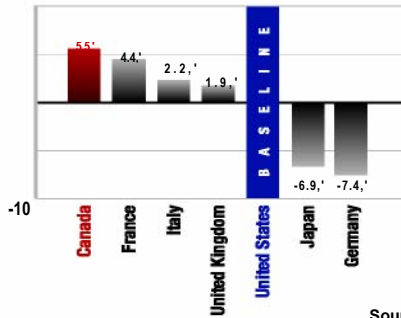


CANADA +

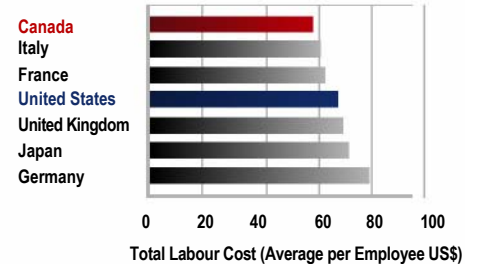


= RECIPE FOR "YOUR" SUCCESS

Overall G7 Results
Percentage Cost Advantage / Disadvantage Relative to the U.S.



G7 Labour Cost Comparison (Rank)



¹Average for 12 operations included in the overall results. Represents 42 different job positions.

Source: Competitive Alternatives: KPMG's Guide to International Business Costs, 2006 edition.

Imagine investing in a diversified company that has consistently shown quarter-over-quarter, year-over-year growth and fostered a working culture that sets it apart from all its competitors. Market leadership. Innovation. A skilled and diverse workforce. Cost competitiveness. A growth-focused and entrepreneurial business climate. All highly differential advantages that are directly linked to a results-driven track record. **But if that company were a country...**

Then that country would be **Canada**. And for the sixth consecutive time, Canada leads all G7 countries with the lowest overall business costs—a tremendous achievement with a strong dollar, further signaling a robust and internationally competitive economy.

Canadian businesses use one of the world's most sophisticated telecommunications and transportation networks, source their employees from world-renowned universities and foster their expansion with management teams that take a world view of growth.

NOTHING IMAGINED, BUT EVERYTHING GAINED BY THOSE WILLING TO STRATEGICALLY INVEST IN CANADA.

THE "CANADA" ADVANTAGE

- Canada's position is strategic - point of entry to a North American Free Trade Zone of more than 435 million consumers.
- Canada's cost competitiveness is highlighted by a KPMG study which states that: "Canada is the leader among G7 countries, with a cost index of 94.5, representing business costs 5.5 percentage points below those in the United States."
- Canada has a leading economy that has demonstrated its resilience and robustness despite various upheavals in US economy in last 5-6 years.
- Smart and skilled workforce – over 60% of Canada's population between ages 25 to 35 has post secondary educational qualification. With one of the largest skilled workforce immigration program in the world; continued availability of skilled manpower at comparatively lower prices is assured for a long period of time in the future.
- Sophisticated Infrastructure - Supplementing Canada's low labour cost is its No. 1 ranking in industrial facility investment, which consists of costs related to industrial land and construction. Coupled with cheaper electricity makes it cost effective place to manage facilities.

- Incentives & Taxes – Canada has the best effective corporate income tax rates for R&D in the G7, while offering manufacturers low overall tax rates. Canada rewards companies investing in R&D through refundable tax credits. This tax incentive combined with lower corporate tax can result in "negative" income tax or net government subsidies for R&D in some jurisdictions.
- Quality of Life – The UN has rated Canada amongst the top countries in the world for over a decade and The Economist Intelligence unit recently rated Canada as the best place to invest and do business including ethical and transparent management practices.
- Sectoral Leadership – A Decisive Advantage. Regional cost advantages in Canadian cities are matched by overall cost leadership in 12 of 17 sectors among G7 countries surveyed by KPMG.

Canada's Cost Advantage in the G7 by Industry		
Industry	Canada's G7 Rank	Canada's Cost Advantage over U.S. ¹
Aerospace	1	6.5%
Agri-food	3	4.0%
Automotive, Metal components	2	5.1%
Chemicals, Electronics	1	4.5%
Medical devices, Pharma	1	4.1%
Plastics	3	4.5%
Precision Manufacturing	1	8.0%
Telecommunications	1	2.5%
Biotechnology	1	10.1%
Clinical trials	1	16.0%
Product testing	2	11.5%
Software design, Web and multimedia	1	7.0%
Corporate service centres	1	5.3%

¹Percentage cost advantage relative to the U.S. U.S. cost index is '00.0 (taken as the baseline).

Source: Competitive Alternatives: KPMG's Guide to International Business Costs, 2006 edition.

THE “PROEX” ADVANTAGE

PROEX is a unique Business consulting company. We identify and understand your needs and then help you to set-up your Canadian business operations through the ease of our integrated one-stop solution.

Canada is one of the world's wealthiest nations, a member of the OECD and G7. It is unique among developed countries in the importance of the primary sector, with the Logging and Agriculture playing a major part along with Oil & Gas, Aviation, Telecom, Software, Financial Markets and Bio-technology industries being at the forefront in Canada's economy. Canada also has an extensive and world class manufacturing sector, with the automobile industry being especially important.

Canada is a free market economy with much less government intervention than most European nations. Many international companies seek to capitalize on this opportunity to expand their global reach by incorporating a Canadian subsidiary to start up their operations. Most of these corporations do not have the necessary resources and expertise on ground in Canada to set up the new infrastructure. They rely on a patchwork of real estate agents, in-house Infrastructure scouting staff, IT companies, telecom companies and other companies to help them set up their Canadian offices. Then they count on their in-house long distance HR staff to recruit key talent for their Canadian Operations. This capability and local expertise limitations lead to many stumbling blocks for corporations before they can have stabilized and efficiently running facilities in Canada; resulting in:

- Escalated overall costs
- Longer time to be up and running
- Executive time & effort spent on setting up new operations, instead of focusing energies on core strategic planning and growth functions.
- Difficulties / delays / added costs in hiring “the right “ key talent
- **Lost Opportunities Costs** due to all the above factors

Proex's Turn-key Office Program (TOP) is unique service that offers a turn-key solution to companies seeking to open new offices, operations and manufacturing facilities in Canada. Our expertise and proven process drastically reduces the time, costs and administration hassles typically encountered by companies in opening new offices. Corporations tend to apply similar structure and patterns for doing business in a new country as in their parent country. This is not always a recipe for success because the local business factors may require a different business model to address the vagaries of the new market. In these aspects Proex brings “local business expertise” to the table which can prove to be immensely valuable to oversees corporations wanting to start their operations in Canada.

TOP offers a comprehensive range of services to build a new office and bring it up to full operational capacity, quickly and efficiently. This enables our clients to dedicate the bulk of their efforts towards management of their core business activities to sustain their growth.

TOP comprises of the following service components:

Incorporation & Legal Services: Proex will ensure that you get the best legal advice and services for incorporation of your company in Canada in the most tax efficient manner.

Regulatory business Licenses Acquisition: Proex will provide you with the requirements and procedures to obtain the relevant business licenses from all regulatory authorities. Our legal counsel will also aid you to obtain the necessary licenses.

Leasing Premises: We will search, select and help you to finalize the best office / manufacturing / R & D or business premises for you according to the nature of your business.

Infrastructure: We will set up and install the entire infrastructure for the performance of your company's operations including telephone lines / equipment, workstations, office furniture, computers, networks, Internet connection, power requirements, heat/air conditioning etc.

Talent Acquisition: TOP includes the evaluation of needs and determination of the required staff. We will develop the workforce plan in collaboration with you. We will help you to select and recruit the best candidates for your requirements.

SUMMARY

In a 24/7 global economy, growth and performance shape and re-shape a sector's competitive landscape in real-time. It is unforgiving. Perpetually shifting. Worldwide. Increasingly integrated through regional and global supply chains and international workforces. Managed by high-speed digital networks linking together operations in different continents, regions and cities.

In a growth and performance-driven global economy, nothing stays the same; change becomes the only constant. But where there is change there is opportunity.

And that opportunity begins in **Canada**, a country that has turned change into an un-paralleled opportunity; that a partner like **PROEX** can help you; to capitalize on and convert into a quick and decisive competitive advantage for your businesses.

For more information on investing in Canada, please visit www.investincanada.gc.ca . To contact Proex, please visit www.proex.ca or e-mail **Jean-Sebastien Leroux**, President of Proex at jean@proex.ca

For more information please visit:
www.investincanada.gc.ca & www.proex.ca