

YOUR LOCAL PARTNER

Madagascar

Do you want to expand your business? Are you looking for the right partner to support you? BFV-SG, Societe Generale's subsidiary in Madagascar, will work with you to achieve your business objectives, including your international trade transactions.

ABOUT THE COUNTRY

Madagascar is an island country open to other economies in the Indian Ocean on the one side and in the Mozambique Channel on the other. Despite the crises that periodically affect the country and the effects of the global economic crisis, Madagascar is an attractive business destination for many companies.

Mining, construction and services are the country's primary growth drivers and are sectors which are still far from exploited to their full potential. Madagascar has many strengths that contribute to its excellent competitiveness, including:

- > the quality of its young population and its ability to adapt to a constantly-changing environment,
- > tax legislation that encourages Foreign Direct Investment (FDI),
- > the development of its telecommunications sector.

IDENTITY CARD

Capital: Antananarivo

Area: 590,000 sq. km

Population: 24.9 million

Local currency: Ariary

GDP/Capita: \$412/hab

PPP/Capita: \$1,554/hab

Growth rate: 4.3%

Inflation rate (average): 7.8%

Budget balance/GDP: -5.1%

Current account/GDP: -4.7%

External deficit/GDP: 30.62%

Rating: B- by Standard & Poor's

Economic sectors (as % of GDP) :

Services 55.9%, Agriculture 24.7%, Industry 19.4%

Export partners:

France 23.8%, United States 13%, Germany 8.4%, China 6.4%

Import partners:

China 21.3%, France 6.9%, India 6.5%
United Arab Emirates 5.6%

Time zone: UTC/GMT +3 hours

Language(s): French, Malagasy

For more information:
www.importexport-solutions.fr

BFV-SG



Since being acquired by Societe Generale Group in 1998, BFV-SG has gone from strength to strength in its role as a leading player in the Madagascar economy.

Committed to quality, its international, forex and commercial lending activities are certified ISO 9001-2008.

BFV-SG also prides itself on its corporate citizenship:

- > it has invested in Accès Banque Madagascar (micro-finance),
- > it received the Corporate Citizen Award in 2008.

As a leading universal bank, BFV-SG supports its clients' projects by leveraging Societe Generale Group's global reach and its wide range of innovative products and services that meet the needs of its customers.

57 BRANCHES

100 ATM

224,000 CLIENTS with
5,000 CORPORATES

849 EMPLOYEES



YOUR CONTACT: benjamin.toulouse@socgen.com
www.bfvsg.mg

| BFV-SG PRODUCTS AND SERVICES

DAILY BANKING

- › CURRENT ACCOUNT in local and foreign currency
- › DOMESTIC MEANS OF PAYMENT: commercial papers, cheques, transfers, direct debits
- › ELECTRONIC PAYMENT SERVICES: corporate cards, payroll cards, electronic payment terminals
- › INTERNATIONAL SERVICES & INTERBANK CURRENCY MARKET: import/export direct debits, received and issued transfers, documentary credit and collection, collection of claims from foreign clients, international guarantees, forex transactions, hedging forex risk, currency market between the country's banks, processing of operations in EUR, USD, CNY
- › ELECTRONIC BANKING AND CASH MANAGEMENT:
 - BFV-SG Net, remote management of your domestic accounts
 - VOCALIA, services over the telephone
 - MESSALIA, services via text message
 - sweeping from secondary accounts to a primary account
 - end of day MT940 statements, intra-day MT942 statements, receipt and sending of MT101 payment orders
- › OTHER: fast cash transfers, letter boxes, safe deposit boxes

SAVINGS AND INVESTMENTS

- › TERM DEPOSITS: term accounts, medium-term savings certificates

FINANCING SOLUTIONS

- › FINANCING THE OPERATING CYCLE: overdraft facilities, short-term credit facilities, commercial paper discounts, pre-finance and advances on production and merchandise, guarantees on contracts, tax guarantees, financial guarantees
- › INVESTMENT FINANCING: medium- and long-term loans
- › INVESTMENT BANKING: structured finance, project finance
- › CHINA DESK: platform dedicated to Chinese customers, with specialised advisors, access to Societe Generale Group international banking network to enable transactions and possibility of direct payment in Renminbi of Chinese importations through the trading floor.

STAFF BENEFITS

- › PAYROLL: computerised payroll services
- › A PREMIUM AREA in branches for corporate top management

| WHAT TO KNOW

STARTING A BUSINESS IN MADAGASCAR?

The Economic Development Board of Madagascar (EDBM) is a one-stop shop for all administrative formalities needed to start a business in Madagascar. It facilitates administrative procedures and reduces the time between the initial contact and the actual creation of the business.

The long-standing and close relationship between EDBM and BFV-SG makes it easier for entrepreneurs to complete administrative and banking procedures.

BFV-SG has a multinational desk, including a China desk supplying a service dedicated to Chinese companies.

CONSTRAINTS IN TERMS OF IMPORTING/EXPORTING?

As Madagascar is an island, it is heavily reliant on the outside world, which means international trade plays a central role in the country.

Customs formalities are systematically handled by independent authority, GasyNet.

FOREIGN EXCHANGE CONTROLS?

Regulations in Madagascar are strict: all transactions with an equivalent value of more than EUR 4,000 must be made on the interbank foreign exchange market (MID). All foreign currency flows must be linked to a commercial transaction. As there is no futures market, it is impossible to hedge against forex risk. Only Ariary-denominated buying/selling against the euro or dollar is accepted.

A currency hedge is there when importing, which allows to buy currencies in advance if the transaction is backed with an import documentary credit or a Stand By Letter of Credit.

BFV-SG has an ISO 9001-certified market desk that provides investors with information and advice and executes transactions against the EUR and USD on the MID. It works directly with the Societe Generale trading floor for other currencies (arbitrage).

BFV-SG is there to help, so ask advice from your direct contact on how to accomplish your international projects.

YOUR DIRECT CONTACT AT BFV-SG, Benjamin TOULOUZE: benjamin.toulouze@socgen.com
Head Office: 14 Lalana Jeneral'y Rabehevitra BP 196 Antananarivo 101; Internet: www.bfvsg.mg