



Madrid, June 5, 2019

**SPANISH SECURITIES AND EXCHANGE COMMISSION**

In accordance with the current provisions, please find attached the press release with information for shareholders and the general public.

Ángel L. Dávila Bermejo  
General Counsel

## MAPFRE and SANTALUCÍA sign agreement to jointly develop their funeral business in Spain

- The alliance envisages the integration of ALBIA and FUNESPAÑA's funeral businesses.
- The management team will be made up of professionals from both companies.

[MAPFRE](#) and [SANTALUCÍA](#) have formalized today a strategic alliance for the joint development of their respective funeral businesses in Spain. The result of this alliance will be a leading group in the Spanish funeral market with direct and indirect reach extending to 100 percent of the territory, and one of the main players in the European market, providing more than 70,000 funeral services annually.

The initial value of the assets contributed to the alliance is 322.5 million euros, and is pending the final adjustments that will be made on the effective transaction date. Once the definitive valuations have been set, it has been agreed that MAPFRE, through its FUNESPAÑA subsidiary, will own 25 percent of the share capital and SANTALUCIA the remaining 75 percent, which will result in a cash payment between the parties of the amount required to properly reflect the agreed swap ratio.

SANTALUCÍA and MAPFRE Spain will contribute the funeral business that their companies, ALBIA and FUNESPAÑA, operate in Spain, both of which are benchmarks in the sector.

All necessary action will be taken to ensure the stability, continuity and maximum quality of the funeral services provided to all clients.

It is expected that this alliance, pending the necessary approvals on the part of the Spanish competition authority will be forthcoming during 2019. The resulting company will have the largest network of funeral homes, crematoriums and cemeteries in the Spanish peninsula and more than 1,650 employees. The expanded operation will cover more than 60 crematoriums, 400 funeral centers, funeral homes and customer service offices, 42 managed cemeteries, and a fleet of 750 vehicles.

Andrés Romero, Director-General Manager of SANTALUCÍA said: *"The objectives of this transaction are stability, growth and development. The timing was right, and we have found the ideal partner in MAPFRE. We are certain that this alliance will contribute to continue creating value for our respective clients, SANTALUCÍA and society in general."*

For his part, José Manuel Inchausti, CEO of MAPFRE Spain, said that *"We are creating the Spanish leader in funeral services. This joint venture will be the standard bearer in the market in terms of quality, profitability and services, creating more value for MAPFRE and all its clients in Spain."*

### **About SANTALUCÍA**

SANTALUCÍA, with almost 100 years of experience in covering family-related risks, is both the origin and parent company of the the Santalucía Group. At the end of 2018, the Group's consolidated revenues were 3,315 million euros and total assets stood at 12,098 million euros. It has also consistently increased its total business, expanding the Life and Pensions portfolio, as well as boosting its distribution capacity via the bancassurance channel.

In 2018, A.M. Best raised SANTALUCÍA's financial strength rating (FSR) from "A-" (Excellent) to "A" (Excellent), as well as the long-term issuer credit rating (ICR) from "a-" to "a", both with stable outlook.

Although its main market is Spain, the Group is executing a major internationalization strategy, and is currently present in Portugal, Colombia, Mexico and Argentina.

### **About MAPFRE**

MAPFRE is a global insurance company with a worldwide presence. It is the benchmark insurer in the Spanish market and the largest Spanish multinational insurance group in the world. The company is the third largest insurance group in Latin America and is among the Top 10 in Europe by premium volume. MAPFRE employs more than 35,000 professionals and in 2018, the company's revenues totaled almost 27 billion euros, with operating earnings of more than 700 million euros.

### **For more information:**

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