



MAPFRE, S.A.

REPORT CONCERNING DELEGATION
OF POWERS BY THE ANNUAL
GENERAL MEETING TO THE BOARD
OF DIRECTORS IN ORDER TO
INCREASE SHAREHOLDERS' EQUITY
AND THE RESULTING AMENDMENT OF
ARTICLE 5 OF THE CORPORATE
BYLAWS

Madrid, 8th February 2012

I. JUSTIFICATION OF PROPOSAL

The delegation granted on 5th March 2011 to the Board of Directors by the Annual General Meeting, so that it may agree capital increases, has been partially used by means of resolutions adopted by the Board of Directors on 4th May 2011, through which the share capital was increased by €6,739,892.20.

It is considered advisable that the Meeting renews the authorisation up to the legal maximum established in section 297 of the Modified Text of the Spanish Companies Act, in other words, up to half of the current share capital, which amounts to €307,955,327.30, with the result that, were this proposal to be approved, the Board would be authorised to perform capital increases amounting to a maximum overall amount of €153,977,663.65.

The current proposal provides for the possibility that the Board of Directors may, in turn, delegate to the Standing Committee the delegatable powers received from the Meeting, and the attribution to the administrators of the power to exclude the shareholders' pre-emptive right and, where appropriate, that of holders of convertible bonds, in the terms set out in section 506 of the Redrafted Text of the Capital Companies Act.

The Board of Directors believes that these options increase its room for manoeuvre which is justified by the advisability of the administrative body having the necessary capacity and necessary flexibility to act with the agility required by the financial markets.

Otherwise, the total or partial exclusion of the pre-emptive rights is framed as a power which the Annual General Meeting bestows upon the Board of Directors and, consequently, exercising it will depend upon the criteria that the Board of Directors itself adopts in relation to the circumstances existing in each case and with regard to legal requirements. If, when using the aforementioned powers, the Board decides to suppress the pre-emptive right in relation to a specific capital increase, it must publish, at the same time as agreeing the increase, a detailed report specifying the reasons which, for the benefit of the company's interest, justify the adoption of the said measure; this report must be accompanied by another report which must be prepared by an accounts auditor according to the terms set out in section 506 of the Modified Text of the Spanish Companies Act. In accordance with the aforementioned precept, both reports must be made available to the shareholders and communicated to the first General Meeting to be held after the capital increase agreement.

II. PROPOSED RESOLUTIONS

- 1) To authorise the Board of Directors so that it may, pursuant to section 297 of the Recast Text of the Spanish Companies Act, during the five years following the date of this resolution, increase the share capital once or several times by up to a maximum of €153,977,663.65, equivalent to 50% of the share capital. The Board of Directors shall freely determine the form and conditions of any capital increases pursuant to this authorisation, and may resolve to: issue the shares with or without voting rights, and even with a share premium; exclude, either in whole or in part, the pre-emptive right of shareholders and, where necessary, of holders of the Company's convertible bonds, pursuant to section 506 of the Modified Text of the Spanish Companies Act and similar provisions; and amend, where necessary, article 5 of the bylaws to adapt it to the amount of the resulting share capital. This authorisation involves the withdrawal of the authority granted on 5th March 2011.

The Board of Directors is likewise authorised to delegate the powers granted by virtue of this resolution to the Steering Committee, pursuant to Article 249.2 of the Recast Text of the Spanish Companies Act.

- 2) To request that the shares that the company issues as a result of the share capital increase carried out by the Board of Directors under the authorisation referred to in the preceding paragraph be listed for trading on the Stock Markets, pursuant to Article 27 b) of the Stock Exchange Regulations, as worded in Royal Decree 1,536/81, and in the same terms and conditions as provided for under the said Article. It is explicitly agreed that, in the event of a subsequent application to exclude the shares from being listed, such decision will be made with the same formalities, and in this case the interests of the shareholders who did not vote for or opposed the resolution, will be guaranteed. The passing of a decision to officially allow listing will amount to a declaration to abide by any rules that may be in force or that may be laid down in the future relating to Securities and Stock Exchanges, and especially those referring to trading, listing and delisting.

ARTICLE 5 OF THE ARTICLES OF ASSOCIATION

The current text is as follows:

Article 5

MAPFRE's share capital amounts to THREE HUNDRED AND SEVEN MILLION NINE HUNDRED AND FIFTY-FIVE THOUSAND THREE HUNDRED AND TWENTY SEVEN EUROS AND THIRTY CENTS, represented by 3,079,553,273 ordinary shares with a par value of €0.10 each, numbered consecutively from 1 to 3,079,553,273, each inclusive, fully subscribed and paid up.

According to the provisions of section 297.2 of the Capital Companies Act, by the mere fact of being delegated the powers to increase capital, implies that the Administrators are empowered to reword article 5 of the bylaws, once each increase has been agreed and executed.