

CORPORACION MAPFRE, S.A.

REPORT OF THE BOARD OF DIRECTORS
ON THE PROPOSALS FOR THE MODIFICATION OF THE
PAR VALUE OF THE SHARES AND THE AMENDMENT
OF ARTICLE 5 OF THE COMPANY BY-LAWS

Madrid, 23 March 2006

The share capital of CORPORACION MAPFRE currently stands at 119,450,353 euros, represented by 238,900,706 ordinary shares with a par value of 0.5 each one, numbered consecutively from number 1 to 238,900,706, both inclusive, which are fully paid up.

The Board of Directors of the company proposes to the Shareholders' General Meeting the modification of the par value of the shares, to be set at ten euro cents per share, which would result in a share capital represented by 1,194,503,530 shares of ten euro cents par value each, which facilitates the liquidity of the security by reducing its unit value.

PROPOSED RESOLUTIONS

- To modify the par value of the shares in the company, to be set at TEN EURO CENTS (0.10 euros) per share, with the result that the share capital will be represented by 1,194,503,530 shares with a par value of ten euro cents each, without this resulting in any change to shareholders' rights or their percentage holdings. Shareholders shall now become the owners of five shares with a par value of ten euro cents (0.10 euros) each one for every share of 0.5 euros which they own at the current time; and as a result to amend Article 5 of the company by-laws, which shall have the following wording:

"The share capital amounts to ONE HUNDRED AND NINETEEN MILLION, FOUR HUNDRED AND FIFTY THOUSAND, THREE HUNDRED AND FIFTY-THREE EUROS, represented by 1,194,503,530 ordinary shares, with a par value of 0.10 euros each, numbered consecutively from 1 to 1,194,503,530 both inclusive, and which are fully paid up".

- To grant the Board of Directors the widest powers so that it may proceed to carry out, on a date to be determined by the Board itself, the amendments that have been agreed with regard to the par value of the shares and Article 5 of the company by-laws.
- To apply to the Madrid and Barcelona Stock Exchanges and to the Automated Securities Trading System (Continuous Market) for the withdrawal from trading of the 238,900,706 shares with a par value of 0.5 euros each, currently in circulation, and the listing for trading of the 1,194,503,530 new shares with a par value of ten euro cents each, which are to be issued, and to likewise apply to the *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal* (IBERCLEAR) [the Securities Registration, Clearance, and Settlement Service] that it should likewise proceed at the relevant time to withdraw the shares with a par value of fifty euro cents and list the shares with a par value of ten euro cents at the Accounting Register

of Book Entries, and the Board of Directors is hereby granted such powers as may be necessary in law for this resolution to be executed, including the establishment of the dates on which it shall be implemented.

- To grant the widest powers to the Chairman of the Board of Directors, Mr. Carlos Alvarez Jiménez, to the Executive Vice-Chairman, Mr. Domingo Sugranyes Bickel, and to the Secretary of the Board, Mr. José Manuel González Porro, so that any one of them may proceed to the execution of the foregoing resolutions and engross them in public format when necessary; and to the Board of Directors to amend the new wording of Article 5 of the company by-laws approved at this General Meeting for the sole purposes of adapting them to any observations made by the Commercial Registry and which should be accepted in the opinion of the Board itself.