



PRESS RELEASE

MAPFRE APPROVES THE NEW STRUCTURE AND COMPOSITION OF ITS GOVERNMENT BODIES

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FURTHERMORE, IT APPROVES A WIDE-RANGING
OPERATIONAL REORGANIZATION AIMED AT INCREASING
EFFICIENCY AND CUSTOMER FOCUS

▪ GOVERNMENT BODIES

The Board of Trustees of FUNDACIÓN MAPFRE and the Board of Directors of CORPORACIÓN MAPFRE have defined the new structure of their government bodies – which will entail the corresponding changes in their respective by-laws – as well as the new composition of said bodies. In the case of CORPORACIÓN MAPFRE, these agreements will be submitted for approval to the Extraordinary General Meeting of Shareholders that has been called for December 29th, in which CORPORACIÓN MAPFRE will be renamed as MAPFRE S.A. Pursuant to this:

- José Manuel Martínez will retain his present position as Chairman of the Board of Trustees of FUNDACIÓN MAPFRE and of the Board of Directors of CORPORACIÓN MAPFRE. In the future, these positions will always be held by the same person.
- The Board of Trustees of FUNDACIÓN MAPFRE, whose new composition is shown in Annex 1, will have two delegate committees: the Executive Committee that will manage the development of the foundational activities and will be chaired by Filomeno Mira, First Vice-Chairman of the Board of Trustees; and the Institutional Control Committee, chaired by Alberto Manzano, that will supervise the compliance with the rules of good governance in the Foundation and in the Group.



- The Board of Directors of MAPFRE S.A. whose new proposed composition is shown in Annex 2, will comprise eight executive members, six members appointed by the controlling shareholder and eight independent members. Its first Vice-Chairman will be Alberto Manzano, and there will be four additional Vice-Chairmanships, which will be reduced to two at the end of 2007 due to the planned retirement of Domingo Sugranyes y Santiago Gayarre.

▪ OPERATIONAL REORGANIZATION

Two large operating Divisions will be created, under which several Operating Units and Companies will be grouped in order to increase the degree of coordination and customer focus of their respective activities, reduce expenses by integrating functions whenever possible without losing specialization, and fully exploit possible synergies:

- The MAPFRE FAMILIAR Division will integrate the Motor, General Insurance, Health and Agricultural Insurance Operating Units. Antonio Huertas will be its Chief Executive and will also be responsible for the activities of RED MAPFRE and of the new OPERATING TECHNOLOGIES AND PROCEDURES Area. The new Division will pursue the realisation of the largest possible operational synergies with MAPFRE EMPRESAS, whose Chairman will continue to be Filomeno Mira, and MAPFRE VIDA, whose new Chairman will be Ignacio Baeza.
- The International Direct Insurance Division will integrate subsidiaries MAPFRE AMÉRICA, MAPFRE AMÉRICA VIDA and MAPFRE INTERNACIONAL, and in the future also the new Global Risks and Credit Insurance business. Andres Jiménez will be its Chief Executive and will also head the International Operations Committee in order to coordinate and supervise the activities of the new Division and of the REINSURANCE and ASSISTANCE Operating Units. Rafael Senén will be appointed as new Chairman of the latter.

In addition to those referred to above, the new appointments include those of: Ángel Alonso Batres, as Vice-Chairman of the International Direct Insurance Division, taking specific responsibilities in other areas of activity related with the



Chairmanship of MAPFRE; Esteban Pedrayes Larrauri, as First Vice-Chairman of the Executive Committee of the MAPFRE FAMILIAR Division, retaining his present responsibilities; Rafael Casas Gutiérrez, as First Vice-Chairman of the Executive Committee of the International Direct Insurance Division, retaining his present responsibilities; and Francisco Marco Orenes, currently Chairman of MAPFRE in Peru, as Managing Director of MAPFRE CAJA SALUD.

These initiatives are expected to yield significant efficiency improvements and reductions in operating expenses over the coming years, through the unification of the Group's technological platforms and operational processes, as well as through an increasing focus on synergies across all Units.

The other Common Areas (General Directorates of Human Resources, Legal Affairs, Internal Audit, Finance and Management Control, Communication and Social Responsibility and Investments) will retain their current functions and general managers and will become part of MAPFRE S.A., in which two new General Managers have been appointed: Ricardo Blanco and Esteban Tejera. In the future, the latter will take up the management of the Finance and Management Control Area. José Manuel González Porro will be the new General Secretary of the Group.

- **RESULTS**

The results obtained by the Group at the close of the first ten months of the year, with revenues in excess of €11 billion and a consolidated profit before tax in excess of €900 million, confirm that the businesses of the Group are performing extremely well and that the targets for this fiscal year will be met comfortably.

- **CHANGE IN THE CORPORATE STRUCTURE**

The process related with the change in the corporate structure continues to develop according to the plans that were defined in order to complete the transfer of MAPFRE MUTUALIDAD's portfolio to MAPFRE AUTOMÓVILES and of its assets to FUNDACIÓN MAPFRE by the end of 2006, subject to the granting of the relevant authorizations, and begin thereafter the delivery to mutual members of their corresponding shares.



Within this framework, the General Meeting of Shareholders of MAPFRE S.A. that will be held on the forthcoming December 29th will approve the relevant capital increase that will include a cash tranche, which will lead to the issuance of the new shares that will be delivered to those mutual members who have chosen to receive their share in such form.

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Madrid, November 27th 2006

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FUNDACIÓN MAPFRE

BOARD OF TRUSTEES	INSTITUTIONAL CONTROL COMMITTEE	EXECUTIVE COMMITTEE
<u>Chairman:</u> José Manuel Martínez Martínez <u>First Vice-Chairman:</u> Filomeno Mira Candel <u>Second Vice-Chairman:</u> Francisco Ruíz Risueño <u>Third Vice-Chairman:</u> Alberto Manzano Martos <u>Fourth Vice-Chairman:</u> Santiago Gayarre Bermejo	-- First Vice-Chairman Second Vice-Chairman Chairman --	-- Chairman Second Vice-Chairman First Vice-Chairman Member
<u>Members:</u> Angel Alonso Batres Eduardo Fernández de la Fuente Juan Fernández Layos Rafael Galarraga Solores Luis Hernando de Larramendi Sebastián Homet Duprá Antonio Huertas Mejías Andrés Jiménez Herradón Luis Leguina Cebreiros Rafael Márquez Osorio M ^a Carmen Merillas Zarzuelo Antonio Miguel-Romero de Olano Alfonso Rebuelta Badías Domingo Sugranyes Bickel	-- -- Member -- Member -- -- -- -- -- Member -- Member Member Member	-- -- Member Member Member --- -- -- -- -- -- -- -- -- -- Member
<u>Secretary-Member:</u> José Manuel González Porro	Secretary-Member	Secretary-Member
<u>Vice-Secretary:</u> Claudio Ramos Rodríguez	Vice-Secretary	Vice-Secretary
<u>Director</u> José Luis Catalinas Calleja	--	Member
<u>Chairman Institute for Road Safety</u> Miguel María Muñoz Medina	--	Member

MAPFRE S.A.

(*)	BOARD OF DIRECTORS	DELEGATE COMMITTEE	AUDIT COMMITTEE	APPOINTMENT AND REMUNERATIONS COMMITTEE	COMPLIANCE COMMITTEE
E	<u>Chairman:</u> José Manuel Martínez Martínez	Chairman	--	Chairman	--
E	<u>First Vice-Chairman:</u> Alberto Manzano Martos	First Vice-Chairman	--	First Vice-Chairman	--
A	<u>Second Vice-Chairman:</u> Francisco Ruíz Risueño	Second Vice-Chairman	--	Second Vice-Chairman	Chairman
E	<u>Third Vice-Chairman:</u> Filomeno Mira Candel	Third Vice-Chairman	--	--	--
E	<u>Fourth Vice-Chairman:</u> Domingo Sugranyes Bickel	Member	First Vice-Chairman	--	--
E	<u>Fifth Vice-Chairman:</u> Santiago Gayarre Bermejo	Member		--	--
	<u>Members:</u>				
I	Rafael Beca Borrego	--	Member	--	--
I	Rafael Fontoira Suris	--	--	--	Member
A	Luis Hernando de Larramendi	Member	--	Member	--
A	Sebastián Homet Duprá	--	Member	--	--
E	Antonio Huertas Mejías	Member	--	--	--
I	Luis Iturbe Sanz	--	Member	--	--
E	Andrés Jiménez Herradón	Member	--	--	--
I	Manuel Jesús Lagares Calvo	--	Chairman	--	--
A	Rafael Márquez Osorio	--	--	--	Member
I	Francisca Martín Tabernero	--	--	--	Member
A	Antonio Miguel-Romero de Olano	--	Member	--	--
A	Alfonso Rebuelta Badías	--	--	Member	--
I	Agustín Rodríguez García	--	--	--	Member I
I	Matías Salvá Bennassar	--	--	Member	--
I	Francisco Vallejo Vallejo	--	--	Member	--
E	<u>Secretary-Member:</u> José Manuel González Porro	Secretary-Member	Secretary-Member	Secretary-Member	--
	<u>Vice-Secretary:</u> Angel Dávila Bermejo	Vice- Secretary	Vice- Secretary	--	--

(*) I: INDEPENDENT. E: EXECUTIVE. A: APPOINTED BY THE CONTROLLING SHAREHOLDER