



**Honorable Mention**  
*Mergers & Acquisitions*

*Exxel Group*  
*\$440 million LBO of*  
*Supermercados Norte*

Adviser  
**Exxel Group**

**J**uan Navarro, president of Argentina's Exxel Group, is manager of a local fund that last year successfully completed a leveraged buyout of a supermarket chain based in Buenos Aires. The \$440 million LBO of Supermercados Norte SA is the region's first major deal of its kind with a local financial sponsor and is the largest private-sector transaction in Argentine history. It is also one of the first US-style LBOs in the region. Had we included a private equity deal of the year, this deal would have been a serious contender for top honors in that category as well.

Exxel completed the \$440 million transaction in November, with financing including a \$220 million bridge facility arranged by Merrill Lynch (in just two weeks), \$190 million cash from equity investors, and the assumption of \$30 million of long-term debt. Exxel group is the sole general partner, with limited partners including Bankers Trust, UBS Capital, Olympus and GE.

Market sources told *LatinFinance* the \$220 million bridge loan from Merrill would be refinanced with a Merrill-led bond issue in the US high-yield market worth \$130 million, and another \$90 million Merrill-arranged syndicated loan. Banco de Galicia and BT are joining in the loan syndication.