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**FOSUN 复星**

**FOSUN INTERNATIONAL LIMITED**

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

**(Stock Code: 00656)**

## **ISSUANCE OF US\$400,000,000 6.875% SENIOR NOTES**

Reference is made to the announcement of the Company dated 11 January 2013 in relation to the 2013 Notes Issue. On 23 January 2013, the Issuer, the Company, the Subsidiary Guarantors and the Subsidiary Guarantor Pledgors entered into the Purchase Agreement with HSBC, Standard Chartered and UBS in relation to the 2013 Notes Issue in the aggregate principal amount of US\$400,000,000.

The estimated net proceeds of the 2013 Notes Issue, after deduction of the underwriting discounts and commissions and other estimated expenses, will amount to approximately US\$393 million and the Group intends to use the net proceeds to (i) refinance its existing indebtedness, and (ii) the remainder for working capital and general corporate purposes.

Approval in-principle has been obtained for the listing and quotation of the 2013 Notes on the SGX-ST. Admission of the 2013 Notes to the Official List of the SGX-ST and quotation of any 2013 Notes on the SGX-ST are not to be taken as the indications of the merits of the Issuer, the Company, the Subsidiary Guarantors, the Subsidiary Guarantor Pledgors or their respective subsidiaries or associated companies (if any), the 2013 Notes, the Parent Guarantee or the Subsidiary Guarantees. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this announcement. No listing of the 2013 Notes has been sought in Hong Kong.

Reference is made to the announcement of the Company dated 11 January 2013 in relation to the 2013 Notes Issue (the “**Previous Announcement**”). The Board is pleased to announce that on 23 January 2013 (Hong Kong time), the Issuer, the Company, the Subsidiary Guarantors and the Subsidiary Guarantor Pledgors entered into the Purchase Agreement with HSBC, Standard Chartered and UBS in relation to the 2013 Notes Issue in the aggregate principal amount of US\$400,000,000.

The 2013 Notes are expected to be issued on or about 30 January 2013.

#### **THE PURCHASE AGREEMENT**

Date 23 January 2013

Parties (a) the Issuer as the issuer;

(b) the Company as the Parent Guarantor;

(c) the Subsidiary Guarantors as the guarantors of the Issuer’s obligations under the 2013 Notes and the Indenture;

(d) the Subsidiary Guarantor Pledgors; and

(e) HSBC, Standard Chartered and UBS as the initial purchasers.

HSBC, Standard Chartered and UBS are the joint lead managers and joint bookrunners in respect of the offer and sale of the 2013 Notes. They are also the initial purchasers of the 2013 Notes. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiry, each of HSBC, Standard Chartered and UBS and their respective ultimate beneficial owners are independent third parties and not connected persons of the Company.

The 2013 Notes, the Parent Guarantee and the Subsidiary Guarantees have not been, and will not be, registered under the U.S. Securities Act or any state securities laws and, unless so registered, may not be offered or sold within the United States and may only be offered, sold or delivered outside the United States in offshore transactions to non-U.S. persons in reliance on Regulation S under the U.S. Securities

Act. Accordingly, the 2013 Notes are being offered and sold only outside the United States in offshore transactions to non-U.S. persons in reliance on Regulation S. None of the 2013 Notes will be offered to the public in Hong Kong and none of the 2013 Notes will be placed with any connected persons of the Company.

### **Principal terms of the 2013 Notes**

#### *Notes offered*

Subject to certain conditions to completion, the Issuer will issue the 2013 Notes in the aggregate principal amount of US\$400,000,000 which will mature on 30 January 2020, unless earlier redeemed pursuant to the terms thereof.

#### *Issue price*

The issue price of the 2013 Notes will be 100% of the principal amount of the 2013 Notes.

#### *Interest*

The 2013 Notes will bear interest from and including 30 January 2013 at the rate of 6.875% per annum, payable semi-annually in arrears.

#### *Ranking of the 2013 Notes*

The 2013 Notes are (1) general obligations of the Issuer; (2) senior in right of payment to any existing and future obligations of the Issuer expressly subordinated in right of payment to the 2013 Notes; (3) at least pari passu in right of payment with all other unsecured, unsubordinated indebtedness of the Issuer (subject to any priority rights of such unsubordinated indebtedness pursuant to applicable law); (4) guaranteed by the Parent Guarantor, the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any) on a senior basis, subject to certain limitations; (5) effectively subordinated to the other secured obligations (if any, other than the 2011 Notes and any permitted pari passu secured indebtedness) of the Issuer, the Parent Guarantor, the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any), to the extent of the value of the assets serving as security therefor; and (6) effectively subordinated to all existing and future obligations of the non-guarantor subsidiaries.

#### *Ranking of the Parent Guarantee*

The Parent Guarantee is (1) a general obligation of the Parent Guarantor; (2) senior in right of payment to all future obligations of the Parent Guarantor expressly subordinated in right of payment to the Parent Guarantee; (3) effectively subordinated to the secured obligations (if any, other than the 2011 Notes and any permitted pari passu secured indebtedness) of the Parent Guarantor, to the extent of the value of the assets serving as security therefor; and (4) at least pari passu with all unsecured, unsubordinated indebtedness of the Parent Guarantor (subject to any priority rights of such unsubordinated indebtedness pursuant to applicable law).

## *Events of default*

The events of default under the 2013 Notes include:

- i. default in the payment of principal of (or premium, if any, on) the 2013 Notes when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise;
- ii. default in the payment of interest on any 2013 Note when the same becomes due and payable, and such default continues for a period of 30 days;
- iii. default in the performance or breach of the provisions of certain covenants, the failure by the Issuer or the Parent Guarantor, as applicable, to make or consummate an offer to purchase, or the failure by the Parent Guarantor to create, or cause its Restricted Subsidiaries to create, a Lien on the Collateral (subject to any permitted Liens and the Intercreditor Agreement) in accordance with the covenants as described in the Indenture;
- iv. the Parent Guarantor or any Restricted Subsidiary defaults in the performance of or breaches any other covenant or agreement in the Indenture or under the 2013 Notes (other than a default specified in (i), (ii) or (iii) above) and such default or breach continues for a period of 30 consecutive days after written notice by the Trustee or the holders of 25% or more in aggregate principal amount of the 2013 Notes;
- v. there occurs with respect to any indebtedness of the Parent Guarantor or any Restricted Subsidiary having an outstanding principal amount of US\$5.0 million (or the Dollar Equivalent thereof) or more in the aggregate for all such indebtedness of all such Persons, whether such indebtedness now exists or shall hereafter be created, (a) an event of default that has caused the holder thereof to declare such indebtedness to be due and payable prior to its stated maturity and/or (b) the failure to make a principal payment when due;
- vi. one or more final judgments or orders for the payment of money are rendered against the Parent Guarantor or any of its Restricted Subsidiaries and are not paid or discharged, and there is a period of 60 consecutive days following entry of the final judgment or order that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged against all such Persons to exceed US\$10.0 million (or the Dollar Equivalent thereof) (in excess of amounts which the Parent Guarantor's or such Restricted Subsidiary's insurance carriers have agreed to pay under applicable policies) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;
- vii. an involuntary case or other proceeding is commenced against the Parent Guarantor or any Restricted Subsidiary with respect to it or its debts under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect seeking the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Parent Guarantor or any Restricted Subsidiary or for any substantial part of the property and assets of the Parent Guarantor or any Restricted Subsidiary and such involuntary case or other proceeding remains undismissed and

- unstayed for a period of 60 consecutive days; or an order for relief is entered against the Parent Guarantor or any Restricted Subsidiary under any applicable bankruptcy, insolvency or other similar law as now or hereafter in effect;
- viii. the Parent Guarantor or any Restricted Subsidiary (a) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, (b) consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Parent Guarantor or any Restricted Subsidiary or for all or substantially all of the property and assets of the Parent Guarantor or any Restricted Subsidiary or (c) effects any general assignment for the benefit of creditors;
- ix. the Parent Guarantor, any Subsidiary Guarantor or JV Subsidiary Guarantor denies or disaffirms its obligations under the Parent Guarantee, the relevant Subsidiary Guarantee or JV Subsidiary Guarantee or, except as permitted by the Indenture, the Parent Guarantee, any Subsidiary Guarantee or JV Subsidiary Guarantee is determined to be unenforceable or invalid or shall for any reason cease to be in full force and effect;
- x. any default by the Issuer, the Parent Guarantor or any Subsidiary Guarantor Pledgor in the performance of any of its obligations under the security documents, which adversely affects the enforceability, validity, perfection or priority of the applicable Lien on the Collateral or which adversely affects the condition or value of the Collateral, taken as a whole, in any material respect;  
or
- xi. the Parent Guarantor or any Subsidiary Guarantor Pledgor denies or disaffirms its obligations under any security document or, other than in accordance with the Indenture and the security documents, any security document ceases to be or is not in full force and effect or the Trustee ceases to have a security interest in the Collateral (subject to any permitted Liens and the Intercreditor Agreement).

If an event of default (other than an event of default specified in (vii) or (viii) above) occurs and is continuing under the Indenture, the Trustee or the holders of at least 25% in aggregate principal amount of the 2013 Notes then outstanding, by written notice to the Issuer (and to the Trustee if such notice is given by the holders of the 2013 Notes), may, and the Trustee at the request of such holders of the 2013 Notes shall, declare the principal of, premium, if any, and accrued and unpaid interest on the 2013 Notes to be immediately due and payable. Upon a declaration of acceleration, such principal of, premium, if any, and accrued and unpaid interest shall be immediately due and payable.

If an event of default specified in (vii) or (viii) above occurs with respect to the Parent Guarantor or any Restricted Subsidiary, the principal of, premium, if any, and accrued and unpaid interest on the 2013 Notes then outstanding shall automatically become and be immediately due and payable without any declaration or other act on the part of the Trustee or any holder of the 2013 Notes.

## *Covenants*

Subject to certain qualifications and exceptions, the 2013 Notes, the Indenture and the Subsidiary Guarantees to be provided by the Subsidiary Guarantors will limit the Company's ability and the ability of its Restricted Subsidiaries to, among other things:

- (i) incur or guarantee additional indebtedness and issue disqualified or preferred stock;
- (ii) declare dividends on its capital stock or purchase or redeem capital stock;
- (iii) make investments or other specified restricted payments;
- (iv) issue or sell capital stock of Restricted Subsidiaries;
- (v) guarantee indebtedness of Restricted Subsidiaries;
- (vi) sell assets;
- (vii) create liens;
- (viii) enter into sale and leaseback transactions;
- (ix) enter into agreements that restrict the Restricted Subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- (x) enter into certain transactions with shareholders or affiliates; and
- (xi) effect a consolidation or merger.

## *Redemption*

At any time and from time to time on or after 30 January 2017, the Issuer may redeem the 2013 Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest, if any, to (but not including) the redemption date if redeemed during the twelve month period beginning on 30 January of each of the years indicated below.

<b>Year</b>	<b>Redemption Price</b>
2017	103.4375%
2018	101.71875%
2019 and thereafter	100%

At any time prior to 30 January 2017, the Issuer may at its option redeem the 2013 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2013 Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date. The Issuer will give not less than 30 days' nor more than 60 days' notice of any redemption.

At any time and from time to time prior to 30 January 2017, the Issuer may redeem up to 35% of the aggregate principal amount of the 2013 Notes with the net cash proceeds of one or more sales of common stock of the Parent Guarantor in an equity offering at a redemption price of 106.875% of the principal amount of the 2013 Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, provided that at least 65% of the aggregate principal amount of the 2013 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

The Issuer and the Parent Guarantor may acquire 2013 Notes by means other than a redemption, whether by tender offers, open market purchases, negotiated transactions or otherwise, in accordance with applicable laws, so long as such acquisition does not otherwise violate the terms of the Indenture.

## **ESTIMATED USE OF PROCEEDS**

The estimated net proceeds of the 2013 Notes Issue, after deduction of the underwriting discounts and commissions and other estimated expenses, will amount to approximately US\$393 million and the Group intends to use the net proceeds to (i) refinance its existing indebtedness, and (ii) the remainder for working capital and general corporate purposes.

## **LISTING**

Approval in-principle has been obtained for the listing and quotation of the 2013 Notes on the SGX-ST. Admission of the 2013 Notes to the Official List of the SGX-ST and quotation of any 2013 Notes on the SGX-ST are not to be taken as the indications of the merits of the Issuer, the Company, the Subsidiary Guarantors, the Subsidiary Guarantor Pledgors or their respective subsidiaries or associated companies (if any), the 2013 Notes, the Parent Guarantee or the Subsidiary Guarantees. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this announcement. No listing of the 2013 Notes has been sought in Hong Kong.

## **RATING**

The 2013 Notes have been provisionally rated BB+ by Standard & Poor's Rating Services and B1 by Moody's Investor Services.

## **GENERAL**

Reference is made to the Previous Announcement, which contained an extract of certain corporate and financial information regarding the Group, which included certain information that has not previously been made public, including the section headed "Capitalization". An extract of the updated section

headed “Capitalization” is attached to this announcement, incorporating the figure for the consolidated cash and bank balances and capitalization as of 30 June 2012 adjusted to give effect to the 2013 Notes (after deducting underwriting discounts and commissions and other estimated expenses).

## DEFINITIONS

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

“2011 Notes”	the US\$300,000,000 7.5% senior notes due 2016 of the Parent Guarantor
“2013 Notes”	US\$400,000,000 6.875% senior notes due 30 January 2020 to be issued by the Issuer
“2013 Notes Issue”	the issue of the 2013 Notes by the Issuer
“Board”	the board of Directors
“Collateral”	all collateral securing, or purported to be securing, directly or indirectly, the Parent Guarantee, the 2013 Notes or any Subsidiary Guarantee pursuant to the security documents, and shall initially consist of the capital stock of the initial Subsidiary Guarantors
“Company”	Fosun International Limited (復星國際有限公司), a company incorporated under the laws of Hong Kong and whose shares are listed and traded on the main board of The Stock Exchange of Hong Kong Limited
“Directors”	the directors of the Company
“Dollar Equivalent”	with respect to any monetary amount in a currency other than U.S. dollars, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the base rate for the purchase of U.S. dollars with the applicable foreign currency as quoted by the Federal Reserve Bank of New York on the date of determination
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the 2013 Notes
“Indenture”	the indenture to govern the 2013 Notes



“Intercreditor Agreement”	the intercreditor agreement to be entered into between, among others, the Issuer, the Parent Guarantor, the Subsidiary Guarantor Pledgors, the Trustee and the collateral agent for the Collateral
“Issuer”	Sparkle Assets Limited, a company with limited liability incorporated under the laws of the British Virgin Islands which is an indirect subsidiary of the Company
“JV Subsidiary Guarantee”	a limited recourse guarantee to be provided by a subsidiary of the Company under certain circumstances and subject to certain conditions as provided in the Indenture
“JV Subsidiary Guarantor”	a Restricted Subsidiary that executes a JV Subsidiary Guarantee
“Lien”	any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof or any agreement to create any mortgage, pledge, security interest, lien, charge, easement or encumbrance of any kind)
“Parent Guarantee”	the guarantee of the Issuer’s obligations under the Indenture and the 2013 Notes to be provided by the Parent Guarantor
“Parent Guarantor”	the Company
“Person”	any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organisation or government or any agency or political subdivision thereof
“PRC”	the People’s Republic of China, excluding Hong Kong, Macao Special Administrative Region of the PRC and Taiwan for the purposes of this announcement
“Purchase Agreement”	the agreement entered into between, among others, the Company, the Issuer, the Subsidiary Guarantors, the Subsidiary Guarantor Pledgors HSBC, Standard Chartered and UBS in relation to the 2013 Notes Issue on 23 January 2013
“Restricted Subsidiary”	any subsidiary of the Company other than an Unrestricted Subsidiary
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Standard Chartered”	Standard Chartered Bank, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the 2013 Notes

“Subsidiary Guarantees”	guarantees of the obligations of the Issuer under the Indenture and the 2013 Notes to be provided by the Subsidiary Guarantors
“Subsidiary Guarantor Pledgor”	any initial Subsidiary Guarantor Pledgor named in the Indenture and any other Subsidiary Guarantor which pledges collateral to secure the obligations of the Issuer under the 2013 Notes and the Indenture and of such Subsidiary Guarantor under its Subsidiary Guarantee; <i>provided</i> that a Subsidiary Guarantor Pledgor will not include any person whose pledge under the security documents has been released in accordance with the security documents, the Indenture and the 2013 Notes
“Subsidiary Guarantor”	any Restricted Subsidiary which guarantees the payment of the 2013 Notes pursuant to the Indenture and the 2013 Notes; <i>provided</i> that Subsidiary Guarantor will not include (a) any Person whose Subsidiary Guarantee has been released in accordance with the Indenture and the 2013 Notes or (b) any JV Subsidiary Guarantor
“Trustee”	The Bank of New York Mellon
“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“U.S. Securities Act”	the United States Securities Act of 1933, as amended
“UBS”	UBS AG, Hong Kong Branch, one of the joint lead managers and joint bookrunners in respect of the offer and sale of the 2013 Notes
“Unrestricted Subsidiary”	(1) subject to redesignation as a Restricted Subsidiary in accordance with the terms of the Indenture, Golden Fleece Investment Limited, Fosun Great China Finance Company Limited, Luxuriant Century Limited, Primrose Treasure Limited, Luminary Talent Limited, Golden Corona Limited, Fosun Equity Investment Ltd., Fosun Equity Investment Management Ltd. and Speedy Clipper Investments Limited, (2) any subsidiary of the Parent Guarantor that at the time of determination shall be designated an Unrestricted Subsidiary by the Board in the manner provided in the Indenture; and (3) any subsidiary of an Unrestricted Subsidiary

“US\$” United States dollars

% per cent

On behalf of the Board  
**Fosun International Limited**  
**Guo Guangchang**  
*Chairman*

Shanghai, the PRC, 23 January 2013

*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.*

## CAPITALIZATION

The following table sets forth on an actual basis of our consolidated cash and bank balances and capitalization as of 30 June 2012 and as adjusted to give effect to the 2013 Notes now being issued (after deducting underwriting discounts and commissions and other estimated expenses) and the use of proceeds as described under “Use of Proceeds”.

	As of 30 June 2012			
	Actual		As adjusted	
	RMB	US\$	RMB	US\$
	(in thousands)			
<b>Cash and bank balances<sup>(1)</sup></b> . . . . .	10,937,300	1,721,596	13,434,029	2,114,596
<b>Interest-bearing bank and other borrowings</b>				
Bank loans . . . . .	35,512,276	5,589,844	35,512,276	5,589,844
Enterprise bonds and corporate bonds . . . . .	10,919,358	1,718,772	10,919,358	1,718,772
Medium-term notes . . . . .	2,571,442	404,760	2,571,442	404,760
2011 Notes . . . . .	1,873,511	294,902	1,873,511	294,902
Senior notes to be issued . . . . .	—	—	2,496,729	393,000
Other borrowings, secured . . . . .	252,996	39,823	252,996	39,823
Other borrowings, unsecured . . . . .	1,122,791	176,734	1,122,791	176,734
Portion classified as short-term debt . . . . .	22,058,841	3,472,193	22,058,841	3,472,193
Long-term portion . . . . .	30,193,533	4,752,642	32,690,262	5,145,642
	<u>52,252,374</u>	<u>8,224,835</u>	<u>54,749,103</u>	<u>8,617,835</u>
<b>Equity</b>				
Issued capital . . . . .	621,497	97,827	621,497	97,827
Reserves . . . . .	31,949,452	5,029,034	31,949,452	5,029,034
Proposed final dividend . . . . .	—	—	—	—
Non-controlling interests . . . . .	19,042,708	2,997,436	19,042,708	2,997,436
Total equity . . . . .	<u>51,613,657</u>	<u>8,124,297</u>	<u>51,613,657</u>	<u>8,124,297</u>
Total capitalization <sup>(2)</sup> . . . . .	<u>81,807,190</u>	<u>12,876,939</u>	<u>84,303,919</u>	<u>13,269,939</u>

*Notes:*

1. Cash and bank balances, as adjusted, include the net cash proceeds of the 2013 Notes offered hereby, after deducting underwriting discounts and other estimated expenses related to the offering of the 2013 Notes.
2. Total capitalization includes total long-term debt plus total equity.