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Contact: Barbara Gillette
Ross & Lawrence
T: 212.308.3333
bgillette@rosslawpr.com

Doug Wilson
Milbank
T: 212.530.5086
dwilson@milbank.com

TOP MEXICAN RETAILER CONTROLADORA COMERCIAL MEXICANA COMPLETES THREE BILLION PESOS “EUROPESO” NOTE OFFERING

– *Milbank Represents Merrill Lynch in the Transaction* –

NEW YORK, April 19, 2007 – Mexican retailer Controladora Comercial Mexicana, S.A.B. de C.V. (“CCM”) has issued three billion pesos (\$271 million) of securities in a “EuroPeso” twenty year high yield notes offering. Proceeds from the offering will fund store expansion and refinance higher cost short-term debt. The international law firm Milbank, Tweed, Hadley & McCloy LLP, led by partners Michael L. Fitzgerald and Taisa Markus, represented lead manager Merrill Lynch in structuring and closing the offering.

Mr. Fitzgerald noted, “This is only the third offering of this sort in Mexico involving this increasingly popular financing structure. The “europeso” structure allows Mexican companies to borrow in pesos, which matches the currency they earn their income in, but allows U.S. investors to be paid in dollars. It avoids the expense of a currency hedge while still appealing to U.S. investors.”

Mr. Fitzgerald and Ms. Markus were supported by Milbank associates Pedro Reyes, Armando Valdes and international attorney Carlos Chavez. New York-based partner Bruce Kayle provided tax advice and was assisted by associate Benjamin Suhr.

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About the Offering

CCM is one of the largest Mexican general commercial and food retailers. It is a direct competitor of Walmex (Wal-Mart de Mexico). The note was issued in europeso format and the offering amount was increased at pricing by almost one-third and was more than two times oversubscribed. Merrill Lynch was the lead manager with Credit Suisse co-manager of the issue. The proceeds of the offering will be used to finance the company’s plans to open additional stores as well as to refinance existing higher cost short-term debt.

About Controladora Comercial Mexicana, S.A.B. de C.V.

One of the largest Mexican retailers, Controladora Comercial Mexicana, S.A.B. de C.V. (“CCM”) operates a total of 205 stores, the majority of which are located in the Mexico City metropolitan area and in Mexico’s Central region. CCM operates seven store formats: service-oriented Comercial Mexicana; hypermarket Mega; value-priced supermarkets Bodega and Alprecio; value-priced neighborhood supermarket Sumesa; 50 percent of Costco, under a joint venture with Costco Wholesale Corp.; and upscale supermarket City Market. In addition, CCM operates a chain of 67 family-style restaurants. The company trades on the Mexican stock exchange [COMEUBC.MX].

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Milbank’s Latin America Practice Group:

Milbank’s Latin America Practice Group has played a prominent role in some of the region’s most innovative and complex transactions, including securities offerings, M & A, project financings and restructurings. Milbank’s Latin America Practice Group is renowned for its leadership in sophisticated cross-border transactions and combines both the transactional and regulatory expertise necessary to successfully negotiate and close innovative securities offerings and other transactions across a wide range of industries.

Milbank’s Latin America Practice Group has been involved in a number of “first of its kind” transactions in Latin America. Recent notable engagements in the past several months include:

- **\$217 Million Grupo Simec Offering:** Milbank represented the underwriter Citigroup Global Markets in North American steel maker Grupo Simec’s concurrent offering of shares in Mexico and ADSs in global markets. This is the first SEC registered equity offering out of Mexico in 2007.
- **\$6 billion CVRD Pre-Export Financing:** Milbank represented metals & mining company Companhia Vale do Rio Doce (“CVRD”) and CVRD International in a \$6 billion pre-export financing. The financing, unprecedented in size, underscored the market strength of CVRD and the successful strategy of positioning the company as a global borrower.
- **\$1 billion Vitro High Yield Offering:** Milbank represented Mexican glass manufacturer Vitro, S.A.B. de C.V. in a \$1 billion high-yield offering, the largest Latin American high yield offering ever. The proceeds of the offering were used to complete the company’s restructuring.
- **\$650 million Satmex Restructuring:** Milbank represented the creditors’ committee in the complex cross-border restructuring by Satélites Mexicanos, S.A. de C.V. (“Satmex”), one of

Mexico’s leading satellite service providers. The innovative, comprehensive restructuring process took several years to complete due to its cross-border nature (Mexican company with U.S. debt and equity holders), equity structure (23% owned by the Mexican Government) and a reliance on concessions from the Mexican Government and Mexican regulators for the continued operation of its business. Satmex was named 2006 “Restructuring Deal of the Year” by *Latin Finance Magazine*.

- **\$200 Million IUSA Offering:** Milbank represented Industrias Unidas, S.A. de C.V. (“IUSA”), one of the largest conglomerates in Mexico, in its inaugural U.S. high-yield securities offering.
- **\$600 Million Banorte Offering:** Milbank represented Banco Mercantile del Norte S.A. (“Banorte”), the largest non-foreign owned bank in Mexico, in its issuance of \$600 million of “Tier I” and “Tier II” capital securities in the international capital markets. The offering marks the largest capital securities offering ever by a Mexican bank.

About Milbank

Milbank, Tweed, Hadley & McCloy LLP is a preeminent global law firm that for more than 140 years has provided innovative legal solutions in many of the world’s largest, most complex, “first-ever” corporate transactions and litigation. Our transactional expertise includes capital markets, corporate finance and transactions, project finance, acquisition finance, and other major fields of law practice. Milbank litigation teams resolve disputes involving mergers and acquisitions, proxy battles, financings and securities offerings, intellectual property, white collar crime, and corporate restructurings, among others. Our clients range from prominent multinational financial, industrial and commercial enterprises to governments, institutions and individuals. The Firm is headquartered in New York with offices in Beijing, Frankfurt, Hong Kong, London, Los Angeles, Munich, Singapore, Tokyo, and Washington, DC.

To learn more about Milbank and its attorneys, go to www.milbank.com.

MICHAEL L. FITZGERALD
MILBANK, TWEED, HADLEY & MCCLOY LLP
ONE CHASE MANHATTAN PLAZA
NEW YORK, NY 10005-1413
T: 212.530.5224 F : 212.822.5224
mfitzgerald@milbank.com