

MAURITIUS
Your Preferred Financial Platform for
Emerging Markets



Mauritius

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Mauritius, strategically located between the emerging Asian and promising African countries, has emerged as a leading International Financial Centre for Asian and African investments. In the early 1990s, the then newly launched global business sector, supported by a growing banking sector and profitable Stock Exchange, gave a strong impetus to the Mauritius International Financial Centre (MIFC). Today, the island is at the dawn of a new era with the presence of substantive higher value added services such as investment advisory, active fund management, private banking and wealth management as well as equities and derivatives trading exchanges.

Financial Services and Intermediation remains one of the major pillars of the economy and contributed 10% to GDP in 2010 (Central Statistical Office, Mauritius). The sector is expected to grow at an annual average rate exceeding 5% over the years to come. The sector currently consists of a number of key verticals including banking, global business, insurance & re insurance, capital markets, international legal services and other nonbanking financial intermediaries.

Over the years, Mauritius has developed its reputation as a well regulated, secure and credible International Financial Centre. Both the Bank of Mauritius, regulator for banking transactions and the Financial Services Commission,

regulator for non banking transactions have been extremely prudent by adopting best international practices in order to prevent misuse of our jurisdiction and introduce the necessary safeguards. As a direct dividend, the jurisdiction has gained credibility globally and boost from an innovative and strong regulatory regime and products offering.

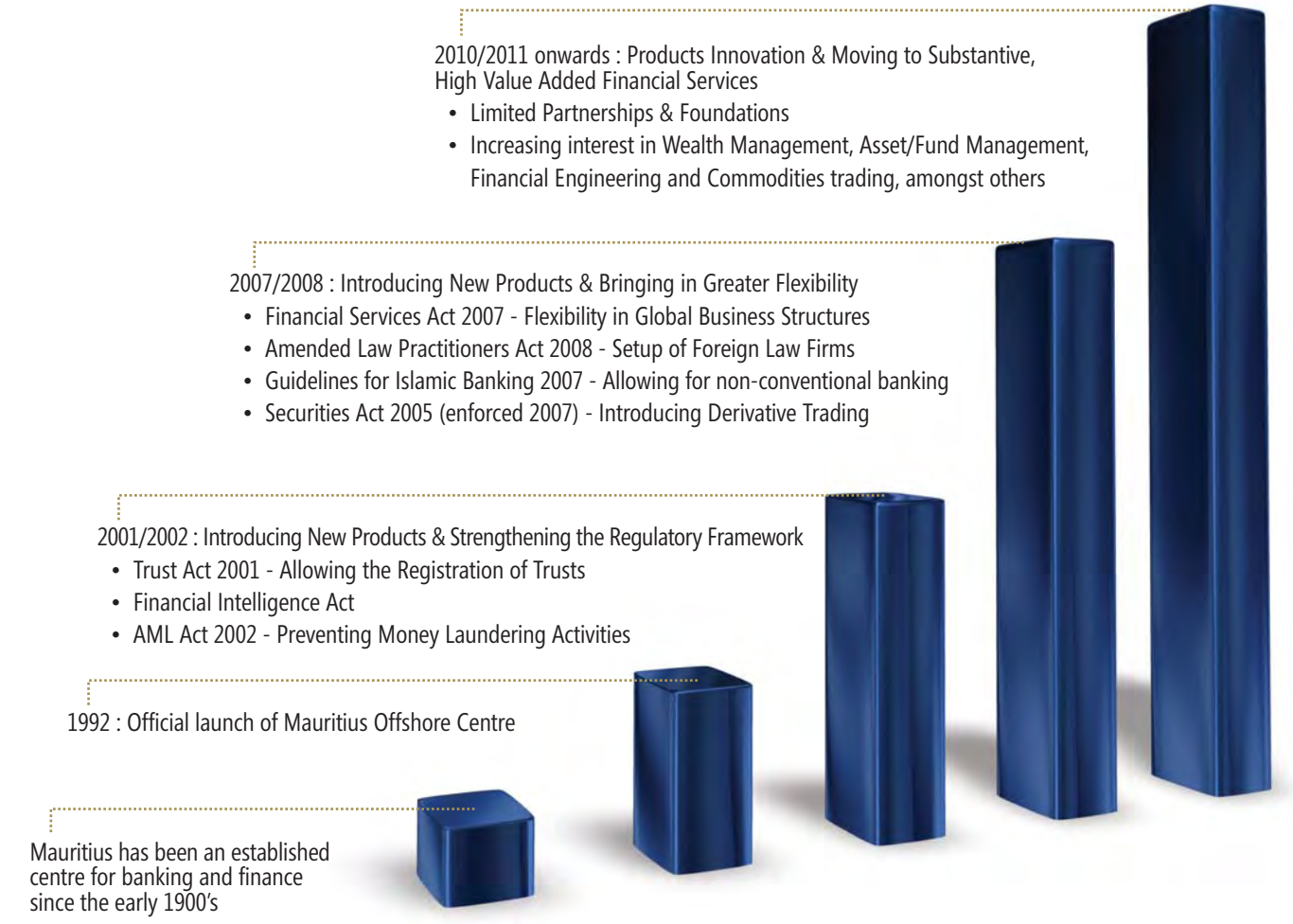
The appropriate legal and regulatory frameworks coupled with sufficient level of expertise, attractive fiscal regime and the wide network of Double Taxation Treaties make the island an attractive and business friendly jurisdiction for investment structuring purposes.

To sustain its development as an International Financial Centre of Substance, Mauritius has already embarked on a strategy of enhancing its range of financial products and moving towards the provision of high end and value added services.





Evolution of Mauritius as an IFC





Investment Opportunities in the Mauritius IFC

Functional Groups	Functions
Banking	<ul style="list-style-type: none"> • Retail & Corporate Banking • Private Banking & Wealth Management • Investment Banking • Global Business Banking • Islamic Banking
Global Business	<ul style="list-style-type: none"> • Investment Holdings • Global Managed Funds • Fund Administration • Fund Management • Shariah Compliant Funds • Global Asset Management
Insurance	<ul style="list-style-type: none"> • General Insurance • Long term Insurance • Captives • Reinsurance • Takaful & Re-Takaful
Capital Markets	<ul style="list-style-type: none"> • Equities Market • Commodities Trading Platform • Derivatives • Listing of Global Business Companies, Specialist Debt Instruments & Global Funds
Other Financial Services	<ul style="list-style-type: none"> • Brokerage Houses • Accountancy Firms • Tax & Investment Advisers • International Law Firms • Leasing Companies



Banking

Banking has a long history in Mauritius, with the first commercial bank being formed in 1838. Ever since, the banking sector of Mauritius has flourished and today, the sector comprises of leading international banks serving both the domestic and global markets. The banking sector employs more than 5000 professionals and has contributed more than 6% on average to GDP over the last few years.

The fast expanding Mauritian economy and the buoyant regional opportunities present a lot of opportunities for investment in banking in and through Mauritius in the following fields:

- Global Business Banking – leveraging on its set of innovative products for investment structuring targeting the emerging countries of Asia and Africa, the Mauritian banking sector offers lucrative opportunities in 'global business banking'.
- Private Banking – the increasing pool of High Net Worth Individuals in Mauritius as well as in the region, makes the jurisdiction an ideal platform for private banking and wealth management services.

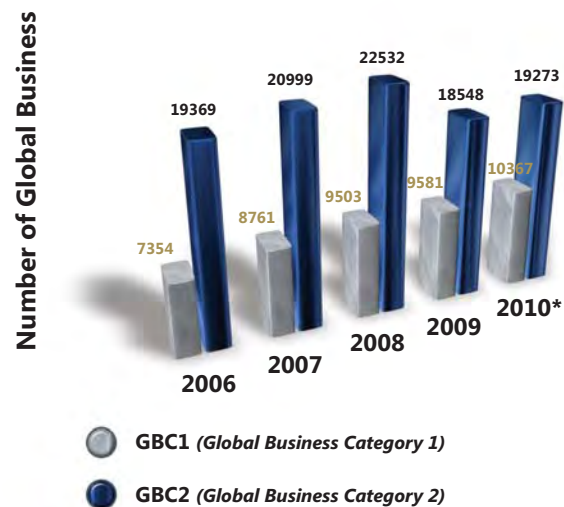
- Investment Banking – the growing need of investments in the region positions Mauritius as the platform of choice for the structuring of financing needs.
- Islamic Banking – boosting from a dedicated set of guidelines for Islamic Finance and Banking, Mauritius offers a neutral and competitive platform for the provision of Shariah compliant banking services.

Global Business

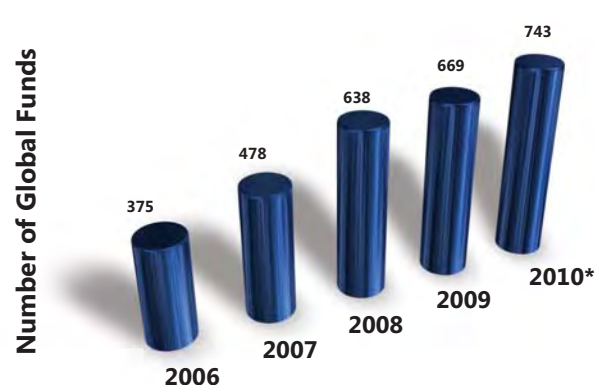
Over the last few years, Mauritius has reviewed and adopted a number of new legislations in view of enhancing its competitiveness as a high value added services platform. The jurisdiction is an ideal choice for investment funds, investment holding, asset management and other collective investment schemes and vehicles. The appropriate legal and regulatory framework together with the highest level of expertise, attractive and competitive fiscal regime and significant number of leading fund managers and administrators, make the island an attractive and business friendly jurisdiction for the provision of Global Business Services.

As at December 2010, the Mauritius Financial Services Commission had registered more than 25 000 global business companies and around 750 global funds targeting mainly the promising emerging Asian and African countries. The global business sector has contributed on average around 3% towards GDP over the last few years.

Evolution of Global Business



Evolution of Global Funds



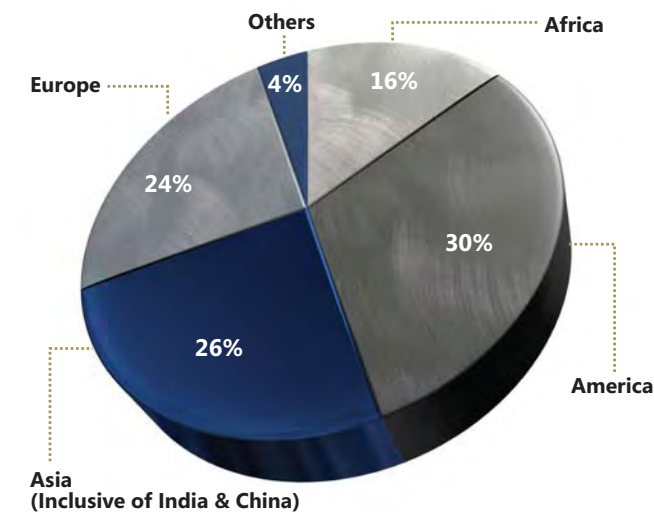
The country facilitates the incorporation and management of mutual funds, trusts, alternative and expert funds, private equity vehicles, aircraft and ship registration and other special purpose vehicles.

There are two types of structures that are permissible under global business regulation in Mauritius, namely GBC1 (Global Business Category 1) and GBC2 (Global Business Category 2) companies. While a GBC1 is a double tax avoidance treaty driven vehicle used generally for investment holding and funds, a GBC2 company does not qualify for treaty benefits and are generally used for asset holding purposes.

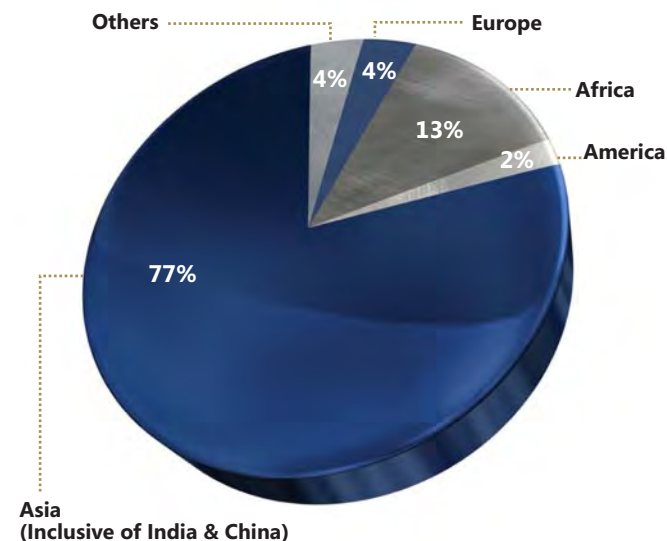
There is also the possibility of creating Protected Cell Companies (PCC) to ring-fence specific designated investments from other investment classes.

Mauritius benefits from its membership and compliance with the International Organisation of Securities Commissions (IOSCO), the Financial Action Task Force (FATF) and the Organisation for Economic Co-operation and Development (OECD) norms and a number of world class regulations with respect to Anti Money Laundering and investment structuring.

Country of origin of Global Business Funds using Mauritius



Investment Destination of Global Business Funds





Insurance

Mauritius offers an attractive platform for the provision of General and Long term Insurance, Reinsurance, Captives and Takaful to the domestic market. In addition, insurance companies can engage in the provision of cross border insurance services as well. With the presence of a significant number of insurance companies and insurance brokers, the sector remains very promising with an average annual growth of over 5%. There are also a few reinsurance companies playing a key role in absorbing major risks in the insurance sector.

The Mauritian insurance sector is a member of the International Association of Insurance Supervisors (IAIS) and the SADC's Committee of Insurance, Securities and Non-banking Financial Authorities (CISNA). Given its modern regulatory framework and vast pool of actuarial, insurance and brokerage experts Mauritius is well set to serve both the local and regional markets.





Capital Markets

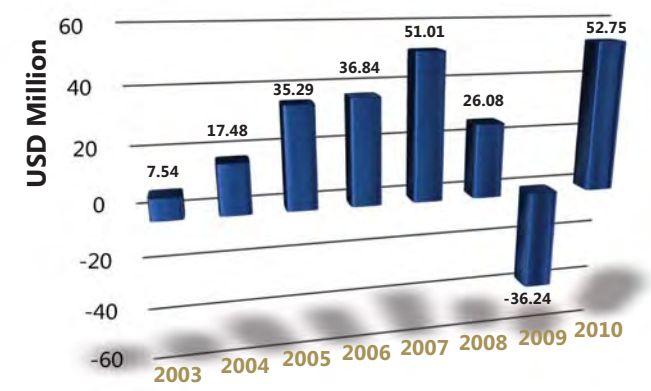
The Stock Exchange of Mauritius (SEM) was set up in 1989 and is today renowned as one of the leading exchanges in Africa. The exchange has gained a number of international recognition and has recently been designated as a Recognised Stock Exchange by the U.K Her Majesty's Revenue & Customs.

Attractive returns obtained by investors on the SEM (annualised total return of 17.3 % in USD terms since 1989), supported by compelling incentives in the form of no withholding taxes on dividends and no taxes on capital gains, have attracted strong foreign investment inflows on many listed companies. Mauritius is currently emerging as an attractive platform for the listing of global funds and has recently introduced new attractive rules to cater for the listing of specialist companies and specialist debt

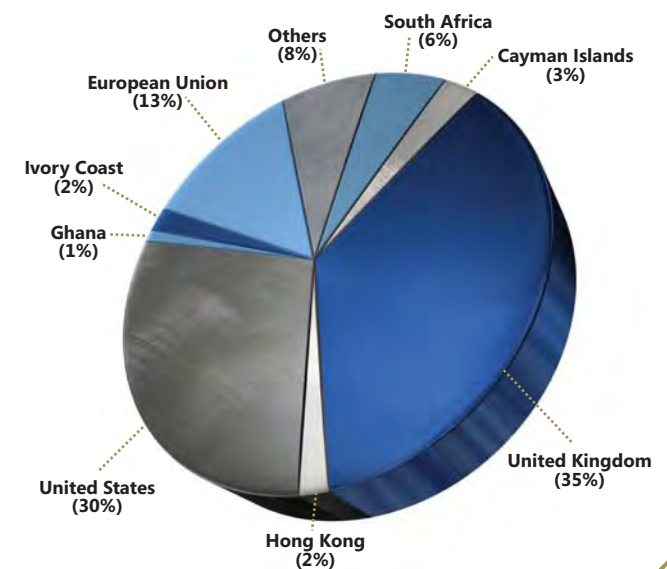
instruments. The SEM is the first exchange in Africa to list, trade and settle equity , funds and debt products in USD, Euro and GBP.

Mauritius equally houses the Global Board Of Trade Ltd (GBOT) which is the first international multi-asset class exchange from Mauritius offering a basket of commodity and currency derivative products including metals, energy, agri-soft, and currency pairs. Trading occurs on GBOT's state-of-the-art electronic exchange platform with efficient clearing and settlement systems ensuring counterparty guarantee for all trades and offers trading in Gold, Silver, USD/MUR, ZAR/USD, EUR/USD, GBP/USD, and JPY/USD products.

Net Foreign Investments on the SEM



Foreign Investments on SEM by Source Country (1998- 2010)





Other Financial Services

A number of support services play a determining role in paving the way for further growth in our financial services sector. Investments structuring are normally done upon the advice of professionals coming from big named law and accountancy practices as well as leading tax advisors.

There are several accountancy and consultancy firms in Mauritius, most of which are members of international groups and firms. They offer professional auditing, taxation, accounting, management consultancy, company secretarial, project management services amongst others.

With the liberalization of the legal profession, foreign law firms can now set up in Mauritius. There are a number of international law firms that have already set up in the country and are actively providing their services to the Global Business community of Mauritius as well as to a number to offshore clients.

Why Mauritius ?

1. Experienced and Proven Jurisdiction

The Mauritius International Financial Centre has been servicing the local and international business community for more than a decade. The country has a long history and tradition. The largest bank on the island dates back to 1838. In addition, the Mauritius Chamber of Commerce was set up in 1850 and our first Company Act dates back to 1913. All these show that there has been a banking tradition, a share ownership and a corporate culture going back a long time.

Over the years a number of international banks, funds, accountancy firms, and other financial institutions have been incorporated in the country and have successfully serviced the Mauritian International Financial Centre. Moreover, Mauritius has a strong track record of the global investment community using its financial platform for investing in emerging countries. For instance, over the last few years, significant FDI targeting India was made out of Mauritius.

2. Network of Double Taxation Agreements (DTA)

Mauritius has signed and ratified 37 Double Taxation Agreements (DTA) to date with leading developed and emerging economies around the globe. With all its DTA based on the OECD model, the IFC is today recognised as the ideal hub for investing in the promising regional markets.

We currently have 13 DTAs with African nations including Botswana, Lesotho, Madagascar, Mozambique, Namibia, Rwanda, Senegal, South Africa, Swaziland, Uganda, Tunisia, Seychelles and Zimbabwe.

3. Investment Promotion Protection Agreements (IPPA)

Mauritius offers full protection of foreign investments in key African nations through its network of IPPAs. As at date, Mauritius has signed IPPAs with 36 countries including 18 African countries. IPPAs signed with African countries include: Benin, Botswana, Burundi, Cameroon, Chad, Comoros, Ghana, Guinea, Madagascar, Mauritania, Mozambique, Rwanda, Senegal, South Africa, Swaziland, Zimbabwe and Tanzania.

The IPPAs guarantees Mauritian investment with respect to expropriation and social unrest in contracting states. They also provide for arrangements for settlement of disputes between investors and the contracting states.

4. International Recognition & OECD White Listed Jurisdiction

In its first classification back in April 2009, the OECD classified Mauritius as a jurisdiction that has substantially implemented internationally agreed tax and transparency standards. Since, this has proved very beneficial to Mauritius as an International Financial Centre as global investors' confidence and trust in the jurisdiction increased, thus allowing for more use of the platform by the international business community. The Global Financial Centres Index (GFCI), on the other hand, has classified Mauritius as one of the top jurisdictions with regard to information exchange.

The reputation of Mauritius as a well regulated and business friendly investment destination is also evidenced by its international recognition and signatory to the IOSCO, IAIS, OECD, FATF and IFSB.

5. Regulatory Framework

A series of innovative and modern legislation underpins the financial services sector in Mauritius. The legislative framework has been drafted according to "best-practice" principles thereby making the centre an efficient and user-friendly destination for international business and financial services. The Banking Act provides for the laws relating to the business of banking and other financial institutions while the Financial Services Act (FSA) provides a common framework for licensing and supervision of all financial services other than banking and for the global business sector. The companies Act on the other hand was modeled on the UK Act and saw major revision in 2001.

6. Fiscal Incentives

Since 2007, Mauritius has adopted a homogenised tax system with a flat 15% tax rate applicable for resident corporate firms and individuals. GBC1s are considered resident for tax purposes and therefore benefit from double taxation relief under Mauritian tax treaties. GBC1s and PCCs are liable for a foreign tax credit of 80%, which effectively brings down the applicable tax rate from 15% to 3% pa. Since 2010, GBC1s can also do business with Mauritian residents subject to taxes at 15%.

GBC2s on the other hand are not considered to be resident in Mauritius for tax purposes and therefore does not benefit from double taxation relief under tax treaties. GBC2s are not liable to taxation in Mauritius. In addition, Mauritius does not impose any withholding taxes on dividends or interests as well as no capital gains tax. It is worth noting that there is no exchange control in Mauritius.

7. Connectivity

The country also houses state of the art infrastructures including modern buildings and high speed connectivity to undersea Fibre Optic Cables. The country is currently connected to 2 undersea fibre optic cables and there are plans for other connections in the near future.

8. Convenient Time Zone

Mauritius remains the jurisdiction of choice for many global investors looking to expand their operations from a safe, stable and secure platform. The country is a convenient GMT+4 location allowing trading and business to be done with major markets including Europe, USA and Asia, all in a single business day.



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