



For Immediate Release

**CHALLENGER CAPITAL GROUP ADVISES WALDO'S ON
\$120 MILLION GROWTH RECAP**

Dallas – Oct. 26, 2007 – Challenger Capital Group, a Dallas investment bank and private equity firm, is pleased to announce that its client, Waldo's Holdings LLC, has completed a \$120-million (USD) growth recapitalization financed by a new, cross-border credit facility. Proceeds from the facility will go to retire existing indebtedness and provide capital to support Waldo's plan to accelerate development of its dollar stores in Mexico. Citi Markets & Banking acted as sole lead arranger and sole bookrunner for the new facility.

Challenger advised Waldo's in its selection of Citi and the structure and placement of the financing package necessary to complete the recap. Scott Beck, chief executive officer and chairman of Waldo's, commented "Challenger has played an integral role with Waldo's over the past several years. The bankers at Challenger know us and our business. Challenger and Citi's experience and teamwork creatively tackled the challenges involved in this cross-border transaction to get it done and set the financial stage for our future growth."

Waldo's has established a commanding lead in the dollar-store category in Mexico with 275 stores operating under the Waldo's & Solo Un Precio brand names. Waldo's dual brand strategy provides a flexible platform for addressing customer needs and facilitates maximizing store density. Waldo's near-term plans include the development of more than 60 additional stores in Mexico through 2008, and the expansion of its micro lending and proprietary product branding strategic initiatives.

Filiberto Jimenez, director general of Waldo's, said, "The strength of the business originates with the great match between our value-based positioning and the large number of low and middle-income consumers in Mexico." Jimenez continued, "We add to this a world-class management team and retail infrastructure, and we find Waldo's positioned for many years of growth."

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About Waldo's

Waldo's is a private company with headquarters in Mexico City. Waldo's currently owns and operates more than 275 single price point stores operating under the names "Waldo's" and "Solo Un Precio." Waldo's is the leading small format value retailer in Mexico. Waldo's is owned by a group of US and Mexican investors. The largest shareholders are Tango of Boulder, Colo., and TRT of Dallas.

About Citi

Citi, the leading global financial services company, has some 200 million customer accounts and does business in more than 100 countries, providing consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, and wealth management. Citi's brand names include Citibank, CitiFinancial, Primerica, Citi Smith Barney and Banamex. Additional information may be found at www.citigroup.com or www.citi.com.

About Challenger Capital Group

Challenger Capital Group is a full-service financial services firm, offering both investment banking advisory services and private equity capital, with offices in Dallas and Chicago. Challenger's team has a combined transaction resume of more than 412 investment banking transactions, totaling in excess of \$93 billion. Challenger's industry expertise includes transactions in the consumer products, energy, entertainment, food service, healthcare, industrial products, media, natural gas, oilfield service, publishing, retail and telecom sectors. For more information, please visit www.challengercapitalgroup.com.

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