

RELEVANT FACT

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

Madrid, 20 February 2009

DIVIDEND REINVESTMENT PLAN IN NEWLY ISSUED SHARES

On 4 February 2009, The Board of Directors of MAPFRE, S.A. agreed to call all Shareholders to an Ordinary General Meeting to be held on 7 March 2009, with the following proposed resolution, amongst others:

“Approval of the distribution of earnings proposed by the Board of Directors, and therefore to distribute a total dividend of 0.15 euros gross per share to shares numbers 1 to 2,676,851,956, each inclusive, and of 0.08 euros gross per share to shares numbers 2,676,851,957 to 2,744,832,287 each inclusive. Part of this dividend, in the sum of 0.07 euros gross per share, was anticipated to shares numbers 1 to 2,676,851,956 by way of a resolution of the Board of Directors approved on 29 October 2008, and the rest, up to the total agreed, i.e. 0.08 euros gross per share to all shares, numbers 1 to 2,744,832,287, each inclusive, shall be paid as from 2 April 2009.”

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

Reinvestment of dividends

The reinvestment of the foreseen final dividend against the 2008 aforementioned results shall take place by means of the appropriate capital increase, to which will be eligible all shareholders of the Company at the closing of the market on the day prior to the payment of said final dividend who does not sell his/her rights .

Said shareholders will be eligible to reinvest up to 82% of the gross dividend corresponding to the shares they own, in new shares of the Company, issued under the terms exposed in the following section.

Said percentage is the result of applying a withholding tax of 18%, and provides an equitable treatment to shareholders, as well as the maintenance of their participation percentage in the share capital.

Capital increase

In order to implement the dividend reinvestment plan, the Board of Directors, pursuant to the authorization conferred by the General Meeting on 8th March 2008, agreed to increase the share capital in corresponding amount to the payment of the final dividend for a maximum total amount, including the issuance premium, of 179,742,243.31 Euros.

The issuance price of the new shares (2,030%) corresponds to the volume weighted average of MAPFRE's shares for those transactions undertaken on 19th February 2009.

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

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

Reinvestment Procedure

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

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

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

1. Approve the reinvestment plan for the foreseen final dividend against 2008 results into newly issued shares as a result of the capital increase described under the following resolution.
2. Increase the share capital, in exercise of the authorisation granted in General Meeting on 8th March 2008, in the amount of 8,854,297.70 Euros, by means of the issuance and circulation of 88,542,977 ordinary shares, of 0.10 Euros par value each, of the same class and series as before, numbered consecutively 2,744,832,288 to 2,833,375,264, each inclusive, whose subscription and payment shall take place in the following terms:
 - a) Shares will be issued at 2.030%, that is, at 2.03 Euros each, 0.10 of which corresponds to nominal value and the remainder, 1.93 Euros to legal reserves, until said reserves reach 20% of the share capital; the excess over such amount shall be added to voluntary reserves.
 - b) New shares shall be paid in full at the moment of its subscription in cash.
 - c) The new shares will participate in the results which will be distributed from 15th April 2009 onwards.
 - d) Existing shareholders shall have pre-emptive rights for the subscription of the newly issued shares as stated in the Companies Act; the period for pre-emption rights encompasses the 15 days after the rights offering is announced on the official news board of the Mercantile Register (Boletín Oficial del Registro Mercantil); in order to subscribe for one new share, he/she must be in possession of at least 31 old shares.
 - e) If, once the period for pre-emption rights is finalised, the shares corresponding to the foreseen capital increase were not subscribed and paid-up in full, the share capital shall be increased in the actual subscription amount.

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