

2017

Financial Report

September



MAPFRE

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1. Key Figures

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Results			
Revenue	20,963.9	21,292.3	1.6%
Total written and accepted premiums	17,109.4	17,986.6	5.1%
- Non-Life	13,467.0	14,093.8	4.7%
- Life	3,642.4	3,892.8	6.9%
Attributable net result	572.0	444.6	-22.3%
Earnings per share (euros)	0.19	0.14	-22.3%
Balance sheet			
Total assets	68,560.0	67,732.5	-1.2%
Assets under management	58,822.9	59,596.1	1.3%
Shareholders' equity	9,158.3	8,781.3	-4.1%
Debt	2,267.5	2,386.3	5.2%
Ratios			
Non-Life Loss Ratio	69.2%	70.6%	1.4 p.p
Non-Life Expense Ratio	28.0%	28.1%	0.1 p.p
Non-Life Combined Ratio	97.2%	98.7%	1.5 p.p
ROE	7.8%	7.2%	-0.5 p.p
Employees at the close of the period			
Total	37,552	36,516	-2.8%
- Spain	10,730	10,824	0.9%
- Other countries	26,822	25,692	-4.2%
MAPFRE share			
Market capitalization (million euros)	7,668.1	8,481.1	10.6%
Share price (euros)	2.490	2.754	10.6%
Share price variation since January 1	7.7%	-5.0%	--
Solvency			
Solvency ratio	210.0%	205.6%	-4.4 p.p

Figures in millions of euros

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The English version is only a translation of the original in Spanish for information purposes. In case of discrepancy, the Spanish version shall prevail.

2. Significant Corporate Events

Catastrophic Events in the Third Quarter

This past September 25, MAPFRE informed, via relevant fact, due to the exceptional size and frequency of the recent hurricanes Harvey, Irma and Maria, and their impact on the Atlantic coast of North America and the Caribbean, along with the impact of the earthquakes in Mexico on September 8th (Chiapas) and 18th (Puebla), there is an estimated net cost of between 150 and 200 million euros on MAPFRE's attributable result for the year, according to preliminary estimates carried out by the company.

To obtain these cost estimates, the company assessed MAPFRE RE's and MAPFRE GLOBAL RISKS's accepted reinsurance risks in the area, as well as MAPFRE's insurance business in the U.S.A., Puerto Rico, the Dominican Republic, and Mexico. To obtain the net loss of these claims, the catastrophic risk that will be assumed by external reinsurers based on in force reinsurance treaties is included.

The Group has implemented the necessary processes, in each of the countries affected by the catastrophes, to handle the claims filed by policyholders and settle the compensation considered in the policy as quickly as possible. At this time, it is not possible to know exactly what the total cost of the damage will be as, due to the magnitude of the claims, their handing will go on for several months. The Group's reinsurance protection model for this type of catastrophe is based, among other measures, on the use of so-called excess of loss treaties, which establish, for each event, an amount which will be completely accepted by MAPFRE, while any amount that exceeds this will be the responsibility of the Group's external reinsurers. As such, the total catastrophic loss for the Group, or the retained loss, is the sum of the loss accepted for each catastrophic event.

At the time of the preparation of this report for the third quarter of 2017, the Group does not know the exact total cost of the damage from these events, nor does it know the part of the cost corresponding to the external reinsurers. As such, said figures are not included in this report. However, the Group confirms the validity of the initially established range of between 150 and 200 million euros. For the purpose of including a specific value in the income statement, the Group's best estimate for the loss retention is 176.4 million euros. The breakdown by undertaking and catastrophic event is shown in the Consolidated Result section of this report.

ABDA Takeover Bid

As a result of the takeover of ABDA this past June, in accordance with Indonesian regulations, MAPFRE made a public offer for the acquisition of the shares. In September, the ABDA share acquisition process was completed, bringing MAPFRE to control 62.3 percent of this company.

The acquisition of 42.3 percent of ABDA capital in 2017 implied a cost of 121.5 million euros for MAPFRE.

Capital Increase in Group Companies

In 2017, the following Bid capital increases were completed:

MAPFRE INTERNACIONAL, S.A.: In March, a 135 million-euro capital increase was completed and fully paid, which was allocated to the acquisition of 31 percent of ABDA's shares and to the first stage of the D.L. Italy capital increase.

DIRECT LINE Italy: A 25 million-euro capital increase was completed in March, and another 65 million-euro capital increase was completed in June, reaching a total of 90 million euros, fully paid, allocated to cover losses from previous periods and raise the company's solvency level.

Early Redemption of Subordinated Debt in July 2017

On July 24, 2017, MAPFRE redeemed in advance the total amount of the "First Issue of Subordinated Notes of MAPFRE S.A.", in line with the Securities Note for the issuance of the subordinated notes.

3. Macroeconomic Overview and Financial Markets

Overview

Global activity continued to accelerate at a rate of close to 1 percent in the second quarter of 2017, with signs of maintaining this in the third quarter as well. This information ratifies the previous forecasts of global growth above what was expected the previous quarter, which would be situated now around 3.5 percent for 2017, with higher contributions from developed markets (growing above 2 percent), as well as from emerging markets (surpassing the 4.5 percent predicted at the beginning of the year). In general, a convergence of real indicators toward expected indicators was observed, led by world trade, property and plant investment, and in some economies, residential investment, as can be seen in the national accounts of some countries, like Spain.

The economies of the United States and the Eurozone continued to be dynamic, though still below China, which is still implementing its plan to very gradually slow down the economy. The context of emerging economies was mixed, depending on the global environment (especially US monetary policy) and, in a group of countries, relevant idiosyncratic factors particularly from the political and geopolitical areas. Though it is true that the political dimension played a fundamental role in the economic performance of developed countries in 2017, the political cycle of emerging countries (Latin America, in particular) will reach its zenith the coming year (with the effect of the elections in Argentina, Brazil, Mexico, Colombia, and Chile). Further, this year, the cyclical recoveries of Brazil and Russia consolidated, at the same time as the United States' economic policy's effect in Mexico, which has been, for the moment, much lighter than expected.

The less positive news is that the inflation that was accelerating in developed markets at the beginning of the year seems to be losing traction, not from the temporary loss of dynamism in energy prices, but due to a deceleration of underlying inflation and salary and inflation expectations. Employment dynamism in developed economies is not translating into real salary benefits. As such, global inflation stood below 3 percent in the third quarter of 2017, registering below 2 percent in developed markets and 4 percent in emerging markets.

The U.S. Federal Reserve has not touched its interest rates since June (currently 1.25 percent, and a new rate hike is expected in December 2017). Most significantly, the Federal Reserve set the date and the timeline for its balance sheet normalization, which though it is expected to be gradual (approximately 1.3 billion USD in three years, equivalent to a third of the stock accumulated since the crisis), it could have repercussions on liquidity and the cost of global financing. On the other hand, the European Central Bank (ECB) is maintaining its monetary policy intact. Knowing the sequence of the monetary normalization, the balance sheet adjustment could take place in the beginning of 2020 (only after eliminating negative rates and before the beginning of interest rate rises in 2020, that is, sometime after the second half of 2019).

In emerging markets, monetary policy divergences between countries continued to stand out. In Mexico, after the last rate hike, a less restrictive bias was expected in the Central Bank's monetary policy (given the improved inflation panorama and stabilization of the peso), but the need to accommodate political uncertainty from the beginning of the electoral period and a possible extraordinary fiscal stimulus due to the earthquakes on September 7th and 19th, could change this

forecast. In Brazil, monetary easing continued with additional interest rate cuts. Turkey raised the interest rate for credit again, without losing sight of the objective of raising the average cost of financing to 9 percent in order to control the currency.

The following sections give more detailed analysis of the most relevant markets MAPFRE operates in:

Eurozone

The Eurozone gross domestic product (GDP) showed visible signs of gaining traction, growing at a rate of 2.0 percent (yoy) in the second quarter of 2017, which revises the expected overall annual growth to 2.2 percent. Spain and Germany led growth, while France and Italy also showed economic performance acceleration. Clearly, synchronized recovery of the world economic cycle and monetary stimulation in the Eurozone are producing positive results. Exports were the highest contributor to growth, with investment having cooled off in the second quarter, while consumption is still sluggish. Price expectations are maintained throughout 2017 (1.2 percent), given that underlying inflation remains stable. The Euro Stoxx 50 Index resumed its rise at the end of summer, reaching over 3,500 points, with the publication of positive activity data and improved growth expectations, driven by synchronized world recovery. So far this year it has gone up over 7 percent.

The ECB maintained its monetary policy without touching interest rates or the asset purchase program (60 billion euros until December 2017). In the ECB's last monetary policy meeting, Mario Draghi suggested that in the October meeting they would be in a position to announce the stimulus plan tapering, without indicating if they would announce the full roadmap or just the first step. For now, there is only talk of lowering asset purchases and nothing yet of reducing the balance sheet or raising interest rates. In fact, everything indicates that there won't be any rate hikes as long as inflation is not firmly settled close to, but below, 2 percent. The main risks weighing over the Eurozone are those coming from disorganization in the UK's European Union exit, the resurgence of the "currency convertibility risk" with the Italian elections, and Greek debt deal negotiations which will be resumed as soon as a government is formed in Germany.

Spain

Of the large Eurozone economies, Spain is growing the most. In the second quarter of 2017, it grew 3.1 percent (yoy), a rate that is expected to be maintained for the whole of the year. Consumer confidence, lax monetary conditions and job creation (the unemployment rate went down to 17.2 percent in the second quarter) support this forecast. Exports and investment are the most dynamic components. It is noteworthy that residential real estate investment began to pick up thanks to the reactivation of mortgage loan financing, as well as institutional investments in real estate. For consumer activity (which only grew 0.7 percent yoy in the second quarter) to pick up, there would need to be larger real earnings from disposable income through salary increases or fiscal stimuli. The IBEX 35 Index recovered at the end of summer, showing 11 percent growth so far this year, reaching 10,300 points.

United States

GDP growth in the second quarter of 2017 (2.2 percent yoy) showed the strength of the US economy, confirming overall annual growth expectations of 2.1 percent, driven by personal consumption and investment. Although employment data continued improving in the second quarter, it is slowing down. However, this is due to growth in the participation ratio, which is good news. In this regard, the persistent duality and moderation in both nominal and real salary growth must be pointed out. It is significant that, despite the convergence with expectations, indicators like industrial production (+1.5 percent yoy) and capacity utilization (76.1 percent) were still far from the exuberance of the purchasing managers' indexes (PMIs), which continued a sustained climb in anticipation of the materialization of the government's reflation policy.

Inflation, which went down in the second quarter (+1.6 percent) picked up during the summer (1.9 percent in August). In this respect, underlying inflation remained moderate, indicating that salary expectations are tied. The extreme moderation in service prices, especially those of a digital nature, which are undoubtedly bringing the whole down, are truly worrisome. The Federal Reserve's guidance is aware of this. As such, although the monetary policy is gaining traction, it shows caution with respect to the low inflation. In the last meeting, the Federal Reserve's Federal Open Market Committee (FOMC) announced the amount and timeline of the balance sheet normalization process, which is expected to reduce balance sheet assets for the next three years, starting in October. Further, an interest rate hike at the end of the year, to place the rate in question at 1.50 percent, seemed to be expected. The 10-year Treasury Note was below 2.3 percent. The dollar depreciated compared to the euro in the second quarter, and followed the same trend throughout the summer, reaching the current 1.20 USD/EUR, as a result of the European economic recovery and the uncertainty regarding the implementation of the fiscal policies promised by the current US administration. The S&P500 Index is at historic highs (2,500 points).

Brazil

In Brazil, GDP information for the second quarter of 2017 was the first positive data since the recession, with 0.3 percent (yoy) that seems to mark the end of the recession, thanks to improved consumer and export behavior. This confirmed the forecast of coming out of the recession in 2017, with upward growth reaching 0.4 percent. On the other hand, the continued drop in inflation (which stood at 2.5 year on year in August) has allowed the central bank to cut interest rates six times over the course of 2017, bringing the SELIC (the overnight interest rate) to 8.25 percent in September. It is expected to reach approximately 7.50 percent by the end of the year.

Fiscal support will depend on the viability of the fiscal policy, and to a great extent, on the development of the country's political environment. The most important reforms are the pension and fiscal system reforms, which are key to reducing deficit, and therefore improving the sustainability of sovereign debt. Regarding the stock market, the BOVESPA Index has been enjoying the end of the economic recession in the country these last three months, going up 20 percent and reaching 76,000 points, compared to the close of June when it stood at 63,000 points.

Main currencies compared to the euro

ITEM	Average Exchange Rate		Closing Exchange Rate	
	SEPTEMBER 2017	Var. SEPTEMBER 2017 vs. SEPTEMBER 2016	Var. SEPTEMBER 2017 vs. SEPTEMBER 2016	Var. SEPTEMBER 2017 vs. DECEMBER 2016
US dollar	0.8899	-0.6%	-5.0%	-11.0%
Brazilian real	0.2808	8.8%	-2.7%	-8.4%
Turkish lira	0.2493	-18.8%	-20.0%	-11.8%
Mexican peso	0.0477	-3.0%	0.9%	1.5%
Colombian peso	0.0003	2.6%	-6.7%	-9.0%
Chilean peso	0.0014	2.7%	-2.5%	-6.6%
Peruvian sol	0.2739	3.3%	-1.3%	-8.4%
Argentinian peso	0.0549	-10.1%	-16.2%	-18.4%
Panamanian balboa	0.8921	-0.5%	-5.0%	-11.0%
Dominican peso	0.0189	-2.9%	-7.4%	-12.6%
Honduran lempira	0.0380	-3.8%	-6.5%	-10.6%

4. Consolidated Result

Consolidated revenue

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Total written and accepted premiums	17,109.4	17,986.6	5.1%
Financial income	3,477.2	2,916.2	-16.1%
Revenue from non-insurance entities and other	377.2	389.4	3.2%
Total consolidated revenue	20,963.9	21,292.3	1.6%

Figures in millions of euros

The Group's consolidated revenue reached 21.3 billion euros, with growth of 1.6 percent, which strengthened the upward trend of the last few years.

Premiums from direct insurance and accepted reinsurance, which represent a fundamental part of revenue, reached 18 billion euros, with significant growth of 5.1 percent, primarily backed by the increase in premiums in Spain, Mexico and the MAPFRE RE and Global Risks Business Units, as well as by the appreciation of certain currencies, mainly the Brazilian real.

This increase in premium growth is framed in the Group's strategic line of "profitable growth", which aims to improve profitability mainly in Non-Life insurance. As a result, in 2017, the cancellation of unprofitable policies has continued, for an amount of approximately 317 million euros, mainly in Motor and General P&C, which partially conditions growth.

Non-Life premiums grew by 4.7 percent, while Life premiums reached relevant growth of 6.9 percent. By Non-Life business type, Automobile is the most important line, with 5.6 billion euros in premiums and growth of 0.6 percent. General P&C holds second place, with 4.95 billion euros and growth of 14.8 percent; and Health and Accidents is in third place with 1.1 billion euros in premiums and 0.6 percent growth.

Gross financial income reached 2.9 billion euros, below the previous period, due to the recurrent low-interest rate environment in Europe and the fall in interest rates in Brazil and other LATAM countries, as well as lower financial gains.

Finally, other revenue, which mainly includes non-insurance activity and non-technical revenue, reflects an increase primarily from the cancellation of a reserve for contingent payments in the bancassurance channel totaling 29 million euros, as the necessary level of certain long-term objectives were not reached.

Income Statement

The chart below gives a summary of the consolidated income statement as of September 2017, showing the various components of MAPFRE's earnings and the comparison with the same period of the previous year.

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
NON-LIFE BUSINESS			
Gross written and accepted premiums	13,467.0	14,093.8	4.7%
Net premiums earned	10,582.2	10,584.7	0.0%
Technical result	296.1	133.0	-55.1%
Net financial income	644.5	527.4	-18.2%
Other non-technical revenue and expenses	(50.1)	(22.9)	54.2%
Result of Non-Life business	890.5	637.5	-28.4%
LIFE BUSINESS			
Gross written and accepted premiums	3,642.4	3,892.8	6.9%
Net premiums earned	3,445.9	3,743.1	8.6%
Technical result	(531.7)	(440.9)	17.1%
Financial result and other non-technical revenue	1,071.6	1,009.9	-5.8%
Result of Life business	539.9	569.1	5.4%
OTHER ACTIVITIES			
Net operating revenues and expenses	(69.0)	(75.4)	-9.3%
Net financial income and other	5.6	(26.6)	--
Result from other business activities	(63.4)	(102.0)	-60.9%
Hyperinflation adjustments	(25.3)	5.2	120.6%
Result before tax	1,341.7	1,109.8	-17.3%
Tax on profits	(434.5)	(334.8)	-22.9%
Result after tax from discontinued operations	0.0	0.0	--
Result for the period	907.2	774.9	-14.6%
Result attributable to non-controlling interests	335.2	330.3	-1.5%
Result attributable to the controlling Company	572.0	444.6	-22.3%

Figures in millions of euros

The attributable result reached 445 million euros, decreasing by 22.3 percent, primarily due to the impact of catastrophic events in the third quarter. Excluding the effect of these events, the attributable earnings would have grown by 8.6 percent.

Non-Life

The third quarter of 2017 was affected by Hurricanes Harvey, Irma and Maria, that hit the Atlantic coast of North America and the Caribbean, as well as by the earthquakes in Mexico. The estimated attributable net impact (retained cost after taxes and non-controlling interests) on MAPFRE Group attributable results to September 30, 2017, is 176.4 million euros. The following chart breaks down the effects of the different events and the MAPFRE company affected by them:

	MAPFRE GLOBAL	MAPFRE RE	PUERTO RICO	USA (Florida)	MEXICO	DOMINICAN REP.	TOTAL
Hurricane Harvey	11.3	17.2	---	---	---	---	28.5
Hurricane Irma	22.5	13.4	10.3	1.1	---	---	47.3
Hurricane Maria	17.1	25.5	18.1	---	---	0.2	60.9
Mexico Earthquake (Chiapas)	7.5	2.9	---	---	0.4	---	10.8
Mexico Earthquake (Puebla)	14.6	13.7	---	---	0.6	---	28.9
TOTAL	73.0	72.7	28.4	1.1	1.0	0.2	176.4

Figures in millions of euros

These events have had a direct impact on the Group's Non-Life loss ratio, which stands at 70.6 percent (1.4 percentage points higher than the same period the previous year).

In addition to the events listed above, other events have taken place during the year, that have negatively affected the loss ratio, the most significant being:

1. Lower than expected results in the Auto line in the U.S., Brazil, and Mexico, primarily due to the elevated claims frequency.
2. Adverse weather conditions on the Pacific coast of South American, especially in Peru, affected by the "Coastal El Niño" phenomenon which had a negative impact on Group results, net of taxes, of 33 million euros at September 2017.
3. Several large claims in the MAPFRE GLOBAL RISKS portfolio over the course of the year.

Life

Life results grew to 569 million euros, with growth above 5.4 percent. IBERIA's contribution to earnings stands out, both for its improvement in margins as well as for the effect of the cancellation of a reserve for contingent payments in the bancassurance channel totaling 29 million euros. It is worth highlighting the earnings contribution of protection products sold through the bank channel in Brazil, despite the difficult context our companies operate in, in this country.

The end of the alliance between MAPFRE and Banco CEISS generated net accounting gains of 5.8 million euros and MAPFRE PERU's sale of its annuity portfolio contributed 4 million euros in net gains to MAPFRE Group.

Other aspects

Taxes on profits decreased, due to the effect of the lower results as a consequence of the catastrophic events, and due to the lower cost of taxes paid in Brazil, thanks to the improved development of the Agricultural business, which has tax reliefs.

Finally, the attributable result to non-controlling interests holds steady, mainly as a result of the satisfactory development of Life Protection business and Agricultural Insurance in Brazil, as well as of the bancassurance business in Spain.

5. Consolidated Balance Sheet

5.1. Balance Sheet

ITEM	SEPTEMBER 2016	DECEMBER 2016	SEPTEMBER 2017
Goodwill	1,970.2	1,990.0	1,966.4
Other intangible assets	1,749.7	1,808.9	1,655.5
Other fixed assets	278.1	293.6	275.8
Cash	1,390.7	1,451.1	1,521.3
Real estate	2,279.4	2,277.8	2,205.3
Financial investments	43,207.1	42,540.9	41,829.4
Other investments	1,203.9	1,272.2	1,487.9
Unit-Linked investments	1,852.8	2,014.0	2,326.4
Participation of reinsurance in technical provisions	3,995.5	3,934.4	4,975.8
Receivables on insurance and reinsurance operations	5,528.1	5,191.6	5,209.3
Deferred taxes	273.2	335.3	306.6
Assets held for sale	1,010.8	911.2	164.9
Other assets	3,820.5	3,860.7	3,807.8
TOTAL ASSETS	68,560.0	67,881.8	67,732.5
Equity attributable to the Controlling company	9,158.3	9,126.5	8,781.3
Non-controlling interests	2,127.7	2,317.0	2,011.0
Equity	11,286.0	11,443.5	10,792.3
Financial debt	2,267.5	2,202.9	2,386.3
Technical provisions	47,559.9	47,240.1	48,064.4
Provisions for risks and expenses	717.7	752.8	706.0
Debt due on insurance and reinsurance operations	2,221.1	1,998.8	2,152.7
Deferred taxes	814.6	730.7	686.2
Liabilities held for sale	789.6	690.3	7.3
Other liabilities	2,903.6	2,822.7	2,937.3
TOTAL LIABILITIES	68,560.0	67,881.8	67,732.5

Figures in millions of euros

Total assets reached 67.7 billion euros as on September 30, 2017 and fell 1.2 percent compared to the same period the previous year, and by 0.2 percent compared to December 31, 2016. The most relevant changes are analyzed below:

1. As a result of Banco CEISS exercising its call option for the whole of the Group's shares in the undertakings Duero Vida and Duero Pensiones, at December 31, 2016 the headings "Assets and liabilities held for sale" included assets for the amount of 879.9 million euros and associated liabilities for the amount of 689.3 million euros, corresponding to both dependent undertakings.

In June 2017, MAPFRE and Banco CEISS entered into a contract, by virtue of which MAPFRE transferred to Banco CEISS the whole of the shares for a total price of 141.7 million euros. The completion of the transaction is dependent on receiving the corresponding regulatory and supervisory authorizations, upon receipt of which the transfer of and payment for the shares will be carried out.

At the date of entering into said contract, control of both undertakings was lost, and as such the revenues and expenses of said undertakings included in the balance sheet correspond only to the first five months of the year. Additionally, in the “Assets held for sale” heading of the balance sheet, only the fair value of the assets resulting from the sale is included in the balance sheet, which produced an accounting net gain of 5.8 million euros at the close of June 2017.

2. The changes in Financial Investments, Technical Provisions, as well as in the headings for Assets and Liabilities from insurance and reinsurance operations are a result of the business management process itself, without any relevant or extraordinary facts that impacted said items. It is important to highlight that the growth of reinsurance participation in technical provisions to September 2017 corresponds to the issuing of the PEMEX policy in Mexico, which has been highly ceded to reinsurers.
3. Changes in equity correspond to the earnings from the period and the distribution of dividends, as well as to changes in value of investments available for sale and currency conversion differences of financial accounts denominated in currencies other than the euro.

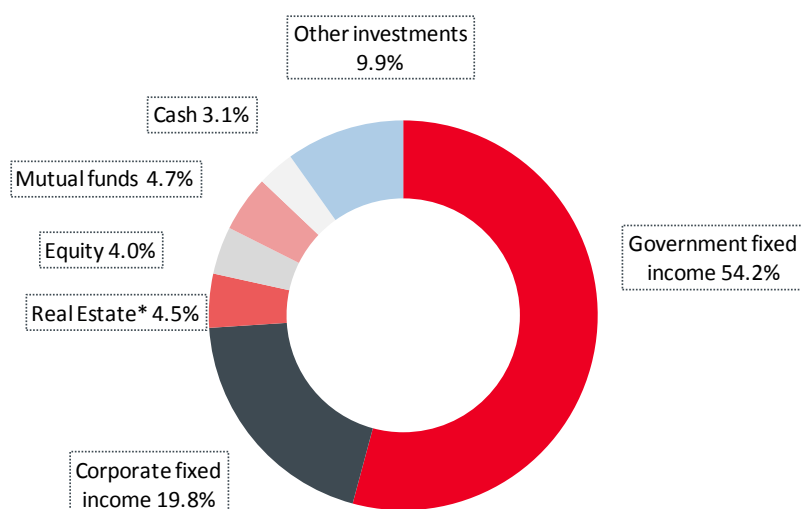
5.2. Investment Portfolio

In the third quarter, the cycle upturn that began in the middle of last year continued to speed up significantly, in sync with key global economies. In this favorable context, financial markets registered light fluctuations based on the interest rate expectations both in the United States as well as the Eurozone. Given the duration of the current expansive phase and the uncertainty generated by the monetary policy normalization, it is not surprising that many agents are asking about the duration of the economic cycle and the possible consequences of a turning point. As for geopolitical risk, which unfortunately continues to be a focal point for financial markets, it is important to mention the results of the elections in Germany, where the current Chancellor did not receive a sufficient majority of votes and this has opened a negotiation process with other political parties. Additionally, the current context in Spain has taken its toll on Spanish bond yields and the IBEX35, and can lower the Spanish economy's favorable growth outlook. Finally, the euro has continued to appreciate against the majority of currencies.

Investment strategy has continued in the same vein as in previous quarters, with a light divestment of fixed income assets, and positions being taken in equity and, to a lesser extent, in alternative assets. The current market situation has been taken advantage of to slightly increase or reduce portfolio duration and equity exposure, especially in actively managed portfolios. With respect to portfolio diversification, exposure to government and corporate debt in the investment portfolio has gone down over the course of the year, from 57.2 and 20.2 percent to 54.2 and 19.8 percent, respectively, including market impacts as well. On the other hand, equity and mutual fund exposure has increased from 3.4 and 3.3 percent of the portfolio to 4 and 4.7 percent, respectively.

Below, details of the investment portfolio by asset type are given:

Breakdown by type of asset



ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Government fixed income	28,950.8	26,753.0	-7.6%
Corporate fixed income	10,336.0	9,767.7	-5.5%
Real Estate*	2,279.4	2,205.3	-3.2%
Equity	1,531.7	1,953.0	27.5%
Mutual funds	1,458.3	2,305.9	58.1%
Cash	1,390.7	1,521.3	9.4%
Other investments	3,987.0	4,864.1	22.0%
TOTAL	49,933.9	49,370.4	-1.1%

Figures in millions of euros

*“Real Estate” includes both investment property and property for own use

Appendix 14.1, Consolidated Balance Sheet, includes a breakdown of the financial investments: by held to maturity portfolio, portfolio available for sale, and trading portfolio.

Breakdown of Fixed Income portfolio by geographic area and by asset type

ITEM	Government	Total Corporate Debt	Corporate without collateral	Corporate with collateral	Total
Spain	15,739.9	2,083.3	766.2	1,317.1	17,823.2
Rest of Europe	3,705.5	4,331.1	3,739.4	591.7	8,036.7
United States	1,259.3	2,369.8	2,278.7	91.1	3,629.2
Brazil	3,494.9	2.0	2.0	0.0	3,496.9
Latin America - Other	1,909.6	699.3	644.7	54.7	2,608.9
Other countries	643.8	282.1	269.5	12.6	925.9
TOTAL	26,753.0	9,767.7	7,700.4	2,067.3	36,520.7

Figures in millions of euros

Four different types of portfolios are included in investment portfolio management:

- Those that aim for a strict immunization from the obligations derived from insurance contracts, and which minimize interest rate risk, through matching adjustments, by means of immunization techniques based on matching cash flow or duration.
- Portfolios that cover unit-linked policies composed of assets whose risk is borne by policyholders.
- Those that aim to exceed the guaranteed returns and to obtain greater returns for policyholders within prudential parameters, such as portfolios with profit-sharing.
- Actively managed portfolios, which are only conditioned by the legal rules and internal risk limitations.

Breakdown of actively managed Fixed Income portfolios

ITEM	Market Value	Accounting Yield	Market Yield	Modified Duration
Non Life (IBERIA + MAPFRE RE + GLOBAL RISKS)				
12.31.2016	7,569.0	2.70%	1.30%	6.44%
03.21.2017	7,700.4	2.42%	1.19%	6.49%
06.30.2017	7,221.1	2.68%	1.33%	6.41%
30.09.2017	7,196.7	2.60%	1.28%	6.37%
Life (IBERIA)				
12.31.2016	6,738.0	4.10%	1.00%	7.14%
03.21.2017	6,889.4	4.01%	1.15%	7.03%
06.30.2017	6,549.0	4.08%	1.15%	7.19%
30.09.2017	6,337.4	4.09%	1.06%	6.89%

Figures in millions of euros

As on September 30, in Spain, MAPFRE had an actively managed equity and mutual fund portfolio with a market value of 2.1 billion euros, with unrealized net gains of 175 million euros.

5.3. Equity

The following chart shows changes in equity attributable to the controlling Company in the period:

Equity attributable to the controlling Company

ITEM	DECEMBER 2016	SEPTEMBER 2017
BALANCE AT 12/31 PREVIOUS YEAR	8,573.7	9,126.5
Additions and deductions recognized directly in equity		
Financial assets available for sale	192.4	(235.3)
Currency conversion differences	218.0	(526.5)
Shadow accounting	(189.1)	252.7
Other	(0.8)	(2.0)
TOTAL	220.5	(511.1)
Result for the period	775.5	444.6
Dividends	(400.3)	(261.8)
Other changes in net equity	(42.8)	(17.0)
BALANCE AS AT PERIOD END	9,126.5	8,781.3

Figures in millions of euros

Consolidated equity amounted to 10.8 billion euros as on September 30, 2017, as compared to 11.4 billion euros as on December 31, 2016. Of this amount, 2.0 billion euros correspond to non-controlling interests' shares in subsidiaries, primarily financial entities in Spain and Brazil that MAPFRE has bancassurance agreements with. Consolidated equity attributable to the controlling Company per share was 2.85 euros as on September 30, 2017 (2.96 euros as on December 31, 2016).

Equity attributable to the controlling Company in the first nine months of 2017 includes:

- A net reduction of 235 million euros in the market value of the assets available for sale portfolio mainly due to the risk premium increase in Spain with respect to the amount at the close of December, 2016. Of this, a significant amount corresponds to investments related to Life portfolios linked to products with profit sharing, and therefore are recognized as a greater equity value by shadow accounting.

- A reduction of 526 million euros for currency conversion differences, primarily due to the depreciation of the US dollar, the Brazilian real and the Turkish lira in the first nine months of the year.
- Profits to September 2017.
- A reduction of 262 million euros equivalent to the final dividend from the 2016 period approved by the Annual General Meeting in March 2017 and which was paid in June 2017.

The evolution and breakdown of the equity items attributable to the controlling Company are shown below:

Equity attributable to the controlling Company

ITEM	DECEMBER 2013	DECEMBER 2014	DECEMBER 2015	DECEMBER 2016	SEPTEMBER 2017
Capital, retained earnings and reserves	8,389.0	8,898.8	9,086.4	9,446.8	9,600.8
Treasury stock and other adjustments	5.0	9.3	2.1	(46.9)	(37.0)
Net capital gains (financial investments - technical provisions)	219.3	881.1	627.7	651.0	668.4
Foreign exchange differences	(779.8)	(636.5)	(1,142.5)	(924.4)	(1,450.9)
Attributable equity	7,833.5	9,152.7	8,573.7	9,126.5	8,781.3

Figures in millions of euros

5.4. Funds under Management

The following charts show the performance of managed savings, including both technical provisions of Life insurance companies, and the Life provisions of multiline insurance companies, which are presented in the Group's consolidated balance sheet.

In addition to the Life insurance operations, MAPFRE manages its clients' savings through pension and mutual funds, which are not included in the Consolidated Balance Sheet.

The following chart shows the details of and changes in managed savings, which includes both concepts:

Managed savings

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Life technical provisions	29,829.3	28,696.5	-3.8%
Pension funds	4,486.5	4,930.6	9.9%
Mutual funds and other	4,402.5	5,295.1	20.3%
Subtotal	38,718.3	38,922.3	0.5%

Figures in millions of euros

In the information regarding managed savings in 2016 and 2017, UNIÓN DUERO VIDA and DUERO PENSIONES are not included, as at that time they were already classified as assets-held-for-sale.

Changes in managed savings with respect to September of the previous year reflect:

1. The reduction in Life technical provisions, from the fall in the portfolio as a result of redemptions, mainly in the bancassurance channel in Spain, and from the rise of the risk premium.
2. The reduction in the value of managed savings in Brazil and other countries outside of the Eurozone from the depreciation of their currencies.
3. The growth in pension and mutual funds, fruit of MAPFRE's strategy to push Asset Management as an alternative to traditional Life Savings products, which are less attractive to clients in the current low-interest rate environment.

The following chart reflects the performance of assets under management, which includes the total Group investment portfolio as well as pension and mutual funds, and which shows growth of 1.3 percent:

Assets under management

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Investment portfolio	49,933.9	49,370.4	-1.1%
Pension funds	4,486.5	4,930.6	9.9%
Mutual funds and other	4,402.5	5,295.1	20.3%
TOTAL	58,822.9	59,596.1	1.3%

Figures in millions of euros

6. Information by Regional Area

MAPFRE manages its insurance business through seven Regional Areas that group different geographically-close countries, and which comprise the different operations of the INSURANCE, ASSISTANCE, and GLOBAL RISKS businesses.

The following chart shows premiums and results, as well as the Non-Life combined ratio.

Key figures

ITEM	Premiums			Attributable result			Combined ratio	
	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017
IBERIA	5,410.4	5,606.6	3.6%	386.1	390.0	1.0%	92.4%	94.3%
BRAZIL	3,323.7	3,597.8	8.2%	102.1	91.0	-10.9%	94.8%	94.4%
LATAM NORTH	1,007.1	1,517.7	50.7%	36.5	8.4	-76.9%	100.6%	102.9%
LATAM SOUTH	1,400.1	1,394.5	-0.4%	8.9	38.1	--	100.0%	100.5%
NORTH AMERICA	2,215.9	2,187.8	-1.3%	59.5	(8.0)	-113.5%	100.0%	106.1%
EMEA	1,924.5	1,848.1	-4.0%	(36.7)	(53.0)	-44.6%	106.0%	109.0%
APAC	101.2	109.7	8.3%	(11.0)	(9.4)	14.5%	110.0%	98.9%

Figures in millions of euros

The most significant aspects are:

1. Premiums and results show very solid growth in IBERIA.
2. Premiums in BRAZIL show positive results compared to September last year, from the appreciation of the Brazilian real, although there isn't growth in the original currency. The lower result is a consequence of a lower financial result due to the drop in interest rates in Brazil in 2017 and of the increase in acquisition costs and high loss experience in Auto.
3. LATAM NORTH shows premium growth of 50.7 percent to September from the issuing of the PEMEX policy for a two-year coverage period. Its result reflects the high loss ratio in Automobiles in Mexico and the impact of catastrophic events on the GLOBAL RISKS business.
4. LATAM SOUTH experienced an increase in results, thanks to the favorable evolution of the insurance business in Colombia and Peru. However, this improvement was offset by the negative impact of a severe claim in the GLOBAL RISKS business in Peru, due to the heavy rains caused by weather related to "Coastal El Niño".

5. NORTH AMERICA has growth containment in premiums and lower results in the United States due to the high loss experience in the Auto line. The result at the close of September is marked by the impact of the catastrophic events on the insurance and GLOBAL RISKS businesses.
6. EMEA experienced a drop in premiums, primarily due to Turkey, as a result of growth restrictions in compulsory Third Party Liability for Auto insurance, from the Turkish government's regulatory rate reduction for compulsory Third Party Liability for Automobiles that took effect in April, as well as the depreciation of the Turkish lira. It is important to point out the extraordinary improvement in results in Turkey in the Auto Third Party Liability business compared to the previous year, and a significant improvement in the combined ratio, as well as favorable development of business in Italy, thanks to the technical measures adopted over the past year. However, EMEA presents losses of 53.3 million euros, due to the results of ASISTENCIA in the United Kingdom and certain large claims in GLOBAL RISKS.
7. APAC, as of June 2017, includes the ABDA business.

7. Information by Business Unit

MAPFRE manages its business through four business units: Insurance, Reinsurance, Assistance, and Global Risks.

The chart below shows premiums, attributable result, and Non-life combined ratio for the business units:

Key figures

ITEM	Premiums			Attributable result			Combined ratio	
	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017
IBERIA	5,069.4	5,257.9	3.7%	359.9	389.3	8.2%	92.7%	94.0%
LATAM	5,435.6	6,197.6	14.0%	147.1	156.7	6.6%	96.9%	96.2%
INTERNACIONAL	3,486.6	3,424.1	-1.8%	36.9	50.5	36.9%	102.7%	102.9%
TOTAL INSURANCE	13,991.5	14,879.6	6.3%	543.8	596.5	9.7%	97.0%	97.2%
RE	3,179.9	3,300.5	3.8%	122.6	97.3	-20.7%	96.7%	96.6%
ASISTENCIA	817.2	782.2	-4.3%	(28.7)	(51.1)	-78.1%	100.9%	102.4%
GLOBAL RISKS	887.9	949.5	6.9%	30.5	(87.2)	--	96.0%	154.7%
Holdings and consolidation adjustments	(1,767.1)	(1,925.1)	-8.9%	(96.3)	(110.9)	-15.2%	--	--
MAPFRE S.A.	17,109.4	17,986.6	5.1%	572.0	444.6	-22.3%	97.2%	98.7%

Figures in millions of euros

The most important changes are:

1. Premiums show significant growth in all business units, with the exception of ASISTENCIA, mainly as a result of the current business restructuring, and INTERNATIONAL due to the previously mentioned growth containment in premiums in North America and the lower issuing in Turkey.
2. Results have evolved positively in insurance entities in IBERIA, LATAM and INTERNATIONAL, with 9.7 percent growth in the insurance business units.
3. MAPFRE RE continues to contribute positively to Group results, both in premiums and in results, reaching earnings of 97.3 million euros to September 2017, despite the catastrophic events in the third quarter that have had a attributable net cost of 72.7 million euros.
4. MAPFRE ASISTENCIA is highly affected by losses in the United Kingdom and by business restructuring.
5. GLOBAL RISKS is negatively affected by the catastrophic events of the third quarter, that have had an attributable net cost of 73 million euros, and by large claims that have been impacting it this whole year.

7.1. INSURANCE ENTITIES

7.1.1. IBERIA

IBERIA encompasses the business activities of MAPFRE ESPAÑA and its subsidiary in Portugal, as well as the Life business managed by MAPFRE VIDA and its bancassurance subsidiaries.

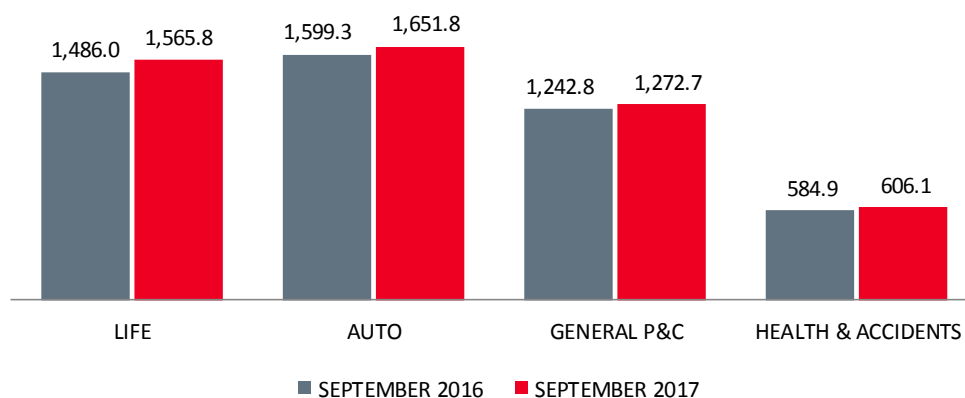
Information by country

ITEM	Premiums			Attributable result			Combined ratio	
	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017
IBERIA	5,069.4	5,257.9	3.7%	359.9	389.3	8.2%	92.7%	94.0%
SPAIN	4,966.0	5,150.9	3.7%	356.9	389.7	9.2%	92.5%	93.7%
PORTUGAL	103.3	107.0	3.5%	3.0	(0.5)	-116.2%	103.7%	108.9%

Figures in millions of euros

Premiums

Written premiums in key lines



Figures in millions of euros

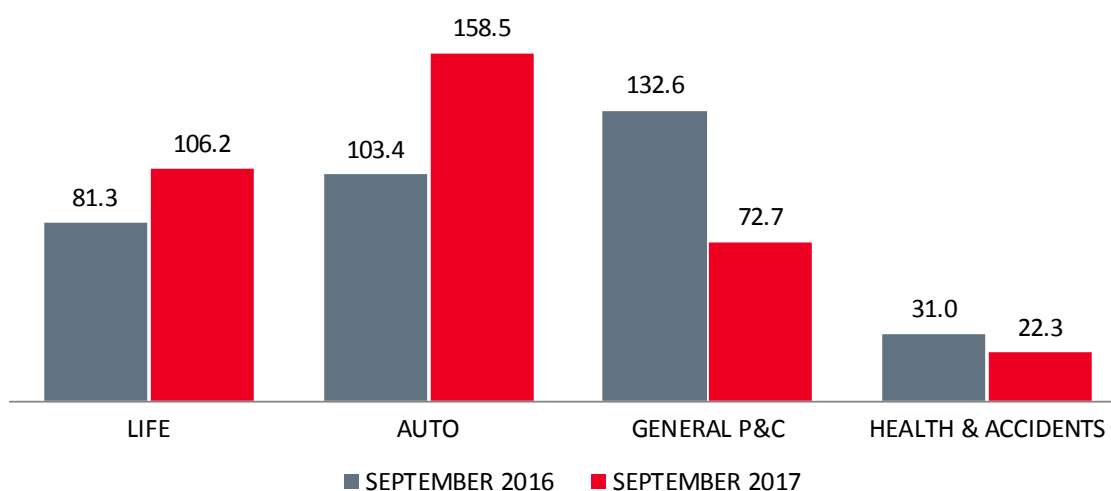
Excellent performance of premiums in IBERIA, with 3.7 percent growth.

Non-Life premiums grew by 3.0 percent, and reflect the positive development of the Auto, Health, and Third Party Liability business and the majority of the Non-Life personal and commercial lines. This compensated for lower issuing in Combined Agricultural Insurance (SAC).

Life premiums picked up by 5.4 percent, thanks to the bancassurance savings line. This growth is especially noteworthy, keeping in mind that in 2016 a group savings policy was issued for the amount of 133 million euros, without any similar operations having been recorded in 2017.

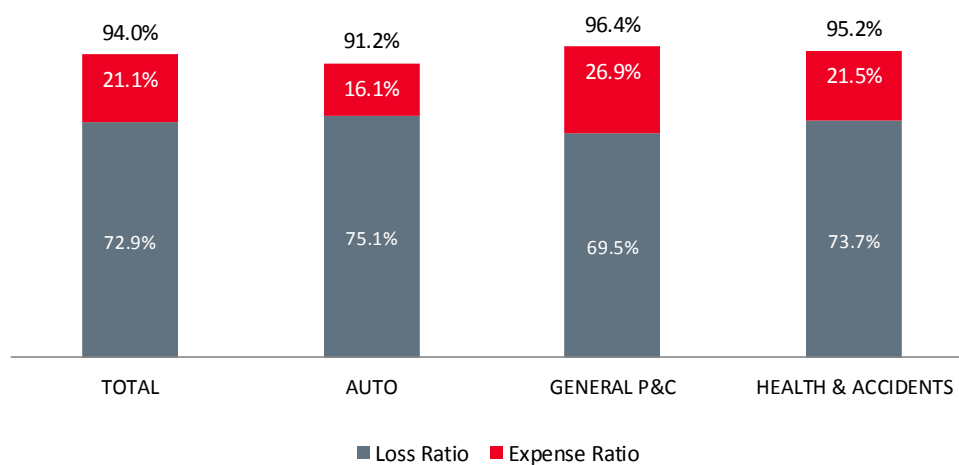
Result

Attributable result of key lines



Figures in millions of euros

Combined ratio of key lines



IBERIA's attributable result reached 389 million euros with growth of 8.2 percent compared to the previous period.

The technical result of Non-Life business worsened as a result of an increase in the loss ratio in General P&C, which reflects the impact of weather events in the south of Spain, which primarily affected the Homeowners, Condominiums, and Commercial lines. The expense ratio improved thanks to the rigorous cost-containment policy in place in recent years.

The Life result shows an important improvement both in its technical-financial result and from the previously mentioned cancellation of a reserve for contingent payments in the bancassurance channel totaling 29 million euros before taxes (27.2 million euros after taxes).

To September 2017, 41.5 million euros in capital gains on financial investments, net of taxes, were recorded (52.3 million to September 2016), mainly equity.

At the close of September 2017, MAPFRE España designed an early retirement plan for MAPFRE España, MAPFRE Vida, and MAPFRE Tech employees, the estimated cost of which will reach approximately 35 million euros, and which is fully expensed and provided for.

Finally, in the first half of the year, real estate located on Calle Luchana in Madrid was sold, generating net earnings of 36 million euros in MAPFRE ESPAÑA.

MAPFRE ESPAÑA – Key figures

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Gross written and accepted premiums	3,547.0	3,664.0	3.3%
Net premiums earned	3,023.9	3,098.6	2.5%
Gross result	313.9	309.9	-1.3%
Tax on profits	(77.0)	(71.6)	-7.0%
Non-controlling interests	(0.4)	(0.8)	87.3%
Attributable net result	236.5	237.5	0.4%
Combined ratio	93.4%	94.9%	1.4 p.p.
Expense ratio	21.1%	20.9%	-0.2 p.p.
Loss ratio	72.4%	74.0%	1.6 p.p.
Investments, real estate and cash	6,383.6	6,505.7	1.9%
Technical provisions	5,050.1	5,308.2	5.1%
Shareholders' equity	2,357.3	2,306.6	-2.1%
ROE	11.2%	15.8%	4.6 p.p.

Figures in millions of euros

MAPFRE ESPAÑA – Automobiles

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Gross written and accepted premiums	1,599.3	1,651.8	3.3%
Net premiums earned	1,419.1	1,455.2	2.5%
Result before tax	137.5	211.9	54.1%
Non-Life Loss Ratio	77.9%	75.1%	-2.8 p.p.
Non-Life Expense Ratio	17.7%	16.1%	-1.6 p.p.
Non-Life Combined Ratio	95.7%	91.2%	-4.4 p.p.
Number of vehicles insured (units)	5,538,959	5,616,482	1.4%

Figures in millions of euros

Auto premiums (including VERTI and SEGUROS GERAIS PORTUGAL) grew by 3.3 percent. The positive evolution of personal Auto premiums in Spain is noteworthy, with 3.8 percent growth in the year.

The average Auto premium to September 2017 in MAPFRE ESPAÑA increased 0.6 percent with respect to the previous year, which is identical to the increase in the insurance sector. To September 30, 2017, the number of vehicles insured rose to 5,616,482 vehicles, 77,523 more than September of the previous year.

The Auto combined ratio stands at 91.2 percent, a 4.4 percentage point improvement compared to the same period of the previous year. The loss ratio improved thanks to the effect of the cancellation of unprofitable policies, mainly fleets, as well as the favorable development of the VERTI business. Further, the cost-containment efforts show an exceptionally low expense ratio, which improved 1.6 percentage points compared to the same period in the previous year.

MAPFRE ESPAÑA – General P&C

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Gross written and accepted premiums	1,242.8	1,272.7	2.4%
Net premiums earned	1,048.8	1,071.6	2.2%
Result before tax	176.9	96.9	-45.2%
Non-Life Loss Ratio	62.8%	69.5%	6.6 p.p.
Non-Life Expense Ratio	25.7%	26.9%	1.2 p.p.
Non-Life Combined Ratio	88.5%	96.4%	7.9 p.p.

Figures in millions of euros

General P&C business volume reflects the solid performance of the Third Party Liability business and of the majority of personal and commercial Non-Life lines, tempered by lower issuing in Combined Agricultural Insurance (SAC). The higher loss ratio is due to adverse weather conditions in Spain in January and February, which primarily affected the Homeowners, Condominiums, and Commercial lines, as well as large claims in the Property line in the period.

MAPFRE ESPAÑA – Health & Accidents

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Gross written and accepted premiums	517.1	542.2	4.9%
Net premiums earned	380.4	397.4	4.5%
Result before tax	21.3	10.8	-49.3%
Non-Life Loss Ratio	80.7%	81.6%	0.9 p.p.
Non-Life Expense Ratio	16.9%	18.0%	1.1 p.p.
Non-Life Combined Ratio	97.6%	99.6%	2.0 p.p.

Figures in millions of euros

Health premiums maintained their strong rate of growth, reaching 4.9 percent over the same period in the previous year. The loss ratio grew slightly mainly due to certain group policies and the increase in claims-related expenses.

MAPFRE VIDA – Key figures

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Gross written and accepted premiums	1,522.6	1,594.2	4.7%
Gross result	211.6	264.4	24.9%
Tax on profits	(34.7)	(53.3)	53.5%
Non-controlling interests	(51.3)	(61.0)	18.9%
Attributable net result	125.7	150.2	19.5%
Investments, real estate and cash	25,391.1	24,040.4	-5.3%
Shareholders' equity	1,807.8	1,787.3	-1.1%
ROE	9.8%	10.8%	1.1 p.p.
Technical financial Margin	1.0%	1.3%	0.3 p.p.

Figures in millions of euros

MAPFRE VIDA – Premium breakdown

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
- Agent channel	1,120.9	991.0	-11.6%
- Bank channel	401.8	603.2	50.1%
BANKIA MAPFRE VIDA	160.8	266.0	65.4%
BANKINTER SEGUROS DE VIDA	110.0	245.4	123.1%
CAJA CASTILLA LA MANCHA	77.0	55.6	-27.8%
DUERO SEGUROS DE VIDA	54.0	36.2	-32.9%
TOTAL PREMIUMS	1,522.6	1,594.2	4.7%
- Life-Savings	1,130.2	1,206.8	6.8%
- Life-Protection	324.6	323.4	-0.4%
- Accidents	67.8	63.9	-5.8%

Figures in millions of euros

MAPFRE VIDA premiums picked up 4.7 percent, thanks to the bancassurance savings line. This growth is especially notable in BANKIA MAPFRE VIDA, due to the success of certain savings products commercialized by this entity. Additionally, the premiums from the BANKINTER agency in Portugal have been fully integrated in 2017 (in 2016, these premiums are included as of April).

MAPFRE VIDA – Managed savings

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Technical provisions	22,852.7	21,559.8	-5.7%
MAPFRE VIDA	13,263.4	12,701.2	-4.2%
BANKIA MAPFRE VIDA	7,793.5	7,005.2	-10.1%
BANKINTER SEGUROS DE VIDA	760.6	969.0	27.4%
CAJA CASTILLA LA MANCHA	1,035.1	884.4	-14.6%
Mutual funds and other	3,057.0	3,654.4	19.5%
Pension funds	4,486.5	4,930.6	9.9%
MAPFRE AM	2,044.1	2,234.2	9.3%
OTHER	2,442.4	2,696.5	10.4%
TOTAL MANAGED SAVINGS	30,396.2	30,144.9	-0.8%

Figures in millions of euros

In the information regarding managed savings in 2016 and 2017, UNIÓN DUERO VIDA and DUERO PENSIONES are not included, as at that time they were already classified as assets-held-for-sale.

7.1.2. LATAM

This territorial area comprises the regional areas of BRAZIL, LATAM NORTH, and LATAM SOUTH.

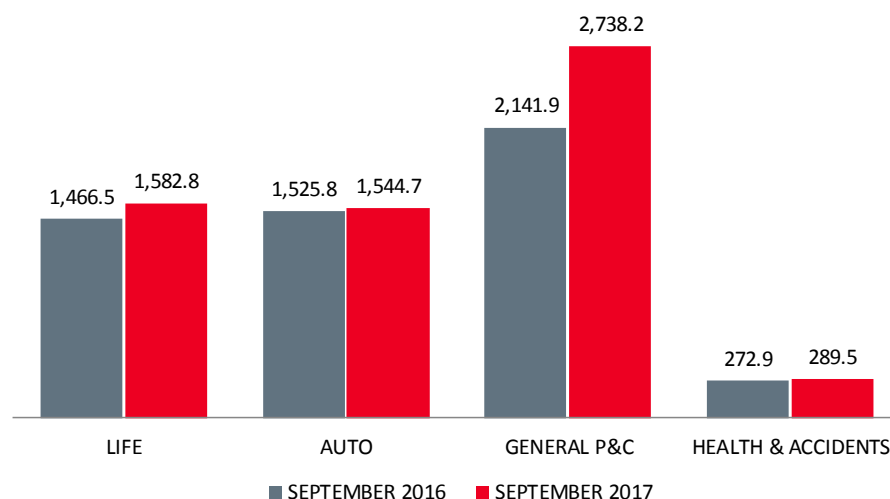
Information by region

ITEM	Premiums			Attributable result			Combined ratio	
	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017
BRAZIL	3,198.2	3,449.2	7.8%	101.8	86.0	-15.6%	94.6%	94.6%
LATAM NORTH	950.7	1,458.3	53.4%	29.3	23.8	-18.5%	102.8%	98.9%
LATAM SOUTH	1,286.7	1,290.2	0.3%	16.0	46.9	194.0%	98.7%	98.9%

Figures in millions of euros

Premiums and Result

Written premiums in key lines



Figures in millions of euros

Premium growth reflects the favorable development in Brazil, Mexico from the issuing of the PEMEX policy, and in the countries in Central America and Panama. Additionally, premium volume in Brazil was favored by the appreciation of the Brazilian real against the euro by 8.8 percent.

The attributable result in the LATAM Territorial Area went up at September 2017, as a result of the growth in profits from LATAM SOUTH thanks to the positive development of businesses in Peru and Colombia. There was a negative evolution of LATAM NORTH which is a consequence of the impact in Mexico of a higher loss ratio in Automobiles and losses from foreign exchange differences. Brazil presented negative development due to the increased loss ratio in Autos, the increase in acquisition costs and the lower financial result.

BRAZIL

This regional area encompasses the insurance activity in Brazil.

Key figures

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Gross written and accepted premiums	3,198.2	3,449.2	7.8%
- Non-Life	2,120.1	2,322.6	9.6%
- Life	1,078.1	1,126.6	4.5%
Net premiums earned	2,837.5	2,859.9	0.8%
Gross result	599.6	507.2	-15.4%
Tax on profits	(240.4)	(183.7)	-23.6%
Non-controlling interests	(257.4)	(237.5)	-7.7%
Attributable net result	101.8	86.0	-15.6%
Combined ratio	94.6%	94.6%	0.0 p.p.
Expense ratio	32.5%	33.7%	1.2 p.p.
Loss ratio	62.1%	61.0%	-1.2 p.p.
Investments, real estate and cash	4,203.7	4,369.2	3.9%
Technical provisions	5,268.9	5,163.3	-2.0%
Shareholders' equity	1,157.4	1,244.5	7.5%
ROE	13.4%	10.4%	-2.9 p.p.

Figures in millions of euros

Breakdown by line

ITEM	Premiums			Attributable result			Combined ratio	
	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017
LIFE	1,078.1	1,126.6	4.5%	48.2	41.8	-13.1%	--	--
AUTO	919.6	954.8	3.8%	8.1	(3.4)	-141.7%	104.0%	107.0%
GENERAL P&C	1,196.6	1,364.2	14.0%	41.9	42.8	2.3%	80.6%	78.4%

Figures in millions of euros

Premiums

Premium growth in euros shows the effect of the appreciation of the Brazilian real (8.8 percent). In reals, total premium issuing dropped 1 percent in Brazil, as the recent improvements in the country's economic scenario have not yet reached the insurance business.

On a positive note, it is important to point out that the General P&C line business grew 5 percent in local currency, and specifically the Agricultural Insurance line issuing reflects positive development and growth of 14 percent in reals to September 2017.

On the other hand, the credit restrictions for personal clients and a highly competitive environment have led to a 5 percent contraction in Auto issuing in local currency.

The Life business fell 4 percent in reals, affected by the drop in issuing for Life-Protection insurance linked to personal loans from the Banco de Brasil.

Result

The combined ratio remained stable thanks to the lower loss experience in Agricultural Insurance, due to favorable weather conditions in 2017. This improvement compensated for the higher loss ratio in Autos. This line was affected by an increase of frequency associated with the economic environment (mainly theft coverage and the increasing age of vehicles in circulation), and by the rate reductions introduced by the SUSEP in compulsory Third Party Liability Auto insurance.

There were several severe claims in the Industrial Risks business, and General P&C was affected by adverse weather conditions in the south of the country.

The result to September 2017 was affected by the drop in financial income, due to the lower returns on floating rate investments as a result of successive interest rate reductions applied by the Central Bank of Brazil throughout 2017.

LATAM NORTH

This regional area includes the business activity in Mexico, Panama, the Dominican Republic, Honduras, Guatemala, Costa Rica, El Salvador and Nicaragua.

Key figures

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Gross written and accepted premiums	950.7	1,458.3	53.4%
- Non-Life	732.1	1,200.5	64.0%
- Life	218.6	257.8	17.9%
Net premiums earned	619.1	610.9	-1.3%
Gross result	45.0	36.4	-19.2%
Tax on profits	(9.9)	(6.9)	-30.0%
Non-controlling interests	(5.9)	(5.6)	-4.9%
Attributable net result	29.3	23.8	-18.5%
Combined ratio	102.8%	98.9%	-3.9 p.p.
Expense ratio	33.7%	32.0%	-1.7 p.p.
Loss ratio	69.1%	66.9%	-2.2 p.p.
Investments, real estate and cash	1,407.6	1,345.2	-4.4%
Technical provisions	1,360.1	1,861.0	36.8%
Shareholders' equity	759.3	762.9	0.5%
ROE	3.2%	3.8%	0.5 p.p.

Figures in millions of euros

Breakdown of key countries

ITEM	Premiums			Attributable result		
	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
MEXICO	551.2	1,013.1	83.8%	9.8	3.0	-69.3%
PANAMA	149.3	166.2	11.3%	7.6	7.6	-0.5%
DOMINICAN REP.	84.8	89.9	5.9%	5.6	5.4	-4.5%
HONDURAS	55.3	58.7	6.0%	4.2	5.0	17.7%

Figures in millions of euros

Premiums

Mexico presents growth of 83.8 percent due to the issuing in June of the PEMEX policy (with a 2-year duration for the sum of 545 million USD). General P&C, therefore, has very positive issuing behavior, as does Life in this country. However, there was a 28 percent fall in premiums in the Auto line in Mexican pesos, from the application of stricter underwriting policies, rate adjustments, and non-renewal of loss-making contracts. The Health line also experienced a 5 percent fall in premiums in Mexican pesos, due to the non-renewal of loss-making contracts.

Premium growth shows favorable development in the Dominican Republic and Central American countries, especially Panama and Honduras.

Result

It is worth highlighting, on a positive note, the improved combined ratio in General P&C, Health, and Accidents in Mexico this year. This improvement is highly conditioned by the higher loss experience in the Automobile business (multi-year group policies) and losses from foreign exchange differences from the appreciation of the Mexican peso against the dollar in the first months of the year, as the entity has a significant investment portfolio in dollars.

The evolution of the result in the Dominican Republic and Central American countries is very positive.

LATAM SOUTH

This regional area encompasses the business activities in Peru, Colombia, Argentina, Chile, Uruguay, Paraguay and Ecuador.

Key figures

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Gross written and accepted premiums	1,286.7	1,290.2	0.3%
- Non-Life	1,116.9	1,091.7	-2.3%
- Life	169.8	198.4	16.9%
Net premiums earned	716.9	779.8	8.8%
Gross result	39.3	74.2	88.8%
Tax on profits	(18.8)	(17.9)	-4.7%
Non-controlling interests	(4.5)	(9.4)	106.8%
Attributable net result	16.0	46.9	194.0%
Combined ratio	98.7%	98.9%	0.2 p.p.
Expense ratio	36.4%	38.3%	1.9 p.p.
Loss ratio	62.3%	60.6%	-1.7 p.p.
Investments, real estate and cash	1,949.0	1,844.4	-5.4%
Technical provisions	2,495.0	2,425.3	-2.8%
Shareholders' equity	509.9	513.4	0.7%
ROE	6.6%	9.3%	2.6 p.p.

Figures in millions of euros

Breakdown of key countries

ITEM	Premiums			Attributable result		
	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
COLOMBIA	305.2	309.1	1.3%	(22.6)	10.1	145.0%
PERU	352.8	358.9	1.7%	20.4	25.8	26.6%
ARGENTINA	218.6	234.8	7.4%	8.5	7.5	-12.4%
CHILE	259.0	210.7	-18.6%	5.5	(2.9)	-152.2%

Figures in millions of euros

Premiums

The increase in premiums reached only 0.3 percent, due to Life business growth in the region, mainly in Colombia and Peru. In general, issuing grew in all countries in the region with the exception of Chile, where premiums fell 18.6 percent due to lower Auto and General P&C issuing from the non-renewal of some fronting businesses as well as portfolio restructuring.

Result

The growth in result to September 2017 was determined primarily by the change in result in Colombia and the continued improvement in earnings in Peru. In Colombia, results show both an improvement in operations as well as the absence of adjustments, carried out last year, in discontinued loss-making Life portfolios (annuities), which made net earnings of 10 million euros possible, versus the 22.6 million euros of losses the previous year. However, this improvement was negatively affected by losses in Chile from the higher loss ratio resulting from rains and floods, wildfires and a negative evolution of the Auto business.

The combined ratio in the region went up slightly, due primarily to an increase in acquisition costs.

The result to September 2017 includes gains from the sale of the annuity portfolio in Peru, which contributed net gains of 4 million euros to MAPFRE Group.

7.1.3. INTERNATIONAL

This territorial area comprises NORTH AMERICA, EMEA and APAC.

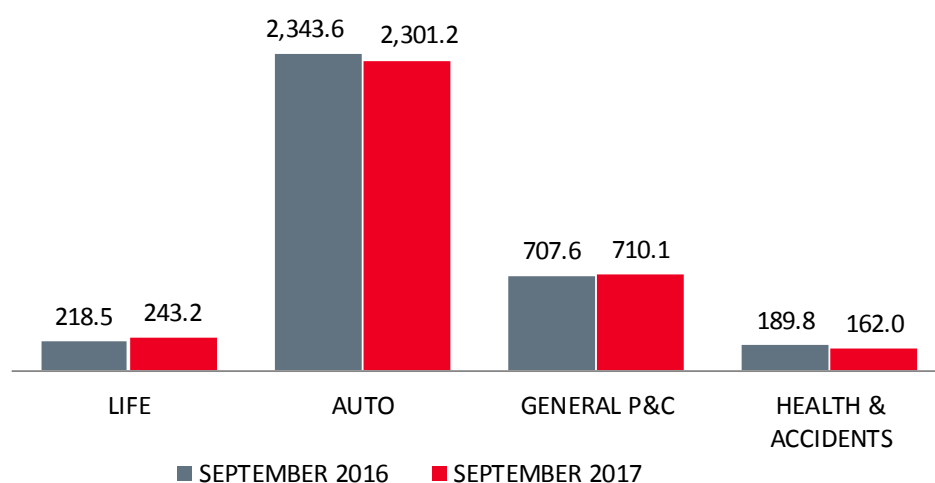
Information by Area

ITEM	Premiums			Attributable result			Combined ratio	
	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017
NORTH AMERICA	2,002.1	1,977.4	-1.2%	57.6	21.3	-63.0%	100.5%	104.1%
EMEA	1,449.9	1,390.2	-4.1%	(16.0)	29.7	--	106.0%	100.7%
APAC	34.5	56.4	63.5%	(4.7)	(0.5)	90.1%	131.1%	101.2%

Figures in millions of euros

Premiums and Result

Written premiums in key lines



Figures in millions of euros

Premiums from INTERNATIONAL fell 1.2 percent in NORTH AMERICA, primarily due to the decrease in business volume outside of Massachusetts, U.S.A. and to lower issuing in Puerto Rico, affected by the catastrophic events of September. Premiums in EMEA went down 4.1 percent due to lower issuing in Turkey.

The attributable result in NORTH AMERICA was affected by Hurricanes Irma and Maria, which significantly impacted Puerto Rico, the Virgin Islands, and Florida. The positive evolution of EMEA's attributable result came from the significant increase in the result in Turkey thanks to rate updates and to the lower loss experience in Auto, as well as lower losses from the business in Italy.

NORTH AMERICA

This regional area has its headquarters in Webster, MA (U.S.A.) and encompasses the business activity in NORTH AMERICA (United States and Puerto Rico).

Key figures

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Gross written and accepted premiums	2,002.1	1,977.4	-1.2%
Net premiums earned	1,493.4	1,514.6	1.4%
Gross result	86.5	29.6	-65.8%
Tax on profits	(28.5)	(8.0)	-72.0%
Non-controlling interests	(0.4)	(0.3)	-21.5%
Attributable net result	57.6	21.3	-63.0%
Combined ratio	100.5%	104.1%	3.5 p.p.
Expense ratio	25.5%	25.6%	0.1 p.p.
Loss ratio	75.1%	78.5%	3.4 p.p.
Investments, real estate and cash	2,463.5	2,392.8	-2.9%
Technical provisions	2,426.5	2,939.9	21.2%
Shareholders' equity	1,368.1	1,293.4	-5.5%
ROE	5.3%	3.1%	-2.2 p.p.

Figures in millions of euros

Breakdown by country

ITEM	Premiums			Attributable result		
	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
UNITED STATES	1,719.0	1,717.0	-0.1%	48.4	37.0	-23.4%
PUERTO RICO	283.1	260.4	-8.0%	9.2	(15.7)	--

Figures in millions of euros

Combined ratio

	SEPTEMBER 2016	SEPTEMBER 2017
UNITED STATES	101.0%	101.5%
Massachusetts	95.4%	96.3%
Other states	114.0%	114.1%
PUERTO RICO	97.6%	121.9%

MAPFRE USA – Key figures

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Gross written and accepted premiums	1,719.0	1,717.0	-0.1%
Net premiums earned	1,283.5	1,318.3	2.7%
Gross result	68.7	50.3	-26.7%
Tax on profits	(22.5)	(16.3)	-27.4%
Non-controlling interests	(0.4)	(0.3)	-21.5%
Attributable net result	45.8	33.7	-26.4%
Combined ratio	101.0%	101.5%	0.5 p.p.
Expense ratio	24.0%	24.0%	-0.1 p.p.
Loss ratio	77.0%	77.5%	0.5 p.p.
Investments, real estate and cash	2,038.7	1,988.5	-2.5%
Technical provisions	2,163.4	2,140.2	-1.1%
Shareholders' equity	1,126.1	1,089.0	-3.3%
ROE	4.9%	4.4%	-0.5 p.p.

Figures in millions of euros

Premiums

At the close of September, premiums in NORTH AMERICA registered a 1.2 percent decrease as a result of the business volume outside of Massachusetts maintaining its downward trend due to the cancellation of unprofitable business, with the aim of improving profitability in these states. At the close of September, premiums from business outside Massachusetts had fallen 7.9 percent in USD compared to the same date the previous year. Growth in Massachusetts reached 5.1 percent.

In Puerto Rico, premiums fell 8.0 percent with respect to the previous period. There was a significant decline in General P&C, and in Health due to the underwriting measures adopted in this line from the cancellation or non-renewal of unprofitable business, as well as to the lack of commercial activity and risk underwriting in September from the catastrophic events.

Result

The combined ratio in NORTH AMERICA reached 104.1 percent, with growth of 3.5 percentage points, of which 3.2 percentage points are a consequence of the significant impact of Hurricanes Irma and Maria in Puerto Rico, the Virgin Islands, and Florida.

The Homeowners combined ratio in the United States was excellent, at 69.4 percent, thanks to the rate adjustments carried out in 2015 and 2016, along with the absence of adverse weather conditions.

The Auto combined ratio in the U.S. stands at 104.3 percent, slightly below the previous year. The Auto line in the United States continued to have difficulties, due to the general market situation, with an increase in frequency as a result of a greater use of cars and driver distractions from the rise in use of electronic devices. The cost of vehicle repairs has gone up, as they become more and more sophisticated.

In Puerto Rico, the combined ratio stood at 121.9 percent with strong deterioration due to the effect of the hurricanes.

The net result in NORTH AMERICA reached 21.3 million euros, with a fall of 63.0 percent. This is due to the United States' lower contribution to the result, which to September presented an attributable result of 37.0 million euros, and to the losses in Puerto Rico which reached 15.7 million euros from the effect of the hurricanes.

The attributable net cost of the hurricanes in the NORTH AMERICA region is broken down as follows:

	PUERTO RICO	USA (Florida)	TOTAL
Hurricane Irma	10.3	1.1	11.4
Hurricane Maria	18.1	---	18.1
TOTAL	28.4	1.1	29.5

Figures in millions of euros

The 2017 financial result includes the sale of real estate in Florida with gains of 3 million euros.

The government in Puerto Rico, after the May 1 deadline for reaching an agreement regarding debt restructuring passed, filed for Title III bankruptcy under the Promesa law, which opens a long legal process between Puerto Rico and its creditors. As a result, MAPFRE USA registered losses from the sale of Puerto Rican bonds of approximately 6 million euros.

EMEA

This regional area encompasses the business activities in Italy, Turkey, Malta, and Germany.

Key figures

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Gross written and accepted premiums	1,449.9	1,390.2	-4.1%
- Non-Life	1,243.5	1,154.5	-7.2%
- Life	206.5	235.7	14.2%
Net premiums earned	1,006.1	958.9	-4.7%
Gross result	(19.1)	42.9	--
Tax on profits	6.8	(7.5)	--
Non-controlling interests	(3.7)	(5.6)	52.2%
Attributable net result	(16.0)	29.7	--
Combined ratio	106.0%	100.7%	-5.3 p.p.
Expense ratio	28.1%	21.1%	-7.1 p.p.
Loss ratio	77.9%	79.6%	1.8 p.p.
Investments, real estate and cash	3,466.4	3,762.0	8.5%
Technical provisions	3,673.0	3,921.8	6.8%
Shareholders' equity	563.2	635.9	12.9%
ROE	-2.9%	-2.4%	0.5 p.p.

Figures in millions of euros

Breakdown by country

ITEM	Premiums			Attributable result		
	SEPTEMBER 2016	SEPTEMBER 2017	Δ %	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
TURKEY	617.2	500.9	-18.8%	22.1	39.2	77.4%
ITALY	345.3	352.4	2.1%	(39.8)	(11.4)	71.4%
GERMANY	240.5	258.5	7.5%	2.9	0.9	-67.2%
MALTA	246.9	278.4	12.8%	0.8	2.5	--

Figures in millions of euros

Premiums

Premium development reflects the 18.8 percent drop in Turkey, from the depreciation of the Turkish lira (in local currency premiums are stable) and a stricter underwriting policy, in line with the strategy focused on profitable growth. The number of vehicles insured in Turkey to September 2017 rose to 2,085,568, with a reduction of 165,920 and 326,519 vehicles compared to December 2016 and September 2016, respectively.

In 2017, the average premium for compulsory Third Party Liability for Auto insurance in Turkey showed a reduction of 19 percent with respect to the same period of the previous year.

Germany showed favorable growth of 7.5 percent in issuing and there was light growth of 2.1 percent in issuing in Italy, the latter a result of the portfolio restructuring and a pricing policy aligned with criteria for better profitability. In Germany, on June 14, MAPFRE began to operate with the VERTI brand in the market, which has been very well received in terms of new business and renewals after the brand change. In Germany, the commercialization of Life Protection policies began in August.

Life premiums grew by 14.2 percent, thanks to the excellent performance in Life-Savings product distribution in the bancassurance channel in Malta.

Result

The positive development of the combined ratio, which went down to 100.7 percent and which is 5.3 percentage points lower than the previous period, reflects the improved loss ratio in the Auto business in Turkey, thanks to the improved underwriting and pricing measures adopted in 2016. This trend is partially reduced by an increase in the loss ratio in Italy, as a result of a lower average premium due to the competitive market.

The improved financial result in Turkey, thanks to the favorable interest rate situation, is noteworthy.

The expense ratio stands at 21.1 percent, which is 7.1 percentage points lower than the previous year, thanks to the measures taken in the region to adapt the cost structure to the business volume. In Italy, a series of measures to improve profitability in 2017 continued to be implemented throughout the year, along with a new plan for lowering operating expenses.

APAC

This regional area has its headquarters in Shanghai (China) and encompasses the insurance activity in the Asia-Pacific region (primarily Indonesia and the Philippines).

Key figures

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Gross written and accepted premiums	34.5	56.4	63.5%
- Non-Life	34.5	56.4	63.5%
- Life	0.0	0.0	--
Net premiums earned	21.8	43.4	99.3%
Gross result	(4.8)	1.7	134.8%
Tax on profits	0.0	(0.7)	--
Non-controlling interests	0.1	(1.4)	--
Attributable net result	(4.7)	(0.5)	90.1%
Combined ratio	131.1%	101.2%	-29.8 p.p.
Expense ratio	81.7%	47.5%	-34.3 p.p.
Loss ratio	49.3%	53.7%	4.4 p.p.
Investments, real estate and cash	38.6	193.9	--
Technical provisions	69.3	136.5	96.9%
Shareholders' equity	24.5	87.2	--
ROE	-27.0%	-8.4%	18.7 p.p.

Figures in millions of euros

Premiums and Result

Premium growth and improved results are based on the incorporation of the ABDA business in Indonesia as of this past June, when MAPFRE consolidated the company through global integration.

With the takeover of ABDA this past June, in accordance with Indonesian regulations, MAPFRE made a public offer for the acquisition of the shares. In September, the ABDA share acquisition process was completed, bringing MAPFRE to control 62.3 percent of this company.

The acquisition of 42.3 percent of ABDA capital in 2017 implied a cost of 121.5 million euros for MAPFRE.

7.2. MAPFRE RE

MAPFRE RE is a global reinsurer and is the main reinsurer of MAPFRE Group.

MAPFRE RE offers reinsurance services and capacities, providing all kinds of solutions for reinsurance treaties and facultative reinsurance, in all Life and Non-Life lines.

Key figures

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Gross written and accepted premiums	3,179.9	3,300.5	3.8%
- Non-Life	2,709.0	2,799.7	3.3%
- Life	470.9	500.8	6.3%
Net premiums earned	1,936.3	2,074.6	7.1%
Gross result	162.4	131.6	-19.0%
Tax on profits	(39.7)	(34.3)	-13.6%
Non-controlling interests	0.0	(0.0)	136.0%
Attributable net result	122.6	97.3	-20.7%
Combined ratio	96.7%	96.6%	-0.1 p.p.
Expense ratio	31.5%	32.3%	0.7 p.p.
Loss ratio	65.2%	64.3%	-0.9 p.p.
Investments, real estate and cash	4,406.3	4,582.6	4.0%
Technical provisions	4,071.1	4,177.3	2.6%
Shareholders' equity	1,292.4	1,312.4	1.5%
ROE	13.5%	12.3%	-1.2 p.p.

Figures in millions of euros

Premiums

At the close of September, premiums showed an increase of 3.8 percent both as a result of the positive Non-Group development, as well as the incorporation of the reinsurance program from MAPFRE's direct business in Italy. Life business grew by 6.3 percent.

Breakdown of premium distribution to September 2017 is as follows:

ITEM	%
By Type of business:	
Proportional	80.6%
Non-proportional	13.8%
Facultative	5.6%
By Region:	
IBERIA	20.2%
EMEA	41.4%
LATAM	17.0%
NORTH AMERICA	14.8%
APAC	6.7%

ITEM	%
By Ceding company:	
MAPFRE	47.5%
Other	52.5%
By Insurance Lines:	
Property	48.6%
Life & Accident	18.3%
Motor	24.1%
Transport	3.4%
Other Insurance lines	5.6%

Result

The net result reached 97.3 million euros, with a 20.7 percent fall due to the catastrophic events of the third quarter this year, which have an attributable net cost of 72.7 million euros for the Group, with the following breakdown by event:

	MAPFRE RE
Hurricane Harvey	17.2
Hurricane Irma	13.4
Hurricane Maria	25.5
Mexico Earthquake (Chiapas)	2.9
Mexico Earthquake (Puebla)	13.7
TOTAL	72.7

Figures in millions of euros

It is important to mention the high contribution of MAPFRE RE's non-catastrophic risk portfolios to the result, as the company presents high levels of profitability.

At September 30, the levels of sufficiency of outstanding cat losses prior to June 30, 2017 (Coastal "El Niño" in Peru and Hurricane Debbie in Australia, among others) were revised, which contributed, to a lesser extent, to the improved result for the third quarter of 2017.

The financial result stayed below that of the previous year, from lower realized financial gains. Net realized financial gains to September reached 29.8 million euros, compared to 35.1 million euros the previous year, mainly in equity.

7.3. MAPFRE GLOBAL RISKS

This business unit specializes in global insurance programs for large multinational companies (e.g. aviation insurance policies, nuclear risks and energy insurance policies, third party liability insurance policies, fire insurance policies, engineering insurance policies, transport insurance policies and suretyship).

Key figures

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Gross written and accepted premiums	887.9	949.5	6.9%
Net premiums earned	243.3	248.1	2.0%
Gross result	38.2	(116.1)	--
Tax on profits	(7.7)	28.9	--
Non-controlling interests	0.0	0.0	--
Attributable net result	30.5	(87.2)	--
Combined ratio	96.0%	154.7%	58.7 p.p.
Expense ratio	30.0%	33.0%	3.0 p.p.
Loss ratio	65.9%	121.7%	55.8 p.p.
Investments, real estate and cash	980.1	981.2	0.1%
Technical provisions	1,858.8	2,062.7	11.0%
Shareholders' equity	405.1	296.8	-26.7%
ROE	11.4%	-20.0%	-31.5 p.p.

Figures in millions of euros

Premiums

MAPFRE GLOBAL RISKS premiums reached 949.5 million euros, an increase of 6.9 percent compared to the same period of the previous year. The breakdown by regional area shows growth for the business underwritten in LATAM NORTH and EMEA, where double-digit premium growth was registered.

Result

MAPFRE GLOBAL RISKS closed September 2017 with important losses. The deterioration of the combined ratio, which stood at 154.7 percent, reflects the increase in the loss ratio which reached 121.7 percent (55.8 percentage points above the same period of the previous year). This is primarily due to the catastrophic events of the third quarter, that have an attributable net cost of 73 million euros, as well as from the larger claims throughout the year, which consist of four large claims in: EMEA, as a result of a fire in a refinery in Abu Dhabi and a claim in an aluminum plant in Oman; in

LATAM SOUTH, from the impact of the “Coastal El Niño” in Peru; and in LATAM NORTH, from the sinking of a floating power plant in Panama.

The breakdown of the attributable net cost for the Group from the catastrophic events that occurred in the third quarter of 2017 is as follows:

	MAPFRE GLOBAL
Hurricane Harvey	11.3
Hurricane Irma	22.5
Hurricane Maria	17.1
Mexico Earthquake (Chiapas)	7.5
Mexico Earthquake (Puebla)	14.6
TOTAL	73.0

Figures in millions of euros

There was also a 3.0 percentage point increase in expenses, placing the expense ratio at 33 percent at the close of September, due to an increase in acquisition costs, both from market pressure regarding commissions paid to ceding companies as well as from commissions received for retrocession.

The technical result reflects the previously mentioned increase in claims and expenses. The financial result presents net financial gains of 7.0 million euros (13.3 million euros in the same period of 2016).

Finally, it is important to point out the positive behavior of SOLUNION, with growth in premium and results.

7.4. MAPFRE ASISTENCIA

MAPFRE ASISTENCIA specializes in travel assistance, roadside assistance, and other special risks of the Group.

Key figures

ITEM	SEPTEMBER 2016	SEPTEMBER 2017	Δ %
Operating revenue	889.4	867.9	-2.4%
- Gross written and accepted premiums	817.2	782.2	-4.3%
- Other revenue	72.3	85.7	18.6%
Net premiums earned	613.1	555.1	-9.5%
Result from other business activities	(21.7)	(23.2)	-7.0%
Gross result	(30.5)	(41.9)	-37.6%
Tax on profits	2.6	(7.8)	--
Non-controlling interests	(0.9)	(1.4)	58.5%
Attributable net result	(28.7)	(51.1)	-78.1%
Combined ratio	100.9%	102.4%	1.5 p.p.
Expense ratio	30.3%	36.9%	6.6 p.p.
Loss ratio	70.6%	65.6%	-5.1 p.p.
Investments, real estate and cash	210.3	272.6	29.6%
Technical provisions	632.7	679.4	7.4%
Shareholders' equity	274.5	206.6	-24.7%
ROE	-22.2%	-32.8%	-10.6 p.p.

Figures in millions of euros

Premiums

The reduction in revenue and premiums in the ASISTENCIA unit is primarily a consequence of the current business restructuring. Measures like the cancelation of loss-making business, raising prices, or renegotiating economic conditions with some large clients are being adopted in the Assistance and the Travel Insurance businesses, and this impacts the evolution of revenue and premium growth.

Result

Losses at the close of September 2017 reached 51.1 million euros. Deterioration of the combined ratio, which stood at 102.4 percent, is fundamentally due to the increase in expenses, both in administration as a result of the drop in business volume, as well as acquisition expenses for higher sales costs coming from the increase in business coming from aggregators.

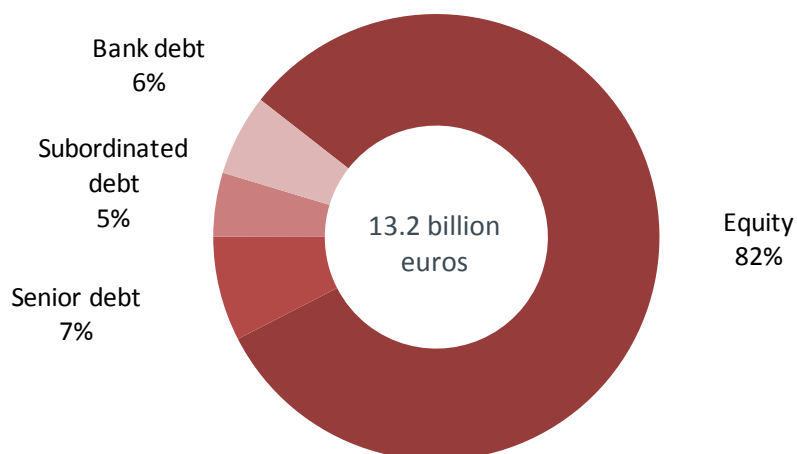
The loss ratio improved, reaching 65.6 percent, 5.1 percentage points below the same period of the previous year, though the ratio is still very high due to the losses coming from the negative run-offs from the Travel Insurance and Specialty Risks businesses in the United Kingdom.

At September, costs were provisioned for the closing and liquidation of various MAPFRE ASISTENCIA service companies for a total net amount of 9.4 million euros, which includes the exit of MAPFRE ASISTENCIA in Japan.

8. Capital Management & Debt

The chart below shows the composition of the capital structure at the close of the third quarter of 2017:

Capital structure



Figures in millions of euros

Capital structure reached 13.2 billion euros, of which 82 percent corresponds to equity.

The Group has a leverage ratio of 18.1 percent, with an increase of 1.4 percentage points as a result of the two debt issuances carried out in 2016 and 2017.

In May 2016, 1 billion euros of senior 10-year bonds were issued, with a fixed interest rate of 1.625 percent.

In March 2017, MAPFRE successfully placed the notes of a 30-year subordinated bond, with a call option at ten years, for a total of 600 million euros, with a fixed interest rate set at 4.375 percent for the first ten years. The funds coming from this transaction were used to further strengthen the Group's financial flexibility, and diversify its financing sources, as well as to redeem in advance the total amount of the "First Issue of Subordinated Notes of MAPFRE S.A." on July 24, 2017, which is the first call date set out in the Securities Note for the issuance of subordinated notes.

This issuance is considered to be Solvency II compliant Tier 2 capital, thus reinforcing MAPFRE's solvency and financial strength levels. The notes are currently quoted on the AIAF market.

MAPFRE has a 1 billion-euro line of credit available which was approved in December 2014, by a syndicate of 11 banks, which matures in December 2021 and of which 660 million euros were drawn down at September 30, 2017. Therefore, the Group has an additional 340 million euros of liquidity available.

The following chart shows the evolution of the Group's debt instruments and leverage ratios:

Debt instruments and leverage ratios

ITEM	SEPTEMBER 2016	DECEMBER 2016	SEPTEMBER 2017
Total Equity	11,286.0	11,443.5	10,792.3
Total debt	2,267.5	2,202.9	2,386.3
- of which: senior debt - 5/2026	994.2	1,002.5	999.0
- of which: subordinated debt - 7/2017	611.4	594.0	0.0
- of which: subordinated debt - 3/2047 (First Call 3/2027)	0.0	0.0	610.7
- of which: syndicated credit facility - 12/2021 (€ 1,000 M)	550.3	480.1	660.1
- of which: bank debt	111.6	126.3	116.5
Earnings before tax	1,341.7	1,805.2	1,109.8
Financial expenses	40.1	64.1	68.4
Earnings before tax & financial expenses (EBIT)	1,381.8	1,869.2	1,178.2
Leverage	16.7%	16.1%	18.1%
Equity / Debt	5.0	5.2	4.5
EBIT / financial expenses (x)	34.5	29.2	17.2

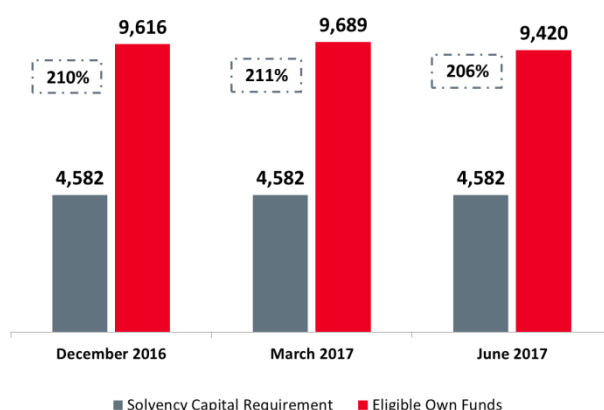
Figures in millions of euros

9. Solvency II

The Solvency II ratio for MAPFRE Group stood at 205.6 percent at the close of June 2017, compared to 211.5 percent at the close of March, including transitional measures. This ratio would be 186.5 percent, excluding the effects of said measures. Eligible Own Funds totaled 9.4 billion euros in the same period, of which 87 percent are high quality funds (Tier 1).

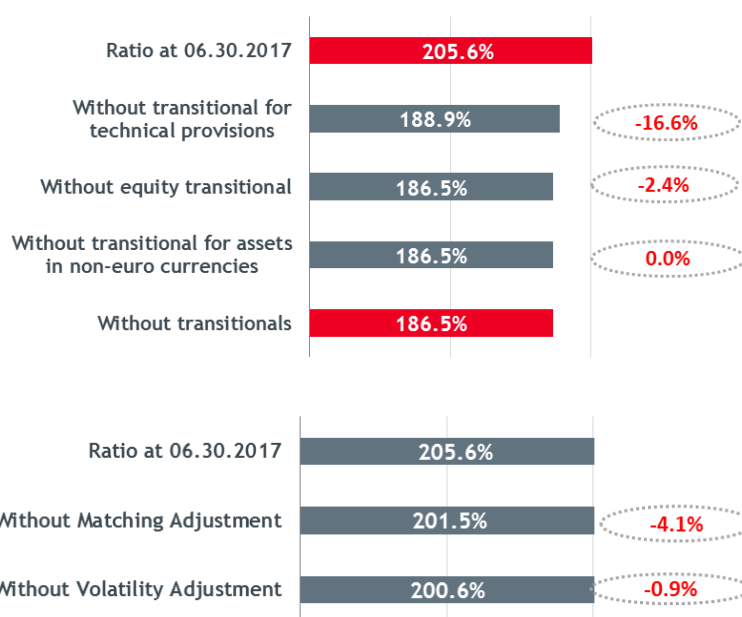
The ratio shows a high level of solidity and stability, backed by high diversification and strict investment and ALM policies, as can be seen in the charts below:

Solvency margin breakdown (Solvency II)

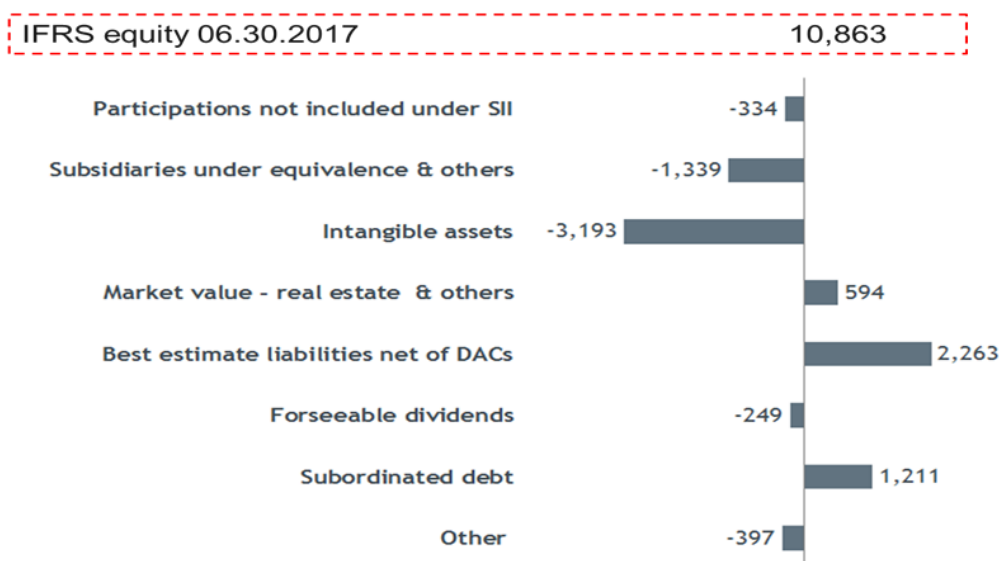


Figures in millions of euros

Impact of transitional measures and matching and volatility adjustments



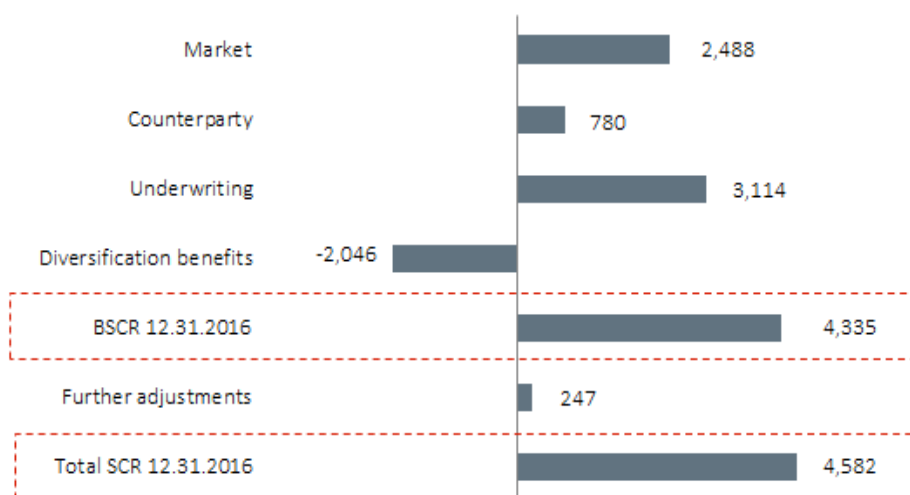
IFRS and Solvency II Capital Reconciliation



Eligible own funds under Solvency II 06.30.2017 9,420

Figures in millions of euros

Breakdown of Solvency Capital Requirement (SCR)



Figures in millions of euros

10. Ratings

The credit ratings granted by the main ratings agencies are listed below. Additionally, it is important to point out that in the third quarter, FITCH upgraded its outlook from “stable” to “positive” in all its ratings.

Financial strength ratings				
	S&P	FITCH	AM BEST	MOODY'S
MAPFRE RE	A/Stable Outlook	A-/ Positive Outlook	A/ Stable Outlook	-
MAPFRE GLOBAL RISKS	A/Stable Outlook	A-/ Positive Outlook	A/ Stable Outlook	A3/ Stable Outlook
MAPFRE ESPAÑA	-	A-/ Positive Outlook	-	-
MAPFRE VIDA	-	A-/ Positive Outlook	-	-
MAPFRE ASISTENCIA	-	-	-	A3/ Stable Outlook

Issuer/counterparty credit ratings		
	S&P	FITCH
MAPFRE S.A.	BBB+/ Stable Outlook	A-/ Positive Outlook

Issuance credit ratings		
	S&P	FITCH
MAPFRE S.A. senior debt with maturity in 2026	BBB+	BBB+
MAPFRE S.A. subordinated debt with maturity in 2047	BBB-	BBB-

11. The MAPFRE Share. Dividend Information

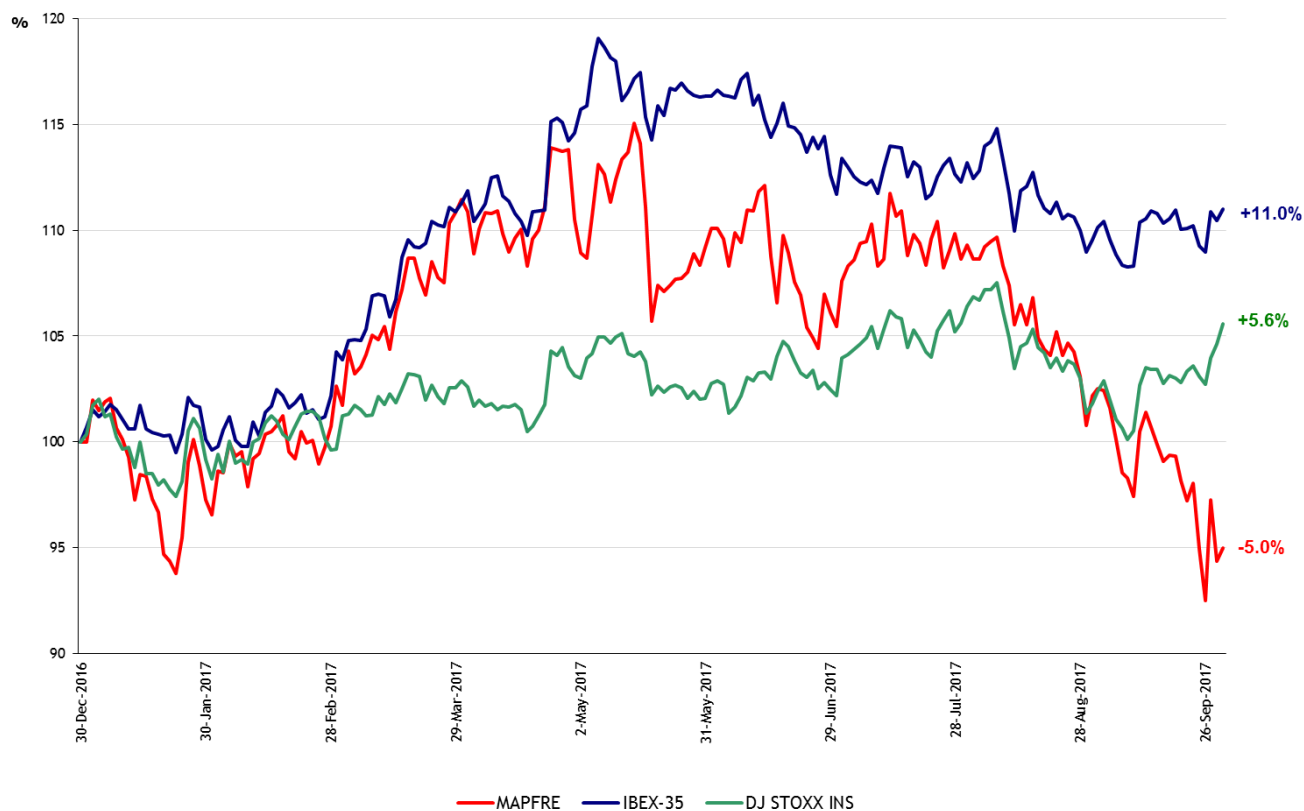
The chart below includes information regarding MAPFRE's shares, which show a favorable development.

Stock Market Information

	12/31/2014	12/31/2015	12/31/2016	09/30/2017
Total outstanding shares	3,079,553,273	3,079,553,273	3,079,553,273	3,079,553,273
Market cap (million euros)	8,662.8	7,119.9	8,930.7	8,481.1
Share price (euros)	2.813	2.312	2.900	2.754
Changes in value from January 1(%)	-9.6%	-17.8%	25.4%	-5.0%
Changes in IBEX 35 from January 1(%)	3.7%	-7.2%	-2.0%	11.0%
Average number of shares traded daily	11,711,993	9,937,097	9,032,451	6,452,366
Average daily effective value (million euros)	34.6	28.5	20.4	19.8
Period high	3.463	3.605	3.130	3.336
Period low	2.399	2.281	1.617	2.675
Volume / total stock market (%)	1.0%	0.8%	0.8%	0.8%
Book value per share	2.97	2.78	2.96	2.85
Dividend per share (last 12 months)	0.14	0.14	0.13	0.145

It's worth pointing out the market capitalization growth of 10.6 percent, which reflects the increase in the share price from 2.490 euros (September 30, 2016) to 2.754 euros (September 30, 2017).

Share Performance: January 1, 2017 – June 30, 2017

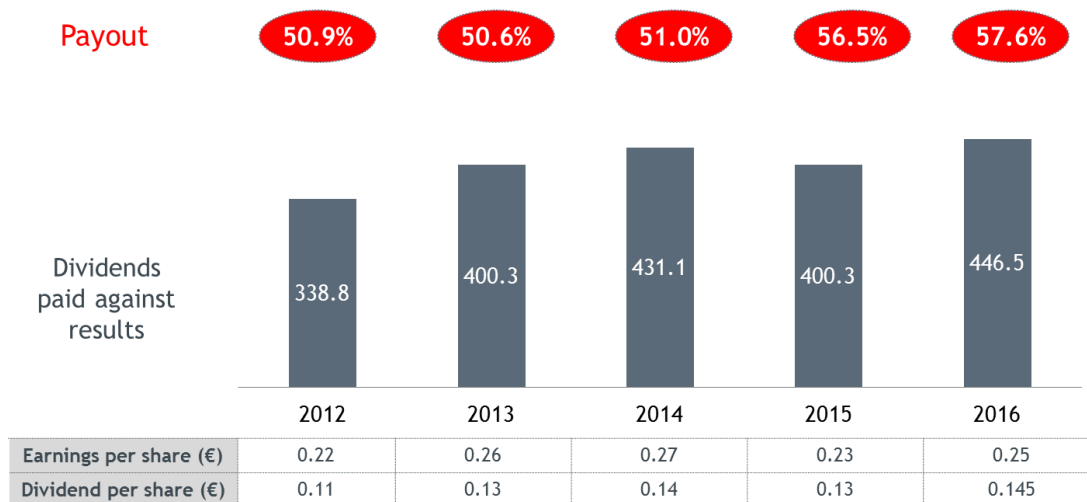


Price target and share price: April 1, 2015 – September 30, 2017



Dividend and Payout

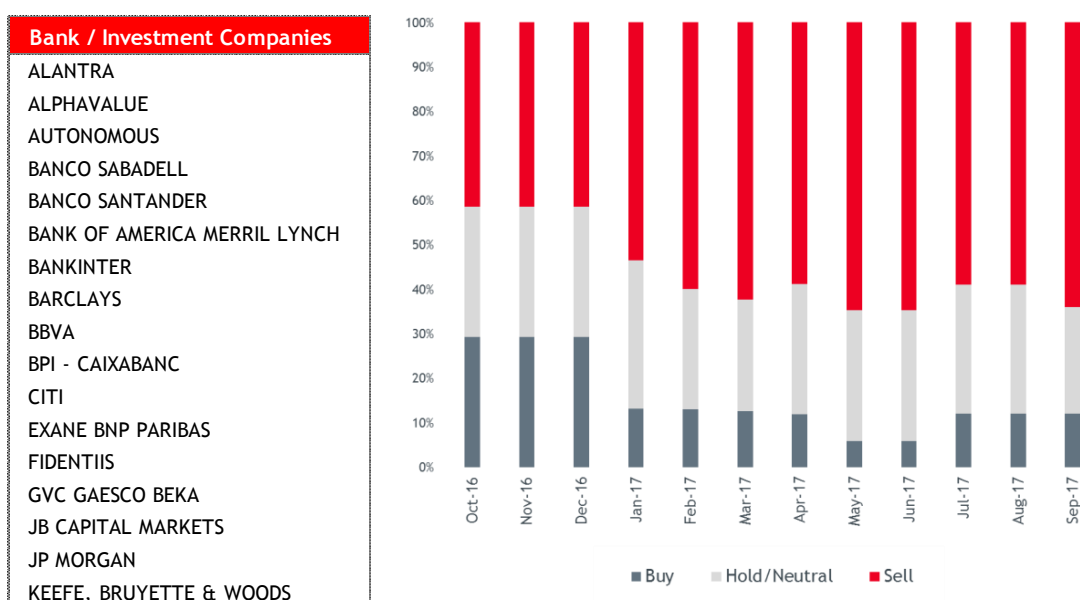
On June 20, the final dividend of €0.085 euros gross per share was paid, as agreed at the Annual General Shareholders' Meeting.



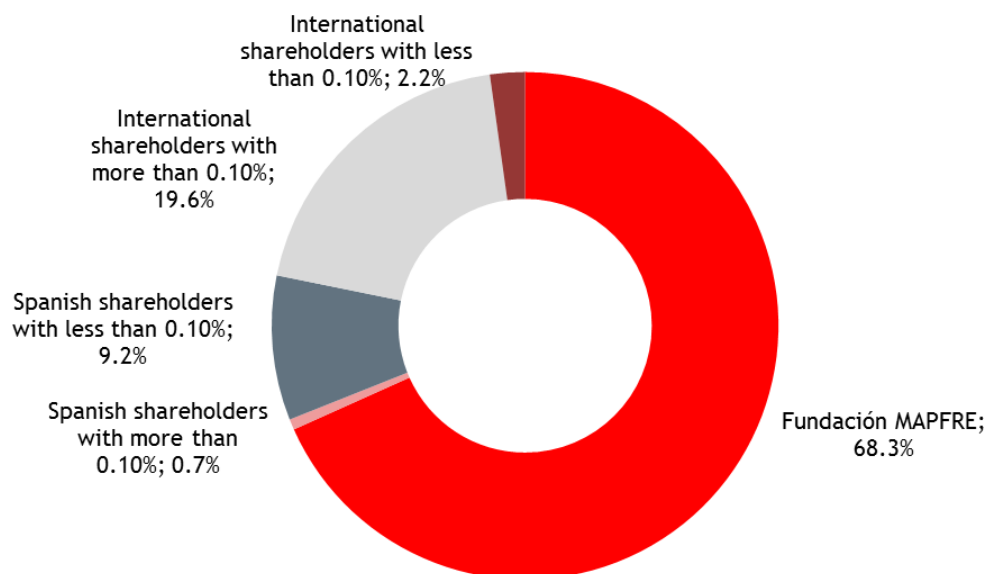
Effective earnings per share (adjusted for treasury stock): €0.2543
 Effective remuneration for shareholders per share (adjusted for treasury stock): €0.146
 Dividends: interim dividend €0.06; final dividend of €0.085

Figures in millions of euros

Analyst coverage: Recommendation summary



Shareholder composition



12. Accolades Received in the Quarter

Group

- **Antonio Huertas receives LinkedIn's social network activity award**

Antonio Huertas, Chairman and CEO of MAPFRE, was named Top Social Executive by LinkedIn in the latest edition of the PremiosIn.

- **Antonio Huertas receives the Tiepolo Award in Rome**

Antonio Huertas received the 2017 Tiepolo Award, recognizing the careers of successful businessmen in Spain and Italy, and their efforts in the integration and development of financial-commercial relationships between the two countries.

- **Social Responsibility**

For the sixth consecutive year, MAPFRE has been awarded the maximum recognition on behalf of the United Nations Global Compact in its contribution report to the initiative's 10 principles, in the areas of employment rights, human rights, the environment and anti-corruption.

Spain

- **MAPFRE wins first place in the Health and Company award**

This award is granted by the specialist publication Digital HR, and recognizes the best initiatives to promote a healthy lifestyle among company employees.

Other Countries and Units

- **MAPFRE INSURANCE, triple award winner for its creativity in marketing and communication**

The Company has received three awards from the Insurance Marketing & Communications Association (IMCA) in the United States

- **MERCO recognizes MAPFRE MÉXICO as the leading insurance company**

MAPFRE MEXICO occupies first place in the ranking of companies in the insurance sector in Mexico with the best corporate reputation.

13. Events Subsequent to Closing

The Board of Directors agreed to distribute an interim dividend of 0.06 euros gross per share against 2017 results. The amount corresponding to treasury stock will be applied proportionately to the remaining shares.

14. Appendixes

14.1. Consolidated Balance Sheet

ITEM	SEPTEMBER 2016	DECEMBER 2016	SEPTEMBER 2017
A) INTANGIBLE ASSETS	3,719.9	3,798.9	3,621.9
I. Goodwill	1,970.2	1,990.0	1,966.4
II. Other intangible assets	1,749.7	1,808.9	1,655.5
B) PROPERTY, PLANT AND EQUIPMENT	1,232.5	1,296.6	1,203.9
I. Real estate for own use	954.4	1,003.0	928.1
II. Other property, plant and equipment	278.1	293.6	275.8
C) INVESTMENTS	45,736.0	45,088.0	44,594.5
I. Real estate investments	1,325.0	1,274.8	1,277.3
II. Financial investments			
1. Held-to-maturity portfolio	2,292.9	2,419.8	2,098.8
2. Available-for-sale portfolio	36,225.0	35,102.6	34,076.9
3. Trading portfolio	4,689.2	5,018.6	5,653.6
III. Investments recorded by applying the equity method	204.9	242.6	204.9
IV. Deposits established for accepted reinsurance	649.0	650.2	730.2
V. Other investments	350.0	379.4	552.8
D) INVESTMENTS ON BEHALF OF LIFE INSURANCE POLICYHOLDERS BEARING THE INVESTMENT RISK	1,852.8	2,014.0	2,326.4
E) INVENTORIES	75.0	75.0	64.6
F) PARTICIPATION OF REINSURANCE IN TECHNICAL PROVISIONS	3,995.5	3,934.4	4,975.8
G) DEFERRED TAX ASSETS	273.2	335.3	306.6
H) RECEIVABLES	7,062.4	6,651.9	6,708.6
I. Receivables on direct insurance and co-insurance operations	4,406.0	4,315.1	4,290.2
II. Receivables on reinsurance operations	1,122.1	876.6	919.1
III. Tax receivables			
1. Tax on profits receivable	201.6	166.2	170.7
2. Other tax receivables	155.0	137.6	181.4
IV. Corporate and other receivables	1,177.6	1,156.5	1,147.1
V. Shareholders, called capital	0.0	0.0	0.0
I) CASH	1,390.7	1,451.1	1,521.3
J) ACCRUAL ADJUSTMENTS	2,082.6	2,180.0	2,143.0
K) OTHER ASSETS	128.6	145.5	101.0
L) NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS	1,010.8	911.2	164.9
TOTAL ASSETS	68,560.0	67,881.8	67,732.5

Figures in millions of euros

ITEM	SEPTEMBER 2016	DECEMBER 2016	SEPTEMBER 2017
A) EQUITY	11,286.0	11,443.5	10,792.3
I. Paid-up capital	308.0	308.0	308.0
II. Share premium	1,506.7	1,506.7	1,506.7
III. Reserves	7,039.2	7,041.5	7,341.5
IV. Interim dividend	0.0	(184.8)	(0.0)
V. Treasury Stock	(60.2)	(60.2)	(52.4)
VI. Result attributable to controlling company	572.0	775.5	444.6
VII. Other equity instruments	7.6	9.7	13.7
VIII. Valuation change adjustments	945.2	654.7	670.1
IX. Currency conversion differences	(1,160.1)	(924.4)	(1,450.9)
Equity attributable to the controlling company's shareholders	9,158.3	9,126.5	8,781.3
Non-controlling interests	2,127.7	2,317.0	2,011.0
B) SUBORDINATED LIABILITIES	585.5	594.0	610.7
C) TECHNICAL PROVISIONS	45,707.2	45,226.1	45,738.0
I. Provisions for unearned premiums and unexpired risks	8,567.1	8,636.5	8,995.8
II. Provisions for life insurance	26,410.6	25,664.8	24,958.7
III. Provision for outstanding claims	9,906.4	10,086.8	10,897.8
IV. Other technical provisions	823.0	838.1	885.6
D) TECHNICAL PROVISIONS FOR LIFE INSURANCE WHERE POLICYHOLDERS BEAR THE INVESTMENT RISK	1,852.8	2,014.0	2,326.4
E) PROVISIONS FOR RISKS AND EXPENSES	717.7	752.8	706.0
F) DEPOSITS RECEIVED ON CEDED AND RETROCEDED REINSURANCE	110.5	49.4	92.7
G) DEFERRED TAX LIABILITIES	814.6	730.7	686.2
H) DEBT	6,440.1	6,141.3	6,490.8
I. Issue of debentures and other negotiable securities	998.4	1,002.5	999.0
II. Due to credit institutions	683.6	606.4	776.6
III. Other financial liabilities	794.2	752.1	794.8
IV. Due on direct insurance and co-insurance operations	981.7	953.0	915.9
V. Due on reinsurance operations	1,239.4	1,045.8	1,236.8
VI. Tax liabilities			
1. Tax on profits to be paid	257.4	231.3	204.7
2. Other tax liabilities	389.9	440.2	425.7
VII. Other debts	1,095.6	1,109.9	1,137.3
I) ACCRUAL ADJUSTMENTS	256.1	239.8	282.1
J) LIABILITIES LINKED TO NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS	789.6	690.3	7.3
TOTAL LIABILITIES AND EQUITY	68,560.0	67,881.8	67,732.5

Figures in millions of euros

14.2. Consolidated Income Statement

ITEM	SEPTEMBER 2016	SEPTEMBER 2017
I. REVENUE FROM INSURANCE BUSINESS		
1. Premiums allocated to the financial year, net		
a) Written premiums, direct insurance	14,482.2	15,356.4
b) Premiums from accepted reinsurance	2,627.2	2,630.2
c) Premiums from ceded reinsurance	(2,870.0)	(3,354.8)
d) Variations in provisions for unearned premiums and unexpired risks		
Direct insurance	(162.9)	(736.8)
Accepted reinsurance	(168.4)	(125.3)
Ceded reinsurance	119.9	558.1
2. Share in profits from equity-accounted companies	6.3	5.7
3. Revenue from investments		
a) From operations	1,948.6	1,796.4
b) From equity	129.8	150.6
4. Unrealized gains on investments on behalf of life insurance policyholders bearing the investment risk	824.0	121.3
5. Other technical revenue	38.7	45.3
6. Other non-technical revenue	53.5	74.5
7. Positive foreign exchange differences	501.9	770.8
8. Reversal of the asset impairment provision	16.5	17.2
TOTAL REVENUE FROM INSURANCE BUSINESS	17,547.4	17,309.8
II. INSURANCE BUSINESS EXPENSES		
1. Incurred claims for the year, net		
a) Claims paid and variation in provision for claims, net		
Direct insurance	(9,409.8)	(9,788.3)
Accepted reinsurance	(1,400.8)	(1,665.2)
Ceded reinsurance	1,296.0	2,062.3
b) Claims-related expenses	(616.0)	(658.5)
2. Variation in other technical provisions, net	(265.0)	(619.2)
3. Profit sharing and returned premiums	(34.8)	(31.3)
4. Net operating expenses		
a) Acquisition expenses	(3,544.7)	(3,756.2)
b) Administration expenses	(602.6)	(569.2)
c) Commissions and participation in reinsurance	345.2	425.6
5. Share in losses from equity-accounted companies	0.0	(0.1)
6. Expenses from investments		
a) From operations	(429.9)	(492.2)
b) From equity and financial accounts	(26.3)	(35.9)
7. Unrealized losses on investments on behalf of life insurance policyholders bearing the investment risk	(740.8)	(3.0)
8. Other technical expenses	(70.0)	(81.0)
9. Other non-technical expenses	(101.8)	(73.1)
10. Negative foreign exchange differences	(455.0)	(791.2)
11. Allowance to the asset impairment provision	(60.8)	(26.8)
TOTAL EXPENSES FROM INSURANCE BUSINESS	(16,117.0)	(16,103.3)
RESULT FROM THE INSURANCE BUSINESS	1,430.4	1,206.5
III. OTHER ACTIVITIES		
1. Operating revenue	266.5	251.7
2. Operating expenses	(335.5)	(327.1)
3. Net financial income		
a) Financial income	63.8	68.8
b) Financial expenses	(53.3)	(80.6)
4. Results from non-controlling interests		
a) Share in profits from equity-accounted companies	2.9	2.6
b) Share in losses from equity-accounted companies	(0.5)	(0.0)
5. Reversal of asset impairment provision	1.9	0.6
6. Allowance to the asset impairment provision	(9.2)	(17.9)
7. Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations	0.0	0.0
RESULT FROM OTHER ACTIVITIES	(63.4)	(102.0)
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	(25.3)	5.2
V. RESULT BEFORE TAXES FROM ONGOING OPERATIONS	1,341.7	1,109.8
VI. TAX ON PROFITS FROM ONGOING OPERATIONS	(434.5)	(334.8)
VII. RESULT AFTER TAX FROM ONGOING OPERATIONS	907.2	774.9
VIII. RESULT AFTER TAX FROM DISCONTINUED OPERATIONS	0.0	0.0
IX. RESULT FOR THE FINANCIAL YEAR	907.2	774.9
1. Attributable to non-controlling interests	335.2	330.3
2. Attributable to the controlling company	572.0	444.6

Figures in millions of euros

14.3. Key Figures by Region. Quarterly Breakdown.

Period	2016				2017			Δ Annual Jul.-Sept. 2017/2016	Δ Jul.-Sept./ Apr.-Jun. 2017
	Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Sept.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sept.		
Consolidated figures									
Total consolidated revenue	7,263.2	7,377.6	6,323.0	6,128.3	7,854.9	7,583.4	5,854.0	-7.4%	-22.8%
Written and accepted premiums - Total	6,112.9	5,966.6	5,029.9	5,703.8	6,674.6	6,398.6	4,913.5	-2.3%	-23.2%
Written and accepted premiums - Non-Life	5,024.5	4,486.3	3,956.2	4,232.9	5,217.9	5,038.2	3,837.8	-3.0%	-23.8%
Written and accepted premiums - Life	1,088.4	1,480.4	1,073.6	1,470.9	1,456.7	1,360.4	1,075.7	0.2%	-20.9%
Net result	191.7	188.7	191.5	203.5	206.2	208.9	29.5	-84.6%	-85.9%
Combined ratio	96.8%	98.3%	96.5%	97.9%	97.5%	96.8%	102.0%	5.5 p.p.	5.2 p.p.
Loss ratio	69.4%	70.5%	67.9%	72.2%	70.8%	68.6%	72.6%	4.7 p.p.	4.0 p.p.
Expense ratio	27.4%	27.8%	28.6%	25.7%	26.7%	28.2%	29.4%	0.8 p.p.	1.2 p.p.
Figures by business unit									
Written and accepted premiums - Total									
IBERIA	2,153.5	1,626.6	1,289.2	1,635.2	2,386.9	1,560.5	1,310.5	1.6%	-16.0%
BRAZIL	896.7	1,194.6	1,106.9	1,194.6	1,203.1	1,179.7	1,066.4	-3.7%	-9.6%
NORTH AMERICA	615.9	701.3	684.9	621.2	654.0	693.3	630.2	-8.0%	-9.1%
EMEA	592.6	472.0	385.3	478.0	568.7	439.8	381.8	-0.9%	-13.2%
LATAM SOUTH	444.2	429.4	413.1	436.9	428.5	466.2	395.5	-4.3%	-15.2%
LATAM NORTH	343.5	345.6	261.5	318.3	366.9	828.3	263.1	0.6%	-68.2%
APAC	15.3	9.9	9.3	7.6	18.3	14.3	23.8	156.3%	66.2%
MAPFRE RE	1,092.7	1,181.1	906.1	1,054.8	1,165.7	1,160.0	974.7	7.6%	-16.0%
MAPFRE GLOBAL RISKS	291.5	344.3	252.1	324.3	318.6	406.4	224.5	-10.9%	-44.8%
MAPFRE ASISTENCIA	284.3	275.5	257.3	249.6	276.1	255.2	250.9	-2.5%	-1.7%
Written and accepted premiums - Non-Life									
IBERIA	1,696.3	997.0	890.0	1,010.0	1,721.1	1,040.6	930.5	4.5%	-10.6%
BRAZIL	613.3	798.6	708.1	749.7	838.4	803.6	680.6	-3.9%	-15.3%
NORTH AMERICA	614.2	693.6	682.2	618.6	651.3	691.0	627.6	-8.0%	-9.2%
EMEA	516.5	393.7	333.3	405.8	471.0	370.0	313.5	-5.9%	-15.3%
LATAM SOUTH	394.4	369.6	352.9	369.1	361.7	397.6	332.5	-5.8%	-16.4%
LATAM NORTH	260.8	271.9	199.4	237.6	256.7	753.7	190.0	-4.7%	-74.8%
APAC	15.3	9.9	9.3	7.6	18.3	14.3	23.8	156.3%	66.2%
MAPFRE RE	955.5	946.0	807.5	877.5	1,017.0	911.1	871.6	7.9%	-4.3%
MAPFRE GLOBAL RISKS	291.5	344.3	252.1	324.3	318.6	406.4	224.5	-10.9%	-44.8%
MAPFRE ASISTENCIA	284.3	275.5	257.3	249.6	276.1	255.2	250.9	-2.5%	-1.7%
Written and accepted premiums - Life									
IBERIA	457.2	629.6	399.2	625.2	665.9	519.9	380.0	-4.8%	-26.9%
BRAZIL	283.4	395.9	398.8	444.9	364.8	376.1	385.7	-3.3%	2.6%
NORTH AMERICA	1.7	7.7	2.6	2.6	2.7	2.2	2.6	-1.4%	16.3%
EMEA	76.1	78.3	52.0	72.2	97.6	69.8	68.3	31.3%	-2.1%
LATAM SOUTH	49.8	59.8	60.2	67.7	66.8	68.7	63.0	4.6%	-8.3%
LATAM NORTH	82.8	73.7	62.2	80.7	110.2	74.6	73.0	17.4%	-2.1%
APAC	--	--	--	--	--	--	--	--	--
MAPFRE RE	137.2	235.2	98.5	177.3	148.7	248.9	103.1	4.7%	-58.6%
MAPFRE GLOBAL RISKS	--	--	--	--	--	--	--	--	--
MAPFRE ASISTENCIA	--	--	--	--	--	--	--	--	--

Figures in millions of euros

Quarter	2016				2017			Δ Annual Jul.-Sept. 2017/2016	Δ Jul.-Sept./ Apr.-Jun. 2017
	I	II	III	IV	I	II	III		
Period	Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Sept.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sept.		
Net result									
IBERIA	100.6	123.3	136.0	176.1	127.6	133.1	128.6	-5.5%	-3.4%
BRAZIL	25.0	42.2	34.6	39.5	26.2	36.8	23.0	-33.5%	-37.4%
NORTH AMERICA	15.2	24.4	18.0	19.7	15.9	16.4	(11.0)	-160.9%	-166.8%
EMEA	5.7	(11.8)	(9.9)	(44.1)	9.0	13.2	7.4	174.8%	-44.1%
LATAM SOUTH	12.4	7.9	(4.3)	0.6	15.6	19.1	12.2	--	-36.0%
LATAM NORTH	11.7	11.6	6.0	5.0	4.6	12.5	6.7	12.2%	-46.8%
APAC	(1.2)	(0.6)	(2.8)	(4.2)	(0.5)	(0.2)	0.3	110.7%	--
MAPFRE RE	51.1	39.3	32.3	63.4	51.3	50.4	(4.4)	-113.6%	-108.7%
MAPFRE GLOBAL RISKS	13.6	11.9	5.0	16.8	0.2	(13.2)	(74.2)	--	--
MAPFRE ASISTENCIA	(14.4)	(7.5)	(6.8)	(27.7)	(9.1)	(15.4)	(26.6)	--	-72.8%
Holdings and consolidation adjustments	(28.0)	(51.8)	(16.5)	(41.5)	(34.6)	(43.8)	(32.5)	-96.9%	25.6%
Combined ratio									
IBERIA	92.6%	95.3%	90.3%	99.6%	94.6%	95.6%	91.8%	1.4 p.p.	-3.8 p.p.
BRAZIL	100.1%	92.8%	91.6%	93.0%	98.5%	92.0%	92.9%	1.3 p.p.	1.0 p.p.
NORTH AMERICA	101.5%	100.6%	99.5%	102.1%	101.4%	101.8%	109.4%	9.9 p.p.	7.6 p.p.
EMEA	103.0%	105.1%	109.5%	106.7%	100.6%	98.3%	103.2%	-6.4 p.p.	4.9 p.p.
LATAM SOUTH	97.1%	100.3%	98.6%	100.1%	99.2%	100.3%	97.0%	-1.6 p.p.	-3.3 p.p.
LATAM NORTH	97.4%	104.4%	107.3%	100.5%	99.1%	94.1%	104.1%	-3.1 p.p.	10.0 p.p.
APAC	103.8%	139.3%	148.8%	194.0%	102.9%	98.5%	102.2%	-46.6 p.p.	3.7 p.p.
MAPFRE RE	93.0%	100.6%	96.6%	86.4%	91.4%	93.1%	106.4%	9.8 p.p.	13.3 p.p.
MAPFRE GLOBAL RISKS	89.5%	93.9%	105.1%	101.4%	109.5%	130.9%	231.6%	126.5 p.p.	100.7 p.p.
MAPFRE ASISTENCIA	101.5%	99.9%	101.4%	105.6%	103.9%	99.0%	104.5%	3.1 p.p.	5.5 p.p.
Loss ratio									
IBERIA	71.3%	73.8%	69.3%	76.9%	74.1%	74.8%	69.8%	0.4 p.p.	-5.0 p.p.
BRAZIL	68.6%	60.4%	58.2%	64.6%	66.4%	56.9%	58.9%	0.7 p.p.	2.0 p.p.
NORTH AMERICA	76.2%	74.7%	74.4%	76.2%	75.8%	76.5%	83.6%	9.2 p.p.	7.0 p.p.
EMEA	77.2%	77.0%	79.3%	94.1%	77.7%	79.9%	81.4%	2.1 p.p.	1.5 p.p.
LATAM SOUTH	60.1%	61.0%	65.7%	61.5%	62.1%	61.3%	58.1%	-7.5 p.p.	-3.2 p.p.
LATAM NORTH	62.3%	72.6%	73.1%	65.5%	69.8%	63.2%	68.1%	-5.0 p.p.	4.9 p.p.
APAC	52.5%	47.9%	47.7%	53.0%	45.1%	45.4%	61.0%	13.2 p.p.	15.6 p.p.
MAPFRE RE	62.6%	71.6%	60.1%	64.4%	64.2%	60.1%	69.4%	9.3 p.p.	9.3 p.p.
MAPFRE GLOBAL RISKS	57.4%	68.2%	72.5%	79.2%	75.6%	99.7%	197.9%	125.3 p.p.	98.2 p.p.
MAPFRE ASISTENCIA	73.1%	68.4%	70.4%	70.0%	72.7%	59.4%	64.6%	-5.8 p.p.	5.1 p.p.
Expense ratio									
IBERIA	21.3%	21.5%	21.0%	22.7%	20.5%	20.8%	22.0%	1.0 p.p.	1.2 p.p.
BRAZIL	31.5%	32.4%	33.5%	28.4%	32.0%	35.1%	34.0%	0.6 p.p.	-1.1 p.p.
NORTH AMERICA	25.3%	25.9%	25.1%	25.9%	25.7%	25.3%	25.8%	0.7 p.p.	0.6 p.p.
EMEA	25.8%	28.1%	30.2%	12.6%	22.9%	18.4%	21.8%	-8.4 p.p.	3.4 p.p.
LATAM SOUTH	36.9%	39.2%	33.0%	38.6%	37.1%	39.0%	38.9%	6.0 p.p.	-0.1 p.p.
LATAM NORTH	35.1%	31.9%	34.2%	35.1%	29.3%	30.9%	36.0%	1.9 p.p.	5.1 p.p.
APAC	51.3%	91.4%	101.0%	141.0%	57.9%	53.1%	41.2%	-59.8 p.p.	-11.9 p.p.
MAPFRE RE	30.4%	29.0%	36.5%	22.0%	27.2%	33.0%	37.0%	0.5 p.p.	4.1 p.p.
MAPFRE GLOBAL RISKS	32.0%	25.7%	32.6%	22.2%	33.9%	31.2%	33.8%	1.2 p.p.	2.6 p.p.
MAPFRE ASISTENCIA	28.4%	31.4%	31.0%	35.6%	31.1%	39.6%	39.9%	8.9 p.p.	0.3 p.p.

Figures in millions of euros

14.4. Consolidated Statement of Other Comprehensive Income

	GROSS AMOUNT		TAX ON PROFITS		ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		ATTRIBUTABLE TO CONTROLLING COMPANY	
	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017
A) CONSOLIDATED RESULT FOR THE YEAR	1,341.7	1,109.8	(434.5)	(334.8)	335.2	330.3	572.0	444.6
B) OTHER RECOGNIZED REVENUE (EXPENSES)	648.9	(637.6)	(118.1)	(13.8)	235.5	(140.3)	295.4	(511.1)
1. Financial assets available for sale	1,727.6	(387.1)	(436.7)	90.8	227.0	(61.0)	1,063.9	(235.3)
a) Valuation gains (losses)	1,911.6	(241.8)	(486.7)	53.4				
b) Amounts transferred to the income statement	(187.8)	(144.7)	50.1	37.2				
c) Other reclassifications	3.9	(0.6)	(0.1)	0.2				
2. Currency conversion differences	193.0	(663.9)	0.7	0.8	211.3	(136.6)	(17.6)	(526.5)
a) Valuation gains (losses)	194.5	(662.9)	0.7	0.8				
b) Amounts transferred to the income statement	(0.8)	(0.1)	0.0	0.0				
c) Other reclassifications	(0.8)	(0.9)	0.0	0.0				
3. Shadow accounting	(1,261.0)	415.3	315.2	(105.4)	(202.6)	57.3	(743.2)	252.7
a) Valuation gains (losses)	(1,264.4)	392.3	316.1	(99.6)				
b) Amounts transferred to the income statement	3.4	23.1	(0.9)	(5.8)				
c) Other reclassifications	0.0	0.0	0.0	0.0				
4. Equity-accounted entities	(0.3)	(2.0)	0.0	0.0	0.0	(0.0)	(0.3)	(2.0)
a) Valuation gains (losses)	(0.2)	(2.0)	0.0	0.0				
b) Amounts transferred to the income statement	0.0	(0.0)	0.0	0.0				
c) Other reclassifications	(0.1)	0.1	0.0	0.0				
5. Other recognized revenue and expenses	(10.3)	0.0	2.8	0.0	(0.2)	0.1	(7.3)	(0.0)
TOTALS	1,990.6	472.2	(552.6)	(348.6)	570.7	190.0	867.3	(66.5)

Figures in millions of euros

14.5. Income Statement by Regional Area

ITEM	IBERIA		BRAZIL		NORTH AMERICA		EMEA		LATAM SOUTH	
	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017
Gross written and accepted premiums	3,924.3	4,040.8	2,245.6	2,471.2	2,203.8	2,180.3	1,718.0	1,612.4	1,230.3	1,196.1
Net premiums earned	3,177.0	3,255.8	1,731.8	1,742.9	1,582.9	1,581.8	1,161.2	1,050.7	690.4	730.3
Net claims incurred and variation in other technical provisions	(2,259.9)	(2,379.5)	(1,082.3)	(1,063.6)	(1,169.9)	(1,257.7)	(892.9)	(862.8)	(436.3)	(453.1)
Net operating expenses	(665.9)	(686.9)	(561.2)	(582.2)	(421.9)	(431.3)	(328.6)	(274.8)	(254.7)	(276.5)
Other technical revenue and expenses	(9.4)	(2.7)	1.4	0.7	9.4	10.8	(9.6)	(7.4)	0.6	(4.1)
Technical result	241.8	186.6	89.7	97.8	0.4	(96.5)	(69.8)	(94.2)	(0.1)	(3.4)
Net financial income	174.5	169.0	135.0	92.3	95.4	93.7	28.1	42.3	46.5	43.8
Other non-technical revenue and expenses	(48.3)	(18.6)	1.8	0.3	(0.1)	(1.0)	(0.6)	(0.4)	0.2	(0.1)
Result of Non-Life business	368.0	337.0	226.6	190.4	95.7	(3.8)	(42.3)	(52.3)	46.5	40.4
Gross written and accepted premiums	1,486.0	1,565.8	1,078.1	1,126.6	12.0	7.5	206.5	235.7	169.8	198.4
Net premiums earned	1,457.8	1,540.4	1,147.6	1,164.6	4.5	5.1	203.5	232.2	141.9	167.8
Net claims incurred and variation in other technical provisions	(1,806.4)	(1,793.5)	(542.3)	(532.8)	(1.4)	(1.8)	(234.9)	(255.7)	(155.7)	(139.9)
Net operating expenses	(173.4)	(182.4)	(444.1)	(478.9)	(4.3)	(4.3)	(14.2)	(14.2)	(71.1)	(85.1)
Other technical revenue and expenses	(11.8)	(20.6)	(0.3)	(3.3)	0.0	0.0	0.4	0.3	(0.8)	(0.8)
Technical result	(533.8)	(456.0)	160.9	149.7	(1.1)	(1.0)	(45.2)	(37.4)	(85.6)	(57.9)
Financial result and other non-technical revenue	680.9	652.0	199.8	158.7	0.5	0.4	52.5	46.6	71.7	80.8
Result of Life business	147.1	196.0	360.7	308.4	(0.7)	(0.6)	7.3	9.2	(13.9)	22.8
Result from other business activities	41.3	43.6	12.9	15.0	(5.0)	(4.1)	(9.4)	(8.2)	(1.0)	1.3
Hyperinflation adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Result before tax	556.5	576.7	600.2	513.9	90.0	(8.5)	(44.5)	(51.3)	31.6	64.5
Tax on profits	(118.8)	(125.1)	(240.8)	(185.4)	(30.1)	0.8	12.4	5.3	(18.2)	(17.0)
Result from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-controlling interests	51.6	61.5	257.4	237.5	0.4	0.3	4.6	7.0	4.5	9.4
Attributable net result	386.1	390.0	102.1	91.0	59.5	(8.0)	(36.7)	(53.0)	8.9	38.1
Loss ratio	71.1%	73.1%	62.5%	61.0%	73.9%	79.5%	76.9%	82.1%	63.2%	62.0%
Expense ratio	21.3%	21.2%	32.3%	33.4%	26.1%	26.6%	29.1%	26.9%	36.8%	38.4%
Combined ratio	92.4%	94.3%	94.8%	94.4%	100.0%	106.1%	106.0%	109.0%	100.0%	100.5%

Figures in millions of euros

ITEM	LATAM NORTH		APAC		MAPFRE RE		CONS. ADJUST. & CORPORATE AREAS		TOTAL	
	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017
Gross written and accepted premiums	788.5	1,259.9	101.2	109.7	2,709.0	2,799.7	(1,453.9)	(1,576.3)	13,467.0	14,093.8
Net premiums earned	529.0	490.7	78.5	88.7	1,608.6	1,631.3	22.7	12.5	10,582.2	10,584.7
Net claims incurred and variation in other technical provisions	(355.9)	(343.4)	(59.8)	(59.1)	(1,048.6)	(1,049.4)	(21.9)	(9.2)	(7,327.5)	(7,477.7)
Net operating expenses	(169.4)	(156.5)	(26.5)	(28.6)	(505.6)	(524.8)	(8.4)	(2.7)	(2,942.4)	(2,964.4)
Other technical revenue and expenses	(6.8)	(5.2)	(0.1)	0.0	(1.5)	(1.6)	(0.3)	(0.2)	(16.3)	(9.6)
Technical result	(3.1)	(14.4)	(7.8)	1.0	52.9	55.6	(7.9)	0.3	296.1	133.0
Net financial income	32.4	19.1	1.9	4.1	82.5	60.0	48.1	3.1	644.5	527.4
Other non-technical revenue and expenses	0.1	(0.1)	0.0	(0.1)	(3.0)	(3.0)	(0.1)	(0.0)	(50.1)	(22.9)
Result of Non-Life business	29.4	4.7	(5.9)	5.0	132.4	112.6	40.1	3.4	890.5	637.5
Gross written and accepted premiums	218.6	257.8	0.0	0.0	470.9	500.8	0.4	0.3	3,642.4	3,892.8
Net premiums earned	162.6	189.5	0.0	0.0	327.7	443.3	0.3	0.2	3,445.9	3,743.1
Net claims incurred and variation in other technical provisions	(93.6)	(130.7)	0.0	0.0	(268.8)	(380.5)	0.1	12.2	(3,103.0)	(3,222.5)
Net operating expenses	(60.9)	(62.8)	0.0	0.0	(91.6)	(107.6)	(0.1)	(0.1)	(859.6)	(935.4)
Other technical revenue and expenses	(2.1)	(1.2)	0.0	0.0	(0.3)	(0.5)	(0.0)	(0.0)	(15.0)	(26.0)
Technical result	6.0	(5.3)	0.0	0.0	(33.1)	(45.3)	0.3	12.4	(531.7)	(440.9)
Financial result and other non-technical revenue	21.2	19.4	0.0	0.0	63.1	64.3	(18.1)	(12.3)	1,071.6	1,009.9
Result of Life business	27.2	14.1	0.0	0.0	30.0	19.0	(17.8)	0.1	539.9	569.1
Result from other business activities	(1.7)	(2.3)	(5.7)	(8.3)	0.0	0.0	(94.8)	(139.1)	(63.4)	(102.0)
Hyperinflation adjustments	0.0	0.0	0.0	0.0	0.0	0.0	(25.3)	5.2	(25.3)	5.2
Result before tax	54.8	16.5	(11.5)	(3.2)	162.4	131.6	(97.9)	(130.4)	1,341.7	1,109.8
Tax on profits	(12.3)	(2.3)	0.3	(4.8)	(39.7)	(34.3)	12.7	28.0	(434.5)	(334.8)
Result from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-controlling interests	6.0	5.7	(0.2)	1.3	(0.0)	0.0	11.0	7.5	335.2	330.3
Attributable net result	36.5	8.4	(11.0)	(9.4)	122.6	97.3	(96.2)	(109.8)	572.0	444.6
Loss ratio	67.3%	70.0%	76.1%	66.7%	65.2%	64.3%			69.2%	70.6%
Expense ratio	33.3%	33.0%	33.8%	32.2%	31.5%	32.3%			28.0%	28.1%
Combined ratio	100.6%	102.9%	110.0%	98.9%	96.7%	96.6%			97.2%	98.7%

Figure in millions of euros

14.6. Income Statement by Business Unit

ITEM	IBERIA		BRAZIL		NORTH AMERICA		EMEA		LATAM SOUTH		LATAM NORTH	
	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017
Gross written and accepted premiums	3,583.3	3,692.1	2,120.1	2,322.6	1,990.1	1,970.0	1,243.5	1,154.5	1,116.9	1,091.7	732.1	1,200.5
Net premiums earned	3,062.2	3,130.9	1,689.9	1,695.2	1,488.9	1,509.5	802.6	726.7	575.0	612.0	456.5	421.4
Net claims incurred and variation in other technical provisions	(2,188.5)	(2,281.3)	(1,049.9)	(1,033.5)	(1,118.0)	(1,185.0)	(624.9)	(578.8)	(358.1)	(370.8)	(315.4)	(282.0)
Net operating expenses	(642.2)	(659.0)	(550.8)	(571.5)	(388.8)	(397.1)	(218.4)	(147.4)	(210.9)	(231.5)	(147.9)	(130.9)
Other technical revenue and expenses	(8.6)	(1.4)	1.6	0.9	9.8	11.0	(7.3)	(5.6)	1.5	(2.8)	(6.0)	(4.0)
Technical result	222.9	189.2	90.8	91.2	(8.1)	(61.6)	(48.0)	(5.1)	7.5	6.8	(12.8)	4.5
Net financial income	160.3	165.4	132.7	90.6	95.3	92.9	24.1	41.1	45.2	42.0	30.7	18.1
Other non-technical revenue and expenses	(49.0)	(19.2)	1.8	0.3	(0.1)	(1.0)	(0.6)	(0.4)	0.2	(0.1)	0.1	(0.1)
Result of Non-Life business	334.2	335.3	225.3	182.1	87.1	30.2	(24.5)	35.6	52.9	48.8	18.0	22.5
Gross written and accepted premiums	1,486.0	1,565.8	1,078.1	1,126.6	12.0	7.5	206.5	235.7	169.8	198.4	218.6	257.8
Net premiums earned	1,457.8	1,540.4	1,147.6	1,164.6	4.5	5.1	203.5	232.2	141.9	167.8	162.6	189.5
Net claims incurred and variation in other technical provisions	(1,806.4)	(1,793.5)	(542.3)	(532.8)	(1.4)	(1.8)	(234.9)	(255.7)	(155.7)	(139.9)	(93.6)	(130.7)
Net operating expenses	(173.4)	(182.4)	(444.1)	(478.9)	(4.3)	(4.3)	(14.2)	(14.2)	(71.1)	(85.1)	(60.9)	(62.8)
Other technical revenue and expenses	(11.8)	(20.6)	(0.3)	(3.3)	0.0	0.0	0.4	0.3	(0.8)	(0.8)	(2.1)	(1.2)
Technical result	(533.8)	(456.0)	160.9	149.7	(1.1)	(1.0)	(45.2)	(37.4)	(85.6)	(57.9)	6.0	(5.3)
Financial result and other non-technical revenue	680.9	652.0	199.8	158.7	0.5	0.4	52.5	46.6	71.7	80.8	21.2	19.4
Result of Life business	147.1	196.0	360.7	308.4	(0.7)	(0.6)	7.3	9.2	(13.9)	22.8	27.2	14.1
Result from other business activities	41.9	44.3	13.7	16.7	0.0	(0.0)	(1.9)	(1.9)	0.3	2.6	(0.2)	(0.2)
Hyperinflation adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Result before tax	523.2	575.7	599.6	507.2	86.5	29.6	(19.1)	42.9	39.3	74.2	45.0	36.4
Tax on profits	(111.7)	(124.9)	(240.4)	(183.7)	(28.5)	(8.0)	6.8	(7.5)	(18.8)	(17.9)	(9.9)	(6.9)
Result from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-controlling interests	51.7	61.6	257.4	237.5	0.4	0.3	3.7	5.6	4.5	9.4	5.9	5.6
Attributable net result	359.9	389.3	101.8	86.0	57.6	21.3	(16.0)	29.7	16.0	46.9	29.3	23.8
Loss ratio	71.5%	72.9%	62.1%	61.0%	75.1%	78.5%	77.9%	79.6%	62.3%	60.6%	69.1%	66.9%
Expense ratio	21.3%	21.1%	32.5%	33.7%	25.5%	25.6%	28.1%	21.1%	36.4%	38.3%	33.7%	32.0%
Combined ratio	92.7%	94.0%	94.6%	94.6%	100.5%	104.1%	106.0%	100.7%	98.7%	98.9%	102.8%	98.9%
Investments, real estate and cash	31,774.7	31,052.1	4,203.7	4,369.2	2,463.5	2,392.8	3,466.4	3,762.0	1,949.0	1,844.4	1,407.6	1,345.2
Technical provisions	27,896.3	27,285.5	5,268.9	5,163.3	2,426.5	2,939.9	3,673.0	3,921.8	2,495.0	2,425.3	1,360.1	1,861.0
Shareholders' equity	4,162.8	4,183.3	1,157.4	1,244.5	1,368.1	1,293.4	563.2	635.9	509.9	513.4	759.3	762.9
ROE	10.5%	13.5%	13.4%	10.4%	5.3%	3.1%	-2.9%	-2.4%	6.6%	9.3%	3.2%	3.8%

Figures in millions of euros

ITEM	APAC		MAPFRE RE		MAPFRE GLOBAL RISKS		MAPFRE ASISTENCIA		CONS. ADJUST. & CORPORATE AREAS		TOTAL	
	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017	SEPTEMBER 2016	SEPTEMBER 2017
Gross written and accepted premiums	34.5	56.4	2,709.0	2,799.7	887.9	949.5	817.2	782.2	(1,767.5)	(1,925.4)	13,467.0	14,093.8
Net premiums earned	21.8	43.4	1,608.6	1,631.3	243.3	248.1	613.1	555.1	20.4	11.2	10,582.2	10,584.7
Net claims incurred and variation in other technical provisions	(10.7)	(23.3)	(1,048.6)	(1,049.4)	(160.4)	(301.9)	(433.1)	(364.0)	(19.9)	(7.8)	(7,327.5)	(7,477.7)
Net operating expenses	(17.8)	(20.7)	(505.6)	(524.8)	(69.3)	(77.2)	(183.9)	(203.3)	(6.7)	(1.1)	(2,942.4)	(2,964.4)
Other technical revenue and expenses	0.0	0.1	(1.5)	(1.6)	(3.8)	(4.6)	(1.7)	(1.4)	(0.2)	(0.2)	(16.3)	(9.6)
Technical result	(6.8)	(0.5)	52.9	55.6	9.8	(135.7)	(5.6)	(13.6)	(6.4)	2.2	296.1	133.0
Net financial income	1.8	4.3	82.5	60.0	27.6	18.9	(3.2)	(5.0)	47.3	(0.8)	644.5	527.4
Other non-technical revenue and expenses	0.0	(0.1)	(3.0)	(3.0)	0.8	0.7	0.0	0.0	(0.2)	(0.1)	(50.1)	(22.9)
Result of Non-Life business	(4.9)	3.7	132.4	112.6	38.2	(116.1)	(8.9)	(18.6)	40.8	1.2	890.5	637.5
Gross written and accepted premiums	0.0	0.0	470.9	500.8	0.0	0.0	0.0	0.0	0.4	0.3	3,642.4	3,892.8
Net premiums earned	0.0	0.0	327.7	443.3	0.0	0.0	0.0	0.0	0.3	0.2	3,445.9	3,743.1
Net claims incurred and variation in other technical provisions	0.0	0.0	(268.8)	(380.5)	0.0	0.0	0.0	0.0	0.1	12.2	(3,103.0)	(3,222.5)
Net operating expenses	0.0	0.0	(91.6)	(107.6)	0.0	0.0	0.0	0.0	(0.1)	(0.1)	(859.6)	(935.4)
Other technical revenue and expenses	0.0	0.0	(0.3)	(0.5)	0.0	0.0	0.0	0.0	(0.0)	(0.0)	(15.0)	(26.0)
Technical result	0.0	0.0	(33.1)	(45.3)	0.0	0.0	0.0	0.0	0.3	12.4	(531.7)	(440.9)
Financial result and other non-technical revenue	0.0	0.0	63.1	64.3	0.0	0.0	0.0	0.0	(18.1)	(12.3)	1,071.6	1,009.9
Result of Life business	0.0	0.0	30.0	19.0	0.0	0.0	0.0	0.0	(17.8)	0.1	539.9	569.1
Result from other business activities	0.2	(2.0)	0.0	0.0	(0.0)	0.0	(21.7)	(23.2)	(95.6)	(138.1)	(63.4)	(102.0)
Hyperinflation adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.1	(0.1)	(25.4)	5.3	(25.3)	5.2
Result before tax	(4.8)	1.7	162.4	131.6	38.2	(116.1)	(30.5)	(41.9)	(98.1)	(131.5)	1,341.7	1,109.8
Tax on profits	0.0	(0.7)	(39.7)	(34.3)	(7.7)	28.9	2.6	(7.8)	12.7	28.0	(434.5)	(334.8)
Result from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-controlling interests	(0.1)	1.4	(0.0)	0.0	0.0	0.0	0.9	1.4	10.9	7.5	335.2	330.3
Attributable net result	(4.7)	(0.5)	122.6	97.3	30.5	(87.2)	(28.7)	(51.1)	(96.3)	(110.9)	572.0	444.6
Loss ratio	49.3%	53.7%	65.2%	64.3%	65.9%	121.7%	70.6%	65.6%			69.2%	70.6%
Expense ratio	81.7%	47.5%	31.5%	32.3%	30.0%	33.0%	30.3%	36.9%			28.0%	28.1%
Combined ratio	131.1%	101.2%	96.7%	96.6%	96.0%	154.7%	100.9%	102.4%			97.2%	98.7%
Investments, real estate and cash	38.6	193.9	4,406.3	4,582.6	980.1	981.2	210.3	272.6	(966.3)	(1,425.7)	49,933.9	49,370.4
Technical provisions	69.3	136.5	4,071.1	4,177.3	1,858.8	2,062.7	632.7	679.4	(2,191.8)	(2,588.3)	47,559.9	48,064.4
Shareholders' equity	24.5	87.2	1,292.4	1,312.4	405.1	296.8	274.5	206.6	(1,358.8)	(1,755.1)	9,158.3	8,781.3
ROE	-27.0%	-8.4%	13.5%	12.3%	11.4%	-20.0%	-22.2%	-32.8%			7.8%	7.2%

Figures in millions of euros

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The English version is only a translation of the original in Spanish for information purposes. In case of discrepancy, the Spanish version shall prevail.

14.7. Terminology

CONCEPT	DEFINITION
Total managed assets	Includes total balance sheet assets, pension funds, and mutual funds
Managed savings	Includes third party Life technical reserves, pensions funds and mutual funds
Corporate Areas and Consolidation adjustments	Includes the result attributable to MAPFRE RE and MAPFRE INTERNACIONAL's non-controlling interests and other concepts
Gross result	Before taxes and non-controlling interests
Minimum capital requirement (MCR)	Minimum level of capital below which the amount of financial resources should not fall
Solvency capital requirement (SCR)	Reflects a level of eligible own funds that enables insurance and reinsurance undertakings to absorb significant losses and meet their obligations to policyholders
Financial debt	Includes subordinated debt, senior debt and debt due to credit institutions
Senior debt	Issue of debentures and other negotiable securities
Subordinated debt	Subordinated liabilities
Eligible Own Funds/ EOF	Funds available to cover the Solvency Capital Requirement on an on-going basis, consisting of the insurance company's assets, free of any foreseeable liabilities, less any intangible items, and having applied another series of adjustments in line with the Solvency II regulation

Solvency margin	The difference between Eligible Own Funds and Solvency Capital Requirement
Technical and financial margin – Life	Technical and financial result, plus other non-technical revenue / arithmetic mean of technical reserves at the beginning and closing of the period (twelve months) x 100
Other business activities	<p>Includes the Group’s non-insurance activities undertaken by the insurance subsidiaries, as well as by other subsidiaries:</p> <ul style="list-style-type: none"> • Activities of the holding companies of MAPFRE S.A. and MAPFRE INTERNACIONAL • Non-insurance activities of the Group developed by its subsidiaries, mainly including: <ul style="list-style-type: none"> • MAPFRE INVERSIÓN (MAPFRE ASSET MANAGEMENT) • MAPFRE ASISTENCIA: Assistance and Specialty Risks • MAPFRE ESPAÑA: FUNESPAÑA (funeral services), MULTIMAP, CENTROS MÉDICOS MAPFRE SALUD (medical services), CESVIMAP (research and training services) • MAPFRE INTERNACIONAL: GENEL SERVIS (vehicle repair shops in Turkey), BEE INSURANCE (advisory services in Malta), GROWTH INVESTMENTS (investment services in Malta)
Payout	(Total dividend charged against earnings / Result for the year attributable to the controlling company) x 100
Price target	Average of the price targets calculated by analysts over a period of one year
Combined ratio - Non-Life	Expense ratio + Loss ratio

Expense ratio - Non-Life	(Net operating expenses – other technical revenue + other technical expenses) / Net premiums earned. Figures regarding Non-Life Insurance
Loss ratio - Non-Life	(Incurred claims for the year, net + Variation in other technical provisions + Profit sharing and returned premiums) / Net premiums earned. Figures regarding Non-Life Insurance
Solvency II Ratio	Eligible Own Funds / Solvency Capital Requirement (SCR) x 100
Dividend yield	Amount of dividend paid in the year / Average share market price in the year
Result of Life business	Includes technical result, financial result and other non-technical revenue
ROE (Return on equity)	(Attributable result (see definition) for the last twelve months) / Arithmetic mean of equity attributable to the controlling company (see definition) at the beginning and closing of the period (twelve months)) x 100

The Alternative Performance Measures (APM) used in this report correspond to those financial measures that are not defined or detailed within the framework of the applicable financial information. Their definition and calculation can be consulted at the following link: <https://www.mapfre.com/corporate/institutional-investors/investors/financial-information/alternative-performance-measures.jsp>

Certain numerical figures included in this report have been rounded. Therefore, discrepancies may arise in the tables between the totals and the itemized amounts as a result of said rounding.

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MAPFRE S.A. does not undertake to update or revise periodically the content of this document.

Certain numerical figures included in this report have been rounded. Therefore, discrepancies in tables between totals and the sums of the amounts listed may occur due to such rounding.