

Mexico in Brief

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MONTERREY: BEST CITY FOR BUSINESS.

KPMG recently released its alternative competitiveness study for 2010, which is prepared every two years. This edition evaluated 95 cities from ten different countries, weighing variables such as taxes, infrastructure, public works, real estate, regulatory matters, work and quality of life. The 2010 study revealed that Mexico is the best country to do business, followed by Canada, The Netherlands, Australia, the United Kingdom, France, Italy, the United States of America, Germany and Japan. Additionally the study revealed that the city of Monterrey is the best place to do business worldwide. The study revealed that Mexico offers a business advantage over the other countries involving the lowest business costs.

UNILEVER INVESTS IN AEROSOL PLANT.

Unilever de México, a subsidiary of U.S.-based Unilever Group, recently announced that it will invest approximately U.S.\$125 million in the construction of a new aerosol plant in the Mexican State of Morelos, generating approximately 470 new jobs. The new plant, which will be Unilever's third aerosol plant worldwide, is expected to be operational by May 2011.

MEXICAN DIARY GIANT PURSUES EUROPEAN MARKET.

Mexican-based Grupo Lala recently announced that it is considering to acquire Spanish Puleva Food S.L. involving an expected investment of approximately U.S.\$822 million. The Mexican diary giant will be dealing amongst fierce competitors such as Lactalis, Leche Pascual, Arla, and Parmalat in its attempt to obtain control of the Spanish company. This would represent Grupo Lala's second major international acquisition in less than year; it acquired National Dairy in the United States of America in mid 2009.

MEXICAN PESO CONTINUES STRENGTH PATH.

The Mexican peso continues its recovery versus the U.S. Dollar, reaching its best level in March since November 2008. Analysts' believe that the peso's recovery responds to a strong growth in the Mexican industrial sector.

METALSA ACQUIRES PLANTS FROM DANA HOLDING CORPORATION.

Metalsa, a subsidiary of Monterrey-based Grupo Proeza, recently announced an investment of approximately U.S.\$147 million in the acquisition of nine operating plants in the United States of America from Dana Holding Corporation. The investment has positioned Metalsa as the second largest chassis manufacturer in North America, with operations in Mexico and in Argentina, Australia, Brazil, Canada, India, Japan, the United Kingdom and the United States of America, among others.

NEW INVESTMENTS IN THE MEXICAN MEDICAL SECTOR.

The Monterrey-based Christus Muguerza Hospital Group recently announced that it is reactivating its expansion project, for which it plans to invest approximately U.S.\$250 million over the next five years in the construction of six hospitals within Mexico. The project also includes reactivating the construction of the Hospital in the Mexican State of Chiapas, for which it will invest approximately U.S.\$25 million. In other related topics, the Mexican-based ABC Hospital Group recently set the cornerstone for its Neuroscience and Orthopedics Medical Center, which will involve an investment of approximately U.S.\$28 million during 2010. The medical center will have a capacity for approximately 21,000 patients and it is expected to be operational in mid 2011. Monterrey-based Grupo Proeza also recently announced that it will invest approximately U.S.\$8 million to venture in the health business by opening its first clinical hospital, expecting to launch seven additional facilities by the end of 2011.

Business Summary for March 2010

Stock Exchange Index (BMV)

33,266.43

5.16% ▲

Exchange Rate (Fix)

MxP 12.3306-U.S.\$1

3.49% ▼

Inflation-February / Cumulative / 12 Months

0.58% / 1.67% / 4.83%

TIIE 28 / 91

4.92% / 5.03%

0.00% / 0.00%

CETE 28 / 91 / 364

4.45% / 4.64% / 5.08%

0.89% ▼ / 0.00% / 1.60% ▲

UDI

MxP 4.439870

0.66% ▲

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