

SPEECH BY IGNACIO BAEZA

Good morning, Shareholders, and a very warm welcome.

I would like to start my presentation by reporting on the most relevant aspects of MAPFRE's management for the 2018 fiscal year.

Once again during the last fiscal year, the company succeeded in generating operating earnings of 702 million euros, which was slightly up on the previous year. However, at the close of 2018 the Group decided to execute a partial impairment of goodwill in the amount of 173 million euros, as an exercise in transparency and foresight in managing the Balance Sheet. As you know, this reduced attributable net earnings to 529 million euros. But, as we have also announced, MAPFRE's commitment to its shareholders remains firm and unwavering, which translates into a dividend equal to each of the two previous years, 447 million euros, for the third consecutive year and once again, entirely in cash.

After my presentation, Fernando Mata, CFO and Member of the Board, will provide you with more detailed information about the company's financial situation, but before that, I'd like to give you a few relevant figures.

Let me start by highlighting the external factors that have formed the backdrop to the fiscal year that has just ended.

First and foremost, we registered a net impact of over 100 million euros as a result of the year's major catastrophes. We all know that there are cycles with higher catastrophe levels, and we are in the midst of such a cycle right now.

Secondly, the accounts have also been affected by the negative curve in the exchange rates of all other currencies with regard to the euro, which had an impact of 1.44 billion euros on premium volume, 34 million euros on earnings and 103 million euros on shareholders' equity. Currencies have resulted in a negative financial impact equivalent to 2.4 billion euros over the last three years.

Finally, 2018 saw the continuation of the prolonged period of low interest rates and accompanying volatility in the related markets, affecting not just our financial income, but that of the sector as a whole.

In such a context, we have achieved this result on the back of a solid performance by MAPFRE in certain countries and business units, such as, for example, our business in Spain, with earnings growth of over 5 percent and a contribution of 481 million euros; and our reinsurance business, which, despite suffering catastrophe-related costs to the tune of nearly 100 million euros, generated almost 150 million euros in earnings.

The fiscal year just ended has also seen us complete the restructuring of two of our most important operating areas: Brazil and the United States. All of this allows us to look toward the coming year with renewed optimism.

Without the impairment of goodwill undertaken to reinforce the balance sheet, the ROE for the year would have stood at 8.4 percent.

Our Solvency ratio also stands above 200 percent, which is where we want it to be.

Let me now turn to our 2018 Annual Report, which we are publishing for the third consecutive year, in integrated format, allowing us to fully express our business model and social commitment. This publication complies with all the international guidelines for this type of document, and also with the recommendations for the structuring of information provided by the International Integrated Reporting Council (IIRC).

In addition, the report meets with the information requirements of Directive 2014/95 concerning the disclosure of non-financial and diversity information, and other requirements for the provision of financial and non-financial information.

The integrated report has been formally published, and is therefore available to you if you wish to consult it. In addition to financial details, it includes ample information about our business model, and among other aspects, deals with our progress in the field of Corporate Governance and outlines the company's principal assets. As you can see, MAPFRE is a solid, solvent company, with sufficient financial resources to meet its commitments, and a business model that is strongly committed to society.

It is precisely this, our commitment to society, that I would like to talk about for the next few minutes.

AT MAPFRE, WE ARE SERVICE

Our productive capacity can be measured in terms of the value we create for our stakeholder groups. When we organize our activity, we think of the needs of the nearly 29 million clients who are at the heart of our business. We have a multichannel offering available, which we permanently reinforce with agreements that strengthen our ability to reach out to the client. We operate both through our own network of 86,500 distributors and over 152,000 providers, and through agreements such as the one we recently signed with Amazon in Spain, which makes us the only insurer with a presence on their platform. This year past, we also considerably

strengthened our market position in terms of bancassurance. In addition to the operations that are already widely known, we have updated our agreement in Brazil, we have extended our exclusivity agreement with Bankia, and even though it was formalized just after the period close, we reached a new exclusive retail agreement with Banco Santander in Spain. As you can see, we are and always will be where the client needs us.

AT MAPFRE, WE ARE TALENT

Our greatest strength is also our distinguishing factor: the skillful deployment of the talent and the professionalism of the MAPFRE workforce. There are over 35,000 of us passionately-committed MAPFRE employees working to contribute to the Group's growth in 45 countries around the world. The majority of employees, 97 percent, are intimately tied to the company through a permanent employment contract.

We are a welcoming company with a diverse workforce enriching the whole. Our staff is made up of 91 nationalities and hails from five different generations, including over 2,200 of our youngest employees, from Generation Z, and over 900 fully-integrated people with disabilities working in 33 countries. We have more than doubled the number of people with disabilities working for us compared to just three years ago. At MAPFRE, ladies and gentlemen, "THE MORE DIFFERENT WE ARE, THE MORE UNIQUE WE ARE."

AT MAPFRE, WE ARE TALENT

As you saw in the video, we protect and nurture talent inside the company, offering individual development programs and professional career plans. We also attract external talent because we are perceived as a company that offers opportunities, with transparent, objective compensation policies that promote equality. We offer successful careers both at home and

abroad, and have one of the most complete social benefit programs in the industry, to which we assigned over 176 million euros in 2018.

We're not only talking about development here, but also about commitment. We have designed a road map to coordinate the digitalization of the company while also thinking about the needs of our employees. We are currently developing a strategic initiative known as the 'Digital Challenge', the objective of which is to manage the changes that our organization needs to make in order to adapt to new digital environments, increasing collaborative work, designing new work areas, developing flatter structures to make it easier for people to work on projects. We're transforming the company to meet our current and future needs, and to helping our main asset, our employees, to transition to this new digital, connected environment.

At this point I would also like to clarify an aspect that we have included in the Integrated Report for the first time this year: the gender pay gap, which is in the region of 5.6 percent. This is an inherited situation that has its origins in an industry that was historically male dominated, and which is more pronounced with respect to length of service. For us, no gap is acceptable. We have compensation policies and selection processes in place that ensure full equality. We will combat this legacy situation through specific action plans and, in addition, we are extending an analysis that was originally conducted in Spain to eight other countries in order to have a broader action framework available.

We are very clear on this question. In 2018, six out of every ten new hires were women and, as our Chairman and CEO will note later, we have surpassed the three-year objective we set ourselves to increase the presence of women in positions of responsibility.

MAPFRE is a company that is recognized as a Best Workplace in the majority of markets. In Spain, we have just been ranked as the best large company to work for. This analysis was also conducted in Brazil, Guatemala, Costa Rica, Nicaragua and, more generally, in Latin America,

Central America and the Caribbean in 2018. In the case of Brazil, we were also recognized as the Best Workplace for Women. Since today is International Women's Day, we want to reaffirm our absolute commitment to total equality.

AT MAPFRE, WE ARE SUSTAINABLE

We are also striving to be recognized as a sustainable company, committed to our environment and safeguarding it for future generations. In the Integrated Report, you will find the full details of our Strategic Plan for Energy Efficiency and Climate Change, the objectives of which we have fulfilled. We are the only Spanish insurer that participates, together with 15 of the world's leading companies, in the UN Environment Program's Finance Initiative (UNEP FI), to evaluate climate change and produce recommendations for the insurance industry.

AT MAPFRE, WE ARE COMMITMENT

Ladies and gentleman, we are a company that represents commitment. This is our best quality, and not only with our stakeholder groups, but also with society at large and with all the people we create relationships with.

In collaboration with you we have continued our work on the "MAPFRE shareholders: a unique value" program, which serves as a direct channel to supplement the usual ones, and through which, among other activities, the Group's top financial managers explain to you personally the company's development, and answer your questions. You are also aware that during the course of 2018 we created our exclusive "Te cuidamos accionista" ("Shareholders, we look after you") customer loyalty program, which offers you a wide range of benefits in appreciation of your commitment to MAPFRE.

The Integrated Report includes these initiatives and others with other stakeholder groups, if you would like to find out more about them. Let me now talk a little about the main international commitments assumed by MAPFRE with regard to sustainability.

1. The United Nations Global Compact, in which MAPFRE was awarded the highest score (“Advanced”) in the Progress Report.
2. The Finance Initiative of the United Nations Environment Program (UNEP FI), which promotes best practices that link sustainability and the financial industry.
3. Principles for Sustainable Insurance (PSI)
4. Paris Pledge for Action, in which we undertake to combat the greenhouse effect and all its consequences.
5. The United Nations Principles for Responsible Investment (PRI), compliance with which enables us to progressively align our investment policy.

We have also been signatories to the United Nations Global Compact since 2004, and have been strongly committed to the United Nations 2030 Agenda and to all the 17 Sustainable Development Goals (SDG), although we have concentrated most on those goals for which MAPFRE has the best chance of making a contribution, which are the nine goals that you can see on the screen.

During the course of 2018 we have been vigorously involved in specific initiatives concerning the top-priority SDGs, and though I won't go into further details of that now, I would, however, like to mention the impact we have made through our economic and social footprint.

As I explained previously, we are a company that generates value. Last year, we returned to society 24.2 billion euros in the form of benefits, payments to providers, wages and salaries. We also paid out 863 million euros last year in dividends. In Corporation Tax and social security contributions alone, we paid the sum of 766 million euros over to various public

administrations, which, together with other items, involved a return to society of over 25.85 billion euros.

With regard to our social footprint, I have already referred to our commitment to employment, conciliation and the management of talent, diversity and innovation. To conclude, I would now like to say a few words about two actions that we are particularly proud of, and for which we are especially recognized by society at large. These are the corporate volunteering program, developed through the Fundación MAPFRE, and the Group's own foundation work.

7,800 volunteers, most of them MAPFRE employees, performed over 1,600 altruistic activities for the community in 2018, benefiting over 111,000 people in the various countries in which we operate. It is a source of pride to us, and says a great deal about the MAPFRE corporate culture, that one in every six employees gives up part of their free time to improve the world in which we live.

With regard to Fundación MAPFRE, in 2018 we performed 277 activities that led to nearly 7,000 events that enabled us to reach out through our foundational activity to more than 25 million people in 30 countries.

All Fundación MAPFRE activities are important, since they all, to a greater or lesser extent, transform people's lives, especially those of society's least privileged members.

They are always activities that aim to include the excluded, seeking to give second opportunities and/or opening doors to knowledge and employability.

It would be invidious to single out favorites among them, but I would like to mention three of these activities that have a particular social impact:

The first is that of the Fundación MAPFRE Social Innovation Awards, the objective of which is to promote new concepts related to health, mobility and insurance that have the capacity to

transform society. The first edition of these Awards, held in 2018, was a complete success. The three prizewinners offered society a medical device capable of anticipating epileptic fits, a platform to improve financial inclusion, and an eco-friendly delivery vehicle that incorporates a defibrillator in each unit. We have just completed the application deadline for the second edition, and the members of the jury are now analyzing the projects presented. All the indications are that once again the event will be a great success.

The second important activity was the International Conference organized by Fundación MAPFRE in early December related to zero road traffic accident victims, and held in the Spanish Parliament building in Madrid. We thus reinforced the international perception of the Fundación MAPFRE as an international reference for road safety, and this gave us a new opportunity to promote the commitment to achieving zero fatal traffic accidents, to which we are strongly committed.

The third example I have chosen is related to medical research. For over 20 years now, we have supported Dr. Jesús Vaquero and his team, who have created a new form of treatment (of a purely experimental nature up to now) that allows certain people with specific spinal injuries to recover their mobility. This treatment has been successful, and represents a sign of hope for thousands of patients, given that it has just been authorized as a treatment by the Spanish and European Agencies for Medicine. This is undoubtedly very positive news.

We have shown that whenever we work on preventing illnesses, or ensuring high-quality research work or feeding a child, or facilitating access to education or creating a job opportunity, we provide a second chance to the people who need it most. This is our commitment, and has been MAPFRE's commitment through its foundation for over 40 years now.

Shareholders, you should feel rightfully very proud of this company and its social commitment, which we have turned into a distinguishing feature that enhances MAPFRE's social perception, boosts our reputation and ultimately filters through to the image of our business too.

Therefore helping others we are also generating value for MAPFRE.

The MAPFRE brand enjoys the fourth highest level of empathy among the IBEX 35 companies, according to Top Empathic Brands, which measures the use of emotional intelligence and companies' skill in listening to, and really understanding, their target audiences.

The Spanish Business Monitor of Corporate Reputation (MERCO) certifies us as the insurance company with the best reputation in Spain, and also places us in the top 10 companies in Spain for all sectors combined.

We are the thirty-first most appreciated insurance company in the world, according to International Brand Finance, which measures the brand recognition of the top insurance companies in the world.

I would like to conclude by thanking you for your attention and for the confidence you show in MAPFRE by investing in our activity. The Chairman and CEO will now give you a detailed report about the impact of the Strategic Plan that we have recently completed, and more particularly, about the 2019-2021 Strategic Plan that we are now commencing, which is the road map that will guide MAPFRE to continued growth over the next three years.

Dear Shareholders, thank you very much.