



DIVIDEND REINVESTMENT PLAN IN NEWLY ISSUED SHARES

Being agreed the distribution of an interim dividend against 2008 results of €0.07 gross per share to shares numbered 1 to 2,676,851,956, both inclusive, to be paid the day after the subscription period of the capital increase this document is referred to is ended, the Board of Directors of the company has approved a 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 interim dividend against 2008 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 dividend who does not sell his/her rights .

Said shareholders will be eligible to reinvest up to 82% 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 the withholding tax of 18%, 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 8th March 2008, agreed to increase the share capital in corresponding amount to the payment of the interim dividend for a maximum amount, including the issuance premium, of 151,688,276.09 Euros.

The issuance price of the new shares (2,210%) is the result of comparing the average closing price of MAPFRE's shares in the continuous market (SIBE) thirty (30) calendar days prior to 29th October 2008, that is, from 29th September to 28th October 2008, both inclusive, and the volume weighted average of MAPFRE's shares for those transactions undertaken on 28th October 2008, prevailing the latter for being lower than the former.

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

It will be requested the admission for listing 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 interim dividend against 2008 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 8th March 2008, in the amount of 6,863,722.9 Euros, by means of the issuance and circulation of 68,637,229 ordinary shares, of 0.10 Euros par value each, of the same class and series as before, numbered consecutively 2,676,851,957 to 2,745,489,185, each inclusive, whose subscription and payment shall take place in the following terms:
 - a) Shares will be issued at 2,210%, that is, at 2.21 Euros each, 0.10 of which corresponds to nominal value and the remainder, 2.11 Euros to legal reserves, until said reserve reaches 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 1st December 2008 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 16 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 39 "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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