boosting growth in the various distribution channels.

Through all these plans, the Groups strives to create sustainable value for shareholders, focusing on profitable growth, maximizing synergies among the various areas and developing MAPFRE's strategic businesses, while preserving the company's commitment to social responsibility. For this purpose, the 2016-2018 Sustainability Plan has recently been rolled out, in order to maximize the social

impact of MAPFRE's activities, minimizing environmental risks and ensuring best governance practices.

Additionally, the Active Transparency Plan has been implemented, with the aim of positioning MAPFRE as one of the most demanding companies in terms of transparency in all its relations with stakeholders and reinforcing MAPFRE's image as the most trusted global insurance company.

MAPFRE has made significant progress in the implementation of good corporate governance practices and has approved the regulation governing its Institutional, Business and Organizational Principles in order to adapt the company to the new trends and recommendations in this field. It should be noted, for instance, that MAPFRE has initiated a plan to continue to reduce the number of board directors to 15 over the next three years, as well as increasing the number of independent directors and women on the board.

Antonio Huertas reaffirmed the Group's commitment to ensuring that overall, at least 40 percent of the positions with executive responsibility will be held by women and at least 2 percent of its employees will be people with disabilities by 2018.

Likewise, during the AGM, MAPFRE's economic contribution to the various countries where it operates was highlighted. Payments to Public Administrations, which in 2015 exceeded 1,550 million euros (of which more than 540 million euros corresponded to taxes with an effective tax rate of 30.4 percent), the more than 4,500 million euros paid in commissions to intermediaries working with MAPFRE or the 11,231 million euros paid in benefits to the company's more than 34 million customers should be noted.

Finally, the AGM approved the final dividend to be paid against the 2015 results, among other resolutions. The final dividend of 7 euro cents per share will be added to the 6 euro cents already paid as an interim dividend. Thus, 13 euro cents per share will be fully paid in cash to each shareholder, which represents a return of 4.9 percent per dividend, one of the highest returns in the Spanish market.