

Award Ceremony of the I Edition of the "Jaime Fernández de Araoz Corporate Finance" Award.

Words of his Royal Highness the Prince of Asturias at the award Ceremony of the I Edition of the "Jaime Fernández de Araoz Corporate Finance" Award.

Madrid, 13th June 2005



Firstly, allow me to congratulate the three sponsoring institutions for supporting the initiative to create an award specifically dedicated to the world of Corporate Finance. I would like to thank them and the family of Jaime Fernández de Araoz for giving the Princess and myself the opportunity of attending and presiding this event, which promotes excellence in the financial sector, as well as paying a tribute to the man who has given his name to such a noble service.

The Jaime Fernández de Araoz Prize, still in its first edition, already promises to be a great event, as great is the memory we have of him: although, like everything great, this memory is made up of many small things which those of us who enjoyed him in life share between us.

For many of those of you who are here today and who were fortunate enough to know Jaime, he was not only a dear, loyal and honest friend, but also a remarkable person in all aspects and most of all he was profoundly human. I remember with deep emotion the many occasions that I shared with him while we spoke about many things: either personal or professional. And also, on a public and institutional level, we often spoke about Spain, about our collective destiny, our companies, about what our generation has received and how it must look after itself and its opportunities. And of course I remember his goodness and great sense of humour.

So, with the joy that Jaime's memory evokes in us, we join with enthusiasm in this tribute that we are paying to him not only as the great friend that he was, but also as the great professional that Jaime Fernández de Araoz proved to be. The thorough education which he achieved with his talent and effort, his efficient perseverance, balanced character, and of course his personal competence which allowed him to personify and promote the values inherent in this complex, dynamic and enormously competitive world of the finance sector. A world which is a key part of our social and economic progress.

The rapid internationalisation of the corporate world in Spain also makes the financial service sector that where first and principally the pulse of the international economy

can be measured, along with its ups and downs and its challenges, but also the new growth perspectives and wellbeing that the globalised world offers us today.

For this reason, we cannot hope to have the economic strength we would hope to have for in Spain if our capital markets do not offer our companies a dynamic and efficient financial system to be able to undertake its new projects and its necessary growth. To do this, we have to continue strengthening trust in our markets and guaranteeing that the system will prevent abuses and fraud, as good practices which are key to creating value.

In short, there cannot be efficient markets, nor competitive companies without an adequate regulatory framework which - among other conditions - reinforces investor protection mechanisms, develops the requirements of informative transparency which companies and their managers should abide by, and limit the possibilities of conflicts of interests, reducing the risks of bad practices.

I am not an expert in the field - I am sure that in the lecture of our former minister Carlos Solchaga, we will discover many keys to this area in Spain - however I understand that the winning paper in this first edition elaborates on this line of analysis, which, due to its current prominence, and its future repercussions has not been able to go unnoticed. I am pleased to know that the jury has examined a large number of papers of a very high quality. We congratulate its Chairman and members for their rigorous deliberations and their correct decision.

But, most of all, our most warm and sincere congratulations go to the winners, Arturo Bris and Christos Cabolis, who are both European and researchers, and University professors in the United States.

We have already heard plenty of details about the merits that motivated the decision of the judging panel from the introductory words of Alejandro Fernández de Araoz. I will just add that the two researchers, Bris and Cabolis, with their distinguished work have conferred a level of excellence and prestige which we all wanted for this Prize. A Prize through which will be projected for many years, the legacy that Jaime Fernández de Araoz left us with his exemplary career, and that constitutes an important contribution to the improvement of financial services in Spain, and to the economic future of our society.

Thank you very much.