

**MAPFRE, FROM MUTUAL FARMERS INSURANCE COMPANY TO**  
**GLOBAL INTERNATIONAL INSURANCE COMPANY**

**Founded on May 16, 1933, it celebrates 80 years**

MAPFRE, an insurance company that celebrates 80 years in business this week, has gone from being a mutual insurance company created by a group of farm owners to a global multinational company. Present in 46 countries, with more than 35,000 employees and 100,000 direct collaborators, it has a turnover of over 25,000 million Euros a year, more than 4 billion pesetas, the currency with which it signed its first policy in May 1933.

The anniversary of its creation comes in a context of economic crisis with many parallels to the period in which it began, since when it started, in May of 1933, the Great Depression hit the markets and the royal economy.

This setting, like the present, influenced but did not prevent the development of MAPFRE, which currently serves more than 23 million customers and in the last 20 years has increased 10-fold in size.

**Beginnings**

In 1933 the Mutual Insurance of the Association of Owners of Rural Properties in Spain was created in order to provide insurance for farm workers. This association had formed two years earlier to bring together farmers, owners of properties of all sizes, who wanted to improve the productivity of the countryside and defend their interests. MAPFRE was founded with these intentions, in addition to mandatory insurance coverage of labor accidents just created.

In those years the volume of premiums issued in the insurance market in Spain was around 400 million pesetas. The agricultural sector accounted for one third of the GDP and employed more than 40 percent of the workforce. However, the agricultural insurance was underdeveloped, therefore having proper management was vital to its initial development. In just one year of existence, MAPFRE became the second largest mutual insurance company in the of Work Accidents sector, surpassed only by General Mutual Insurance.

## **PRESS RELEASE**

After the Civil War, the Compulsory Insurance Act caused MAPFRE to enter into the Medical Insurance sector in 1944 and, upon expanding its activities, owning a country estate ceased to be a requirement to be an associate. That is how the mutual insurance company was opened to any person or entity.

### **The creation of today's MAPFRE**

Starting in 1955, when it was a small company with 169 employees, the foundation of the organization as we know it today were laid, extending its activity in initially to other insurance sectors such as Life, Accident or Transport.

In the second half of the 50s, car insurance was the flagship and MAPFRE invested in an insurance policy that would become mandatory in 1965.

During the 70's, it began its international strategy in Latin America with Assistance and Reinsurance activities spearheading the Insurance business.

In 1975 MAPFRE FOUNDATION began operations and in the 80s MAPFRE, which already was the top insurance company in Spain, strengthened its commitment to invest heavily in Latin America, culminating in the 90's with the creation of its own distribution insurance network that catered to local needs and was similar to the successful Spanish model.

Starting in 2000, the accelerating growth of MAPFRE companies was seen in Latin America, an effect which was combined with the diversification of marketing channels in Spain.

In 2006 MAPFRE underwent a reorganization and demutualization process that provided a new corporate structure and greater financial capacity. These changes allowed it to continue to widen its activities and its international expansion. Within this restructuring the new shares of MAPFRE SA, a company that represents the sum of all activities of the Group, were listed on the stock exchange in 2007.

Since then a commitment to geographical diversification and markets with high growth potential, such as the United States and Turkey, has driven the expansion of the Group.

In 2012, under the presidency of Antonio Huertas, MAPFRE has entered a new stage in which it is redefining itself as a global insurer. At this time, the international business already contributes more than 60 percent of the premiums and profits of the Group.