

RELEVANT FACT

Notice is hereby given to the CNMV that the Board of Director of MAPFRE, S.A. has approved a dividend reinvestment plan in newly issued shares, under the terms exposed in the document of the said plan attached below.

Madrid, 6th March 2010

DIVIDEND REINVESTMENT PLAN IN NEWLY ISSUED SHARES

On 3rd February 2010, The Board of Directors of MAPFRE, S.A. agreed to call all Shareholders to an Ordinary General Meeting to be held on 6th March 2010, with the following proposed resolution, amongst others:

“Approval of the distribution of earnings proposed by the Board of Directors, and therefore to distribute a total dividend of €0.15 gross per share to shares numbered 1 to 2,863,410,355, each inclusive, and of €0.08 gross per share to shares numbered 2,863,410,356 to 2,922,709,779 each inclusive. Part of this dividend, in the sum of €0.07 gross per share, was anticipated to shares numbered 1 to 2,863,410,355 by way of a resolution of the Board of Directors approved on 26th October 2009, and the rest, up to the total agreed, i.e. €0.08 gross per share to all shares, numbered 1 to 2,922,709,779, each inclusive, shall be paid on a date to be determined by the Board of Directors and to be paid between 20th april 2010 and 20th June 2010.”

Likewise, The Board of Directors of the Company has approved a dividend reinvestment plan of said dividend by means of the subscription of newly issued shares, under the following terms:

Reinvestment of dividends

The reinvestment of the foreseen final dividend against the 2009 aforementioned results shall take place by means of the appropriate capital increase, to which will be eligible all shareholders of the Company at the closing of the market on the day prior to the payment of said final dividend who does not sell his/her rights .

Said shareholders will be eligible to reinvest up to 81% of the gross dividend corresponding to the shares they own, in new shares of the Company, issued under the terms exposed in the following section.

Said percentage is the result of applying a withholding tax of 19%, and provides an equitable treatment to shareholders, as well as the maintenance of their participation percentage in the share capital.

Capital increase

In order to implement the dividend reinvestment plan, the Board of Directors, pursuant to the authorization conferred by the General Meeting on 7th March 2009, agreed to increase the share capital in corresponding amount to the payment of the final dividend for a maximum total amount, including the issuance premium, of €189,172,389.22

The issuance price of the new shares (2,589%) corresponds to comparing the simple average at market close of MAPFRE S.A.'s shares traded on the “Continuous Market” (SIBE) during the period 1st March 2009 and 28th February 2010, both inclusive, with the closing price of MAPFRE S.A.'s shares at market close on 26th February 2010, the last trading day from a stock market perspective, of the indicated period of time, the first method being the one chosen, since this results in a lower price compared to the second method.

The new shares to be issued shall grant its owners the same political and economical rights to shares currently in circulation.

The admission for listing will be requested to the Madrid and Barcelona Stock Exchanges of the new Company shares issued as a result of the capital increase.

Reinvestment Procedure

Shareholders shall give instructions to his/her Custodian bank where the shares are deposited for its subscription/reinvestment within the subscription period of the newly issued shares.

CARTERA MAPFRE, the main shareholder of MAPFRE, S.A, will inform the CNMV about its intention to subscribe its share of the capital increase.

For the execution of the dividend reinvestment plan exposed above, the Board of Directors has resolved to:

1. Approve the reinvestment plan for the foreseen final dividend against 2009 results into newly issued shares as a result of the capital increase described under the following resolution.
2. Increase the share capital, in exercise of the authorisation granted in General Meeting on 7th March 2009, in the amount of €7,306,774.40, by means of the issuance and circulation of 73,067,744 ordinary shares, of €0.10 par value each, of the same class and series as before, numbered consecutively 2,922,709,780 to 2,995,777,523, each inclusive, whose subscription and payment shall take place in the following terms:
 - a) Shares will be issued at 2,589%, that is, at €2.589 each, of which €0.10 corresponds to nominal value and the remainder, €2.489 to legal reserves, until said reserves reach 20% of the share capital; the excess over such amount shall be added to voluntary reserves.
 - b) New shares shall be paid in full at the moment of its subscription in cash.
 - c) The new shares will participate in the results which will be distributed from 30th June 2010 onwards.
 - d) Existing shareholders shall have pre-emptive rights for the subscription of the newly issued shares as stated in the Companies Act; the period for pre-emption rights encompasses the 15 days after the rights offering is announced on the official news board of the Mercantile Register (Boletín Oficial del Registro Mercantil); in order to subscribe for one new share, he/she must be in possession of at least 40 old shares.

- e) If, once the period for pre-emption rights is finalised, the shares corresponding to the foreseen capital increase were not subscribed and paid-up in full, the share capital shall be increased in the actual subscription amount.

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