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FOSUN INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 00656)

DISCLOSEABLE TRANSACTION

IN RELATION TO THE DEEMED DISPOSAL OF SHARES IN FOSUN PHARMA

THE PROPOSED ISSUE AND LISTING OF H SHARES OF FOSUN PHARMA ON THE HONG KONG STOCK EXCHANGE

Further to the approval by the board of directors of Fosun Pharma on 27 February 2011, the shareholders of Fosun Pharma reviewed and approved the resolutions regarding, among other things, the Proposed Global Offering at the extraordinary general meeting of Fosun Pharma on 16 March 2011.

Pursuant to the Prospectus dated 17 October 2012, the Offer Price is expected to be no more than HKD13.68 and no less than HKD11.80.

A total of 336,070,000 H shares of Fosun Pharma (subject to the over-allotment option) are proposed to be issued under the Proposed Global Offering, the equity interest in Fosun Pharma held by the Company (through Fosun High Technology) will be diluted up to 40.97% from 48.20%. If the over-allotment option is exercised in full, the Company's equity interest in Fosun Pharma (through Fosun High Technology) will be diluted up to 40.07%. The Company expects to continue to have control over Fosun Pharma, whose operating results are expected to be consolidated in the financial statements of the Company immediately upon the completion of the Proposed Global Offering.

The Proposed Global Offering constitutes a deemed disposal of the Company's equity interest in Fosun Pharma and a discloseable transaction of the Company under Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Proposed Global Offering exceed 5% but all such percentage ratios are less than 25%, the Proposed Global Offering is subject to the reporting and announcement requirements but is exempt from shareholders' approval requirement under the Listing Rules.

INFORMATION ON THE PROPOSED GLOBAL OFFERING

Introduction

Reference is made to the announcements of the Company dated 28 February 2011, 4 October 2012 and 16 October 2012 in relation to the Proposed Global Offering (“**Previous Announcements**”). Unless the context requires otherwise, terms defined in the Previous Announcements have the same meanings when used in this announcement.

Further to the approval by the board of directors of Fosun Pharma (an indirect subsidiary of the Company and whose A shares are listed on the Shanghai Stock Exchange with stock code: 600196.SH) on 27 February 2011, the shareholders of Fosun Pharma reviewed and approved the resolutions regarding, among other things, that Fosun Pharma will offer for subscription and apply for listing of its H shares on the Main Board of the Hong Kong Stock Exchange (the “**Proposed Global Offering**”), at the extraordinary general meeting of Fosun Pharma on 16 March 2011.

The approval of China Securities Regulatory Commission on the Proposed Global Offering was obtained on 11 April 2012.

Pursuant to the Prospectus dated 17 October 2012, the Offer Price is expected to be no more than HKD13.68 and no less than HKD11.80.

Structure of the Proposed Global Offering

As of the date of this announcement, Fosun Pharma has issued 1,904,392,364 fully paid A shares of par value RMB1.00 each, which have been listed on the Shanghai Stock Exchange since 7 August 1998. As at the date of this announcement, Fosun Pharma is a 48.20% indirect subsidiary of the Company. The principal businesses of Fosun Pharma include

pharmaceutical manufacturing, pharmaceutical distribution and retail, healthcare services, and diagnosis products and medical devices.

A total of 336,070,000 H shares of Fosun Pharma (subject to the over-allotment option) are proposed to be issued under the Proposed Global Offering, the equity interest in Fosun Pharma held by the Company (through Fosun High Technology) will be diluted up to 40.97% from 48.20%. If the over-allotment option is exercised in full, the Company's equity interest in Fosun Pharma (through Fosun High Technology) will be diluted up to 40.07%. The Company expects to continue to have control over Fosun Pharma, whose operating results are expected to be consolidated in the financial statements of the Company immediately upon the completion of the Proposed Global Offering.

Lock-up undertakings

The Company undertakes to, among others, the Hong Kong Stock Exchange, that it will not (a) from the date of the Prospectus and ending on the date which is six months from the listing date of Fosun Pharma, dispose of any shares of Fosun Pharma (the “**First Six-Month Period**”); and (b) during the period of six months from the date on which the First Six-Month Period expires, dispose of any shares of Fosun Pharma if following such disposal, it will then cease to be a controlling shareholder of Fosun Pharma. Details of the aforesaid undertakings have been set forth in the section headed “Underwriting” of the Prospectus.

Reasons for and benefits of the Proposed Global Offering

The Board considers that the Proposed Global Offering may allow Fosun Pharma to become a large pharmaceutical group with international competitiveness, in order to respond to the industry trend of strategic structural adjustment and resource integration under the context of deepening reform of the medical and healthcare system in China.

The Board (including independent non-executive directors of the Company) is of the view that the terms of the Proposed Global Offering and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Proposed use of net proceeds from the Proposed Global Offering

Fosun Pharma estimates that the aggregate net proceeds Fosun Pharma will receive (after deducting underwriting fees and estimated expenses, assuming the over-allotment option is not exercised) from the Proposed Global Offering, assuming an Offer Price of approximately HKD12.74 per H share, being the mid-point of the indicative offer price range set out in the Prospectus, will be approximately HKD4,071.4 million (or if the over-allotment option is exercised in full, approximately HKD4,695.6 million).

Fosun Pharma intends to use the net proceeds from the Proposed Global Offering as follows:

1. 48% of the amount of the net proceeds from the Proposed Global Offering for acquisitions and consolidation in the areas of pharmaceutical manufacturing, pharmaceutical distribution and retail, healthcare services and diagnostic products and medical devices;
2. 19% of the amount of the net proceeds from the Proposed Global Offering for funding for existing research and development projects, expansion of Fosun Pharma's research and development team and acquisition of new research and development projects;
3. 23% of the amount of the net proceeds from the Proposed Global Offering for repayment of a portion of Fosun Pharma Group's principal and interests of interest-bearing liabilities;
4. 10% of the amount of the net proceeds from the Proposed Global Offering for supplementing Fosun Pharma Group's general working capital.

Further information on the application of the net proceeds from the Proposed Global Offering is set forth in the Prospectus.

In the event that the Offer Price is finally determined at the high-end of the indicative Offer Price range, the estimated net proceeds Fosun Pharma will receive from the Proposed Global Offering will be approximately HKD4,378.5 million (assuming the over-allotment option is not exercised), or approximately HKD5,048.7 million (assuming the over-allotment option is exercised in full). The directors of Fosun Pharma intend to apply the additional net proceeds in the same proportions as set out above. In the event that the Offer Price is finally determined at the low-end of the indicative offer price range, the estimated net proceeds Fosun Pharma will receive from the Proposed Global Offering will be approximately HKD3,764.4 million (assuming the over-allotment option is not exercised) or approximately HKD4,342.5 million (assuming the over-allotment option is exercised in full). The directors of Fosun Pharma intend to apply the reduced net proceeds in the same

proportions as set out above and Fosun Pharma will finance such shortfall by internal resources and/or additional bank borrowings, as and when appropriate.

Profit forecast of Fosun Pharma upon the completion of the Proposed Global Offering

Fosun Pharma believes that on the bases and assumptions as set out in “Appendix III — Profit Forecast” to the Prospectus and in the absence of unforeseen circumstances, Fosun Pharma’s forecast consolidated profit attributable to owners of Fosun Pharma for the year ending 31 December 2012 is expected to be not less than RMB1,490.0 million under Hong Kong Financial Reporting Standards. Fosun Pharma’s forecast is based on the following key assumptions:

- Revenue and profit from Fosun Pharma’s core pharmaceutical manufacturing business continue to grow.
- The two subsidiaries Fosun Pharma acquired in the second half of 2011, namely Jinzhou Aohong Pharmaceutical Company Limited (錦州奧鴻藥業有限責任公司) and Dalian Aleph Biomedical Company Limited (大連雅立峰生物製藥有限公司) will make more contributions to Fosun Pharma’s revenue and gross profits in 2012.
- The contribution of profits from Sinopharm will also increase in 2012 due to the continued growth of Sinopharm’s business.
- Fosun Pharma will continue to derive a portion of Fosun Pharma’s profit from gains from the disposal of available-for-sale investments, the amount of which is forecasted based on disposals of Fosun Pharma’s listed available-for-sale investments at their lowest trading prices in the last five years.

On a pro forma basis, and on the assumption that a total of 2,240,462,364 shares were issued and outstanding (and not taking into account any H shares that may be issued pursuant to exercise of the over-allotment option) during the entire year, the forecast basic earnings per share for 2012 on a pro forma basis would be RMB0.67 (HKD0.81).

The Board has satisfied themselves that the above forecast has been stated after due and careful enquiry.

Ernst & Young (“EY”), auditors of the Company, confirmed that they have reviewed the accounting policies and calculations for the above forecast. EY does not have any shareholding in any member of the Group or the right to subscribe for securities in any member of the Group. EY has given and has not withdrawn his written consent on 17

October 2012 to the issue of this announcement with the profit forecast of Fosun Pharma included in the form and context in which it is included.

FINANCIAL EFFECT OF THE PROPOSED GLOBAL OFFERING

The Company expects to consolidate the operating results of Fosun Pharma into the financial statements of the Company, the following sets forth the financial impact of the Proposed Global Offering on the Group.

Net asset value of the Group

The directors of the Company expect that the consolidated net asset value of the Group will be increased by the net proceeds from the Proposed Global Offering.

Effects on the assets and liabilities of the Group

The consolidated cash balance of the Group will be increased by the net proceeds from the Proposed Global Offering.

Earnings and earnings per share

Hong Kong Accounting Standards 27 requires that a change in the ownership interest of a subsidiary without loss of control is accounted for as an equity transaction. Such transaction will have no impact on goodwill, nor will it give rise to a gain or loss, there will be no impact on the earnings and earnings per share immediately following completion of the Proposed Global Offering.

Cash flow

There is an increase of cash inflow generated from financing activities of the Group by the amount of the net proceeds from the Proposed Global Offering.

INFORMATION OF THE COMPANY AND FOSUN PHARMA

The Company

The principal activities of the Company are: (i) insurance; (ii) pharmaceuticals and healthcare; (iii) property; (iv) steel; (v) mining; (vi) retail, services, finance and other

investments and (vii) asset management.

Fosun Pharma

Fosun Pharma is a company incorporated under the laws of the PRC with limited liability. As at the date of this announcement, it is a 48.20% indirect subsidiary of the Company. The principal businesses of Fosun Pharma include pharmaceutical manufacturing, pharmaceutical distribution and retail, healthcare services and diagnosis products and medical devices.

For the two financial years ended 31 December 2011 and 31 December 2010, the net profits of Fosun Pharma before and after taxation and extraordinary items in accordance with Hong Kong Financial Reporting Standards are as follows:

Unit: RMB million

For the financial year ended 31 December	Net profit before tax and extraordinary items	Net profit after tax and extraordinary items
2011	943.8	1,385.4
2010	666.4	1,000.3

The net asset value of Fosun Pharma as at 30 June 2012 is RMB11,691.5 million.

IMPLICATIONS UNDER THE LISTING RULES

On the completion of the Proposed Global Offering, the equity interest in Fosun Pharma held by the Company (through Fosun High Technology) will be diluted up to 40.97% if the over-allotment option is not exercised, and will be further diluted up to 40.07% if the over-allotment option is exercised if full.

The Proposed Global Offering constitutes a deemed disposal of the Company's equity interest in Fosun Pharma and a discloseable transaction of the Company under Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Proposed Global Offering exceed 5% but all such percentage ratios are less than 25%, the Proposed Global Offering is subject to the reporting and announcement requirements but is exempt from shareholders' approval requirement under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

“the Board”	the board of directors of the Company
“Fosun High Technology”	Shanghai Fosun High Technology (Group) Co., Ltd. (上海復星高科技(集團)有限公司), a limited liability company incorporated under the laws of the PRC and a wholly-owned subsidiary of the Company
“Fosun Pharma Group”	Fosun Pharma and its subsidiaries
“the Group”	the Company and its subsidiaries
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Offer Price”	the final offer price per H share of Fosun Pharma (exclusive of brokerage of 1%, Securities and Futures Commission transaction levy of 0.003% and the Hong Kong Stock Exchange trading fee of 0.005%), as defined in the Prospectus
“PRC”	the People’s Republic of China, which for the purposes of this announcement only (unless otherwise indicated) excludes Hong Kong, Macau and Taiwan
“Prospectus”	the prospectus of Fosun Pharma dated 17 October 2012 in relation to the Proposed Global Offering
“RMB”	Renminbi, the lawful currency of the PRC

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

Shanghai, the PRC, 17 October 2012

As at the date of this announcement, the executive directors of the Company are Mr. Guo Guangchang, Mr. Liang Xinjun, Mr. Wang Qunbin, Mr. Fan Wei, Mr. Ding Guoqi, Mr. Qin Xuetao and Mr. Wu Ping; and the independent non-executive directors are Mr. Zhang Shengman, Mr. Andrew Y. Yan, Mr. Zhang Huaqiao and Mr. David T. Zhang.