



**Speech of
Grupo PRISA's President
General Shareholders' Meeting
Madrid, 18th of June of 2009**

Ladies and gentlemen shareholders,

PRISA's Board of Directors appears before you again, as every year, in order to account for the management of our company over the past year and to inform you of the outlook for the future.

2008 has not been an easy year. Not for us nor for our sector. We have had to face an economic crisis of the like we've never seen before, a global economic crisis.

So, against the backdrop of a general and global economic crisis, I am happy to present you with economic results that, while affected by the downturn, are on the whole positive.

At the Extraordinary Shareholders' Meeting held here just over six months ago, I told you that the moment had come to steer our company down a new path. I announced my desire to clearly define the executive function of the Group's presidency, passing on to the CEO the presidency of the Executive Committee and the day-to-day management of the company.

The presidency of the company should carry out the role of strategic supervision that has to be separate from day-to-day concerns. I sincerely believe that we made the right decision.

The CEO will, therefore, soon go over in detail the main points of the accounts, their performance in the past and the outlook for the future. I will concentrate on the motions we tabled for your approval and I will inform you of certain structural changes that have been agreed upon by the Board of Directors and which have particular impact on the corporate governance of our company.

But I can't avoid touching on some of the main points and our plan of action.

The results from 2008 are positive. The different companies within our group have reported a total profit of 83 million euro. In a turbulent business environment, with a marked drop in advertising revenues in some sectors, our mix of revenue bases has led to a positive result.

We can't rest on our laurels, of course, because PRISA's profitability is down. But we can be sure that we are one of the few multimedia groups that has proved capable of weathering the economic crisis and to have shown a positive result.

Since we are not immune to the crisis, we find ourselves obliged not to pay out dividends. Our commitments to banks and financial bodies mean we are

unable to propose to our shareholders the distribution of dividends, despite reporting profits in 2008.

2008 saw the consolidation of our stake in Sogecable. In order to finance the purchase of Sogecable, we acquired a bridging loan which we had hoped to pay off by March 31, 2009, and which we have now extended.

The CEO will explain to you in detail the restructuring process in which we now find ourselves. I merely wanted to inform you that we are taking all the necessary steps to bring patrimonial stability to the company and, making use of the powers and authority granted by the shareholders, it is our intention to embark on a recapitalization program in the near future.

Before turning to other points on the agenda, allow me to briefly go over some of the recent agreements we have reached in the audiovisual sector and which the CEO will explain in greater detail.

The economic situation in which we find ourselves has meant that a number of legislative changes with enormous impact on the markets in which we are active have been brought forward. The marked drops in advertising budgets in the audiovisual sector, along with the analog TV turn-off and the consequent increase in offer, has forced the government to encourage a process of consolidation in this sector. We have, therefore, announced a round of negotiations with Imagina, an audiovisual conglomerate with a great track record in the sector and which groups together some of the most important producers of audiovisual content and technical services, as well as being a state-of-the-art TV broadcaster.

Also in the audiovisual sector, we have reached an agreement with Mediapro to facilitate the exploitation of audiovisual football rights, with a view to doing so over the season that is about to start.

We believe that this is essential content for Pay TV and that we had to resolve this conflict before the coming season began so as not to put our subscribers at a disadvantage.

2008 was also a year of changes in the radio broadcast business as we welcomed a new partner, 3i, into our radio holding. 3i is committed to entering into the Spanish radio sector hand-in-hand with Prisa.

We remain market-share leaders in radio and press, in publishing and in Pay TV.

I'd like now to turn to some points on the agenda related to the company's Corporate Governance.

At the meeting of the Board held this morning I proposed a series of structural reforms, passed unanimously, to the corporate governance practices of our company, particularly to the Board of Directors Regulations. This, and other proposals we have brought to this meeting, will contribute to creating a new perception of the company's corporate governance.

Firstly, the Board of Directors has approved a change to its regulations that, basically, sets an age limit for participation in the governing bodies of the company. The Board will not propose appointments to the office of director of anyone over the age of 75; and any person reaching this age should present their resignation to the Board.

This regulatory change will have an immediate effect on our governance structure since it has a direct impact on the composition of the Board. At the Board meeting I referred to earlier, and as a direct consequence of the application of this new regulation, Jesús de la Serna and Juan Salvat both presented their resignations. Likewise, on April 15, the term of two further directors expired, Francisco Pérez González and Manuel Varela. They had remained on the Board till today's meeting in accordance with Article 126 of the Ley de Sociedades Anónimas. The Board will not propose their reappointment in accordance with the changes I have just described.

As you'll appreciate, it is not possible in a speech like this to do their services to the company justice. Suffice to say, it would be impossible to understand what Prisa is today without the endeavors of these four directors.

To the four of you, my sincerest thanks.

There was also a unanimous vote in favor of my proposal to create the post of Honorary Director, who will attend Board meetings. I also proposed that this post be filled by Francisco Pérez González.

Francisco Pérez González – Pancho – partner, colleague, my father Jesús Polanco's friend and with whom he founded Santillana, with whom he embarked on the project of El País and on all our subsequent projects. A leading partner in Timón and shareholder in Prisa. Without him, it's impossible to imagine our company over the past 30 years.

The Board of Directors, after a favorable report from the Corporate Governance, Appointments and Remuneration Committee, will propose for re-election as Board members Juan Luis Cebrián, Emiliano Martínez and Adolfo Valero as directors representing controlling shareholders, and Matías Cortés and Gregorio Marañón as independents. Aware that the rules of corporate governance recommend making public all candidates for reappointment to coincide with the calling of a General Shareholders'

Meeting, and for reasons previously outlined, we decided to present them directly to this meeting.

Also with regards to corporate governance, we would like to propose changes to the general remuneration policies affecting directors.

In the current situation, we lack the sufficient flexibility to remunerate the Board of Directors. For this reason we propose changing the current system based on profits and payment of dividends to one whereby there will be a fixed annual payment to members of the Board, in line with similar systems in similar companies.

Remuneration to the board is modest in relative terms. When the shareholders' meeting was called, the Board presented a motion for a total sum of 1,386,000 euros, in line with what the Board received in 2007. We have recently modified that initial proposal, by proposing a 10% reduction to reach the figure of 1,247,000 euros. What better way to practice the austerity that we preach. What's more, the Board will not enjoy remuneration for the year 2008.

Finally, we are asking the Board for cyclical authorization for the repurchase of treasury stock.

Ladies and gentlemen shareholders. We are living through turbulent economic times. But we are well placed to consolidate the foundations of our group.

Our diversification in business, where advertising represents less than 30% of revenues, our presence in almost all Spanish and Portuguese-speaking countries, our ability to generate quality content in the fields of education, information and entertainment, coupled with our human resources and personnel, all of whom I wish to thank for their commitment and dedication, place our group in a unique and privileged position to face the challenges of the future.

Thank you all for your trust.