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FOSUN 复星
FOSUN INTERNATIONAL LIMITED
*(Incorporated in Hong Kong with limited liability
under the Companies Ordinance)*
(Stock Code: 00656)

FORTE 复地
復地（集團）股份有限公司
SHANGHAI FORTE LAND CO., LTD.*
*(a sino-foreign joint stock limited company incorporated in the
People's Republic of China with limited liability)*
(Stock Code: 02337)

JOINT ANNOUNCEMENT
NON-COMPETITION ARRANGEMENTS
MAJOR TRANSACTION **CONNECTED TRANSACTION**
AND
INVESTMENT IN FUYANG PROJECT
CONNECTED
AND
DISCLOSEABLE TRANSACTIONS
Independent Financial Adviser to the Independent Board Committee
and Independent Shareholders of Forte



NON-COMPETITION ARRANGEMENTS

Pursuant to the 2003 Non-competition Agreement, each of Mr. Guo, Fosun Technology, Guangxin Technology and Fosun Hi-Tech Group had undertaken to Forte that (i) the Covenantors will not, except through Forte or its Associates, and procure that their Associates will not, engage or be interested, directly or indirectly, in the Forte Core Business during the subsistence of the 2003 Non-competition Agreement; and (ii) immediately upon becoming aware of a business opportunity in the PRC which directly or indirectly competes, or may lead to competition, with the Forte Core Business, the Covenantors will notify Forte of such business opportunity and use their best efforts to assist Forte to secure such opportunity.

As of the date of this announcement, Fosun Technology and Guangxin Technology were no longer shareholders of Forte and the Fosun Group holds approximately 70.56% of the issued share capital of Forte.

On the basis that the protection under the 2003 Non-competition Agreement on the part of the Forte Group will not be undermined and in order to (i) warehouse business opportunities which are not suitable and/or appropriate for Forte to take up at the relevant time due to legal, financial and/or commercial reasons; and (ii) transfer back to Forte if and when Forte is of the view that the relevant business opportunities are suitable and/or appropriate for Forte to take up, Fosun and Forte entered into the Amended and Restated Non-Competition Agreement to supersede the 2003 Non-competition Agreement.

Under Rule 14.74(1) of the Hong Kong Listing Rules, on the grant of the Call Option, the exercise of which is not at the discretion of Fosun, the transaction will be classified as if the Call Option had been exercised and for the purpose of the applicable percentage ratios (as defined under Rule 14.04(9) of the Hong Kong Listing Rules), the consideration includes the premium and the exercise price of the Call Option.

For the purpose of Rule 14.74(1) and under Rule 14.76(1) of the Hong Kong Listing Rules, where, on the grant of the Call Option, the actual monetary value of each of the premium, the exercise price, the value of the underlying assets and the profits and revenue attributable to such assets has not been determined, Fosun must demonstrate to the satisfaction of the Hong Kong Stock Exchange the highest possible monetary value, which value will then be used for the purpose of classification of the transaction.

As there is no relevant asset and/or business currently under the Call Option, except the premium (which is nil), no actual monetary value of each of the exercise price, the value of the underlying assets and the profits and revenue attributable to such assets is able to be determined and no highest possible monetary value is able to be demonstrated, and accordingly, under Rule 14.76(1) of the Hong Kong Listing Rules, the Call Option will be classified as a major transaction of Fosun and the Non-competition Arrangements under the Amended and Restated Non-Competition Agreement are subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

No shareholder of Fosun nor its associates has a material interest in the Non-competition Arrangements, and therefore is required to abstain from voting under Rule 14.46 of the Hong Kong Listing Rules, and to the best of Fosun's directors' knowledge, information and belief having made all reasonable enquiry, no shareholder of Fosun is also a shareholder of Forte and has a material interest in the Non-competition Arrangements and Fosun obtained a written shareholder's approval dated 21 April 2009 in relation to the Non-competition Arrangements under the Amended and Restated Non-Competition Agreement and the termination of the 2003 Non-competition Agreement from Fosun Holdings, which holds 5,024,555,500 shares in Fosun, representing approximately 78.24% in nominal value of the shares of Fosun giving the right to attend and vote at a general meeting of Fosun, no general meeting is required to be held to consider the Non-competition Arrangements under the Amended and Restated Non-Competition Agreement and the termination of the 2003 Non-competition Agreement pursuant to Rule 14.44 of the Hong Kong Listing Rules.

Fosun is the controlling shareholder of Forte and is therefore a connected person of Forte. The Non-competition Arrangements under the Amended and Restated Non-Competition Agreement and the termination of the 2003 Non-competition Agreement constitutes a connected transaction for Forte under the Hong Kong Listing Rules. As the Non-competition Arrangements under the Amended and Restated Non-Competition Agreement and the termination of the 2003 Non-competition Agreement will not be conducted on normal commercial terms, it is subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Hong Kong Listing Rules and the independent shareholders' approval requirement under Rule 14A.48 of the Hong Kong Listing Rules. Save for Fosun and its associates, no shareholder of Forte nor its associates has a material interest in the Non-competition Arrangements, and therefore is required to abstain from voting under Rule 14A.54 of the Hong Kong Listing Rules.

INVESTMENT IN FUYANG PROJECT

The Fuyang Project Company, an indirect wholly-owned subsidiary of Fosun, is currently the registered owner of the Fuyang Land, as a result of a successful bid submitted by Fosun Property, the sole shareholder of the Fuyang Project Company and a wholly-owned subsidiary of Fosun, in the course of a public listing process by the relevant local government conducted from 29 November 2007 to 10 December 2007.

The above public listing process required, among other matters, that (i) a bidder should be a company incorporated in Hong Kong, Macau, Taiwan or other overseas jurisdictions; and (ii) the total assets of the bidder or its overseas controlling shareholder(s) shall be no less than US\$1 billion (equivalent to approximately HK\$7.8 billion), and thus, the Forte Group was not eligible to participate in the listing process.

For the purpose of the investment by Forte in the Fuyang Project, Fosun Property and Shiner, a wholly-owned subsidiary of Forte, entered into the Equity Transfer Agreement dated 21 April 2009, whereby Shiner has agreed to acquire from Fosun Property the entire equity interest in the Fuyang Project Company for a consideration of approximately RMB150.21 million (equivalent to approximately HK\$170.48 million). In consideration of Shiner entering into the Equity Transfer Agreement, Fosun has agreed to guarantee the performance by Fosun Property of its obligations under the Equity Transfer Agreement.

As all of the applicable percentage ratios (as defined under Rule 14.04(9) of the Hong Kong Listing Rules) in relation to the Fuyang Project Investment are below 5%, the Fuyang Project Investment does not constitute a discloseable transaction of Fosun under Chapter 14 of the Hong Kong Listing Rules.

Fosun is the controlling shareholder of Forte and is therefore a connected person of Forte. The Fuyang Project Investment constitutes a connected transaction for Forte under the Hong Kong Listing Rules. As one or more of the applicable percentage ratios (as defined under Rule 14A.10 of the Hong Kong Listing Rules) in respect of the Fuyang Project Investment exceed 2.5%, the Fuyang Project Investment is subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Hong Kong Listing Rules and the independent shareholders' approval requirement under Rule 14A.48 of the Hong Kong Listing Rules. Save for Fosun and its associates, no shareholder of Forte nor its associates has a material interest in the Fuyang Project Investment, and therefore is required to abstain from voting under Rule 14A.54 of the Hong Kong Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14.04(9) of the Hong Kong Listing Rules) in relation to the Fuyang Project Investment exceed 5% but below 25%, the Fuyang Project Investment constitutes a discloseable transaction of Forte under Chapter 14 of the Hong Kong Listing Rules.

GENERAL INFORMATION

A circular containing, among other things, further details of the Non-competition Arrangements under the Amended and Restated Non-Competition Agreement and the termination of the 2003 Non-competition Agreement will be despatched to the shareholders of Fosun within 21 days after the publication of this announcement.

An Independent Board Committee has been formed to advise the Independent Shareholders of Forte on the Non-competition Arrangements and the Fuyang Project Investment and the Independent Board Committee has approved the appointment of Somerley Limited as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the Non-competition Arrangements and the Fuyang Project Investment in accordance with the Hong Kong Listing Rules.

A circular containing, among other things, further details of the Non-competition Arrangements and the Fuyang Project Investment, the letter from the Independent Board Committee and the recommendation from the independent financial adviser on the terms of the Non-competition Arrangements and the Fuyang Project Investment, together with a notice convening the EGM, will be despatched to the shareholders of Forte within 21 days after the publication of this announcement.

NON-COMPETITION ARRANGEMENTS

Background

Pursuant to the 2003 Non-competition Agreement, each of Mr. Guo, Fosun Technology, Guangxin Technology and Fosun Hi-Tech Group had undertaken to Forte that (i) the Covenantors will not, except through Forte or its Associates, and procure that their Associates will not, engage or be interested, directly or indirectly, in the Forte Core Business during the subsistence of the 2003 Non-competition Agreement; and (ii) immediately upon becoming aware of a business opportunity in the PRC which directly or indirectly competes, or may lead to competition, with the Forte Core Business, the Covenantors will notify Forte of such business opportunity and use their best efforts to assist Forte to secure such opportunity.

The 2003 Non-competition Agreement will remain in force so long as (i) the H shares of Forte remain listed on the Hong Kong Stock Exchange; or (ii) the Covenantors and their respective Associates shall singly or together, remain beneficially interested in at least 30% of the voting rights in Forte or be deemed as controlling shareholders of Forte pursuant to the Hong Kong Listing Rules or any laws or regulations.

The 2003 Non-competition Agreement does not apply to (i) the direct or indirect holding of any securities in any company engaged or is involved in the Forte Core Business whose securities are listed on a recognized stock exchange provided that (aa) the Forte Group is not in control of the board of directors of the company concerned nor is interested in more than 10% of the total voting rights attached to the securities of the same class of such company; and (bb) the total voting rights attached to such securities exercisable by the Covenantors at general meetings of the company concerned shall be less than 10% of the total voting rights of such company; and (ii) the holding of any securities of any member of the Forte Group or carrying on any business for and on behalf of the Forte Group.

As of the date of this announcement, Fosun Technology and Guangxin Technology were no longer shareholders of Forte and the Fosun Group holds approximately 70.56% of the issued share capital of Forte.

Amended and Restated Non-Competition Agreement

On the basis that the protection under the 2003 Non-competition Agreement on the part of the Forte Group will not be undermined and in order to (i) warehouse business opportunities which are not suitable and/or appropriate for Forte to take up at the relevant time due to legal, financial and/or commercial reasons; and (ii) transfer back to Forte if and when Forte is of the view that the relevant business opportunities are suitable and/or appropriate for Forte to take up, Fosun and Forte entered into the Amended and Restated Non-Competition Agreement to supersede the 2003 Non-competition Agreement.

Date

21 April 2009

Parties

(i) Fosun

(ii) Forte

Major Terms

Under the Amended and Restated Non-Competition Agreement, (i) Fosun will agree not to, and to procure its subsidiaries (other than the Forte Group) not to, compete with the Forte Group in the Forte Core Business; and (ii) Fosun will undertake that if Fosun becomes aware of a business opportunity which directly or indirectly competes, or may lead to competition, with the Forte Core Business, Fosun or any of its subsidiaries (other than the Forte Group) will notify Forte of such business opportunity immediately upon becoming aware of it. Fosun is also obliged to use its best efforts to procure that such opportunity is first offered to Forte upon terms that are fair and reasonable. Fosun shall procure any of its subsidiaries (other than the Forte Group) to comply with this provision. Any decision on whether to take up such a business opportunity will be decided by the independent non-executive directors of Forte. The Fosun Group (other than the Forte Group) shall only take up this business opportunity upon receiving Forte's written notification that it decides not to take up such opportunity.

Fosun will also grant to Forte under the Amended and Restated Non-Competition Agreement (i) a call option to purchase (the "**Call Option**") the interests of the Fosun Group in any business resulting from the business opportunity referred to above, which has been offered to, but has not been purchased or taken up by the Forte Group and has been retained by the Fosun Group, on the basis of valuation conducted by an independent valuer jointly appointed by Fosun and Forte and subject to any relevant laws and applicable listing rules and existing third party pre-emptive rights; and (ii) pre-emptive rights to purchase the interests of the Fosun Group in any business

resulting from the business opportunity referred to above, which has been offered to, but has not been purchased or taken up by the Forte Group and has been retained by the Fosun Group, on terms no less favourable than those offered to third parties, if the Fosun Group (other than the Forte Group) intends to transfer, sell, lease or license such interests to any third party, on the exercise of the above option or pre-emptive rights by Forte, Fosun shall transfer such interests to Forte.

In relation to the pre-emptive rights described above, under the Amended and Restated Non-Competition Agreement, Fosun must notify Forte before transferring its relevant interests to a third party. It is further provided that such notice must set out full terms of the proposed transfer and any information which may reasonably be required by Forte in order for Forte to make a decision as to whether Forte should exercise the pre-emptive rights. Any decision on whether to exercise the pre-emptive rights will be made by the independent non-executive directors of Forte. Fosun shall only proceed with the proposed transfer upon receiving the written notification by Forte that it decides not to exercise the pre-emptive rights.

The Amended and Restated Non-Competition Agreement will remain valid until such time, (i) as the Fosun Group owns less than 30% of the issued share capital of Forte; or (ii) the shares of Forte are no longer listed on the Hong Kong Stock Exchange or any other internationally recognized stock exchange.

The Amended and Restated Non-Competition Agreement does not apply to (i) the holding of any securities in a company that is engaged in a competing business and whose securities are listed on any internationally recognized stock exchange provided that the Fosun Group does not directly or indirectly hold or control the voting rights in respect of 10% or more of the issued share capital of such company; and (ii) the carrying on a competing business by the Fosun Group for and on behalf of the Forte Group.

Consideration

There will be no consideration involved in (i) the termination of the 2003 Non-competition Agreement; and (ii) the entering into of the Amended and Restated Non-Competition Agreement, including the covenants, undertakings, call options and/or pre-emptive rights given or granted therein.

Conditions Precedent

The Amended and Restated Non-Competition Agreement will take effect upon the fulfillment of the following conditions precedent:

- (i) a written shareholder's approval duly issued and signed by Fosun Holdings approving the Non-competition Arrangements under the Amended and Restated Non-Competition Agreement and the termination of the 2003 Non-competition Agreement in accordance with Rule 14.44 of the Hong Kong Listing Rules; and

- (ii) the Independent Shareholders of Forte in an extraordinary general meeting approving, among other matters, the Non-competition Arrangements under the Amended and Restated Non-Competition Agreement and the termination of the 2003 Non-competition Agreement.

Measures to be taken

For good corporate governance practices, in relation to compliance with the terms of the Amended and Restated Non-Competition Agreement, Forte will adopt the following measures:

- (i) Fosun shall make an annual confirmation on compliance with the Amended and Restated Non-Competition Agreement in the annual report of Forte. Disclosure on how the Amended and Restated Non-Competition Agreement is complied with and enforced is consistent with the principles of making voluntary disclosures in the corporate governance report of Forte.
- (ii) The independent non-executive directors of Forte shall review, at least on an annual basis, the information provided by Fosun in respect of the compliance and enforcement of the Amended and Restated Non-Competition Agreement.
- (iii) Fosun shall undertake to provide all information necessary for the annual review by the independent non-executive directors of Forte and the enforcement of the Amended and Restated Non-Competition Agreement.
- (iv) Forte shall disclose decisions on matters reviewed by its independent non-executive directors in relation to the compliance and enforcement of the Amended and Restated Non-Competition Agreement either through the annual report, or by way of announcements to the public.

In relation to options or pre-emptive rights provided by Fosun over its future competing businesses, Forte will adopt the following additional measures:

- (i) The independent non-executive directors of Forte shall review, at least on an annual basis, the options or pre-emptive rights provided by Fosun over its future competing businesses and decide whether to exercise these rights.
- (ii) The independent non-executive directors of Forte may employ an independent financial adviser as they consider necessary to advise them on the exercise of options or pre-emptive rights provided by Fosun, which expenses shall be borne by Forte.
- (iii) Forte shall disclose decisions on matters reviewed by its independent non-executive directors in relation to the exercise of options or pre-emptive rights provided by Fosun either through the annual report, or by way of announcement to the public.

Upon the exercise by Forte of the options or pre-emptive rights provided by Fosun over its future competing businesses, Fosun and Forte will duly comply with the relevant provisions of the Hong Kong Listing Rules.

Reasons for the Amended and Restated Non-Competition Agreement

The Amended and Restated Non-Competition Agreement provides a mechanism for Fosun, being the controlling shareholder of Forte, to (i) warehouse business opportunities which are not suitable and/or appropriate for Forte to take up at the relevant time due to legal, financial and/or commercial reasons; and (ii) transfer back to Forte if and when Forte is of the view that the relevant business opportunities are suitable and/or appropriate for Forte to take up.

Hong Kong Listing Rules Implications

Fosun

Under Rule 14.74(1) of the Hong Kong Listing Rules, on the grant of the Call Option, the exercise of which is not at the discretion of Fosun, the transaction will be classified as if the Call Option had been exercised and for the purpose of the applicable percentage ratios (as defined under Rule 14.04(9) of the Hong Kong Listing Rules), the consideration includes the premium and the exercise price of the Call Option.

For the purpose of Rule 14.74(1) and under Rule 14.76(1) of the Hong Kong Listing Rules, where, on the grant of the Call Option, the actual monetary value of each of the premium, the exercise price, the value of the underlying assets and the profits and revenue attributable to such assets has not been determined, Fosun must demonstrate to the satisfaction of the Hong Kong Stock Exchange the highest possible monetary value, which value will then be used for the purpose of classification of the transaction.

As there is no relevant asset and/or business currently under the Call Option, except the premium (which is nil), no actual monetary value of each of the exercise price, the value of the underlying assets and the profits and revenue attributable to such assets is able to be determined and no highest possible monetary value is able to be demonstrated, and accordingly, under Rule 14.76(1) of the Hong Kong Listing Rules, the Call Option will be classified as a major transaction of Fosun and the Non-competition Arrangements under the Amended and Restated Non-Competition Agreement are subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

No shareholder of Fosun nor its associates has a material interest in the Non-competition Arrangements, and therefore is required to abstain from voting under Rule 14.46 of the Hong Kong Listing Rules, and to the best of Fosun's directors' knowledge, information and belief having made all reasonable enquiry, no

shareholder of Fosun is also a shareholder of Forte and has a material interest in the Non-competition Arrangements and Fosun obtained a written shareholder's approval dated 21 April 2009 in relation to the Non-competition Arrangements under the Amended and Restated Non-Competition Agreement and the termination of the 2003 Non-competition Agreement from Fosun Holdings, which holds 5,024,555,500 shares in Fosun, representing approximately 78.24% in nominal value of the shares of Fosun giving the right to attend and vote at a general meeting of Fosun, no general meeting is required to be held to consider the Non-competition Arrangements under the Amended and Restated Non-Competition Agreement and the termination of the 2003 Non-competition Agreement pursuant to Rule 14.44 of the Hong Kong Listing Rules.

Forte

Fosun is the controlling shareholder of Forte and is therefore a connected person of Forte. The Non-competition Arrangements under the Amended and Restated Non-Competition Agreement and the termination of the 2003 Non-competition Agreement constitutes a connected transaction for Forte under the Hong Kong Listing Rules. As the Non-competition Arrangements under the Amended and Restated Non-Competition Agreement and the termination of the 2003 Non-competition Agreement will not be conducted on normal commercial terms, it is subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Hong Kong Listing Rules and the independent shareholders' approval requirement under Rule 14A.48 of the Hong Kong Listing Rules. Save for Fosun and its associates, no shareholder of Forte nor its associates has a material interest in the Non-competition Arrangements, and therefore is required to abstain from voting under Rule 14A.54 of the Hong Kong Listing Rules.

General

Fosun

The directors of Fosun (including the independent non-executive directors) are of the view that the terms of the Amended and Restated Non-Competition Agreement (i) have been negotiated on an arm's length basis; and (ii) are fair and reasonable and in the interests of its shareholders as a whole.

Forte

The directors of Forte (excluding the independent non-executive directors who will express their views after receiving advice from the independent financial adviser) are of the view that the terms of the Amended and Restated Non-Competition Agreement (i) have been negotiated on an arm's length basis; and (ii) are fair and reasonable and in the interests of its shareholders as a whole.

INVESTMENT IN FUYANG PROJECT

Background

The Fuyang Project Company, an indirect wholly-owned subsidiary of Fosun, is currently the registered owner of the Fuyang Land, as a result of a successful bid submitted by Fosun Property, the sole shareholder of the Fuyang Project Company and a wholly-owned subsidiary of Fosun, in the course of a public listing process by the relevant local government conducted from 29 November 2007 to 10 December 2007.

The above public listing process required, among other matters, that (i) a bidder should be a company incorporated in Hong Kong, Macau, Taiwan or other overseas jurisdictions; and (ii) the total assets of the bidder or its overseas controlling shareholder(s) shall be no less than US\$1 billion (equivalent to approximately HK\$7.8 billion), and thus, the Forte Group was not eligible to participate in the listing process.

With a view to secure and warehouse the Fuyang Project for the Forte Group, Fosun Property participated in the public listing process.

After Fosun Property was notified on 10 December 2007 that it succeeded in the public listing process, Forte was duly notified in writing by Fosun that:

- (i) Forte was not eligible to participate in the public listing process;
- (ii) Fosun Property succeeded in the public listing process and would pay the land premium and the related expenses in an aggregate amount of approximately RMB323.22 million (equivalent to approximately HK\$366.84 million);
- (iii) prior to the consent of Forte, the Fosun Group would not commence any property development on the Fuyang Land;
- (iv) subject to (a) the requirements under the Hong Kong Listing Rules; (b) the approval by the shareholders in general meeting of Fosun and/or Forte, respectively; and (c) the approval by the relevant land bureau, at the request of Forte, Fosun Property will transfer to Forte the entire or majority interest in the Fuyang Project at a fair and reasonable price; and
- (v) in the event that the shareholders in general meeting of Forte do not approve such a proposed acquisition, Fosun Property will dispose the Fuyang Project to an independent third party.

Fosun and Forte are of the view that (i) the interest of the shareholders (including the independent shareholders) of Forte will not be prejudiced on the basis that at the request of Forte, Fosun Property will transfer to it the entire or majority interest in

the Fuyang Project at a fair and reasonable price, which will require the approval of the independent shareholders under the Hong Kong Listing Rules; and (ii) the above circumstances in respect of the Fuyang Project was not price sensitive in nature for Fosun and/or Forte at the relevant time.

Equity Transfer Agreement

For the purpose of the investment by Forte in the Fuyang Project, Fosun Property and Shiner, a wholly-owned subsidiary of Forte, entered into the Equity Transfer Agreement dated 21 April 2009, whereby Shiner has agreed to acquire from Fosun Property the entire equity interest in the Fuyang Project Company for a consideration of approximately RMB150.21 million (equivalent to approximately HK\$170.48 million). In consideration of Shiner entering into the Equity Transfer Agreement, Fosun has agreed to guarantee the performance by Fosun Property of its obligations under the Equity Transfer Agreement.

Parties

(i) Fosun Property

(ii) Shiner

Consideration

Pursuant to the Equity Transfer Agreement, Shiner has agreed to acquire from Fosun Property the entire equity interest in the Fuyang Project Company for a consideration of approximately RMB150.21 million (equivalent to approximately HK\$170.48 million), which shall be fully settled in cash by internal resources within 180 days after the fulfilment of the conditions precedent as set out below.

The consideration has been arrived at after arm's length negotiations between the parties to the Equity Transfer Agreement with reference to (i) the appraised value of the Fuyang Land as of 28 February 2009 in the amount of RMB318 million (equivalent to approximately HK\$361 million) prepared by Jones Lang Lasall Sallmanns, the property valuer jointly engaged by the parties; (ii) the land premium and the related expenses in an aggregate amount of RMB323.22 million (equivalent to approximately HK\$366.84 million) for the acquisition of the Fuyang Land; and (iii) the net asset value of the Fuyang Project Company as of 31 March 2009 in the amount of approximately RMB150.21 million (equivalent to approximately HK\$170.48 million) as shown in the management account of the Fuyang Project Company for the 3 months ended 31 March 2009.

Conditions Precedent

The completion of the Fuyang Project Investment will be conditional upon the fulfilment of the following conditions precedent:

- (i) the Independent Shareholders of Forte in an extraordinary general meeting approving, among other matters, the Fuyang Project Investment under the Equity Transfer Agreement;
- (ii) the relevant PRC government authorities approving the Fuyang Project Investment under the Equity Transfer Agreement and the obtaining of a new Certificate of Approval for Establishment of Enterprises with Investment of Taiwan, Hong Kong, Macao and Overseas Chinese in the PRC in respect of the Fuyang Project Company under the Equity Transfer Agreement; and
- (iii) the registration by the relevant State Administration of Industry and Commerce in respect of the Fuyang Project Investment.

Completion

The completion of the Fuyang Project Investment will take place within 180 days after the fulfilment of the conditions precedent above.

Financial Information

As the Fuyang Project Company was incorporated on 29 July 2008, (i) the audited net profit before and after taxation and extraordinary items for two years ended 31 December 2007 and 2008, respectively; and (ii) the audited net asset value of the Fuyang Project Company as of 31 December 2007 and 2008, respectively, are not available as of the date of this announcement.

Reasons for the Equity Transfer Agreement

Forte is of the view that the Fuyang Project is a land development project in line with its group strategy and commercial criteria. The acquisition of the entire equity interest in the Fuyang Project Company under the Equity Transfer Agreement will enable Forte to increase its project developments in Hangzhou City of the Zhejiang Province in the PRC.

Hong Kong Listing Rules Implications

Fosun

As all of the applicable percentage ratios (as defined under Rule 14.04(9) of the Hong Kong Listing Rules) in relation to the Fuyang Project Investment are below 5%, the Fuyang Project Investment does not constitute a discloseable transaction of Fosun under Chapter 14 of the Hong Kong Listing Rules.

Forte

Fosun is the controlling shareholder of Forte and is therefore a connected person of Forte. The Fuyang Project Investment constitutes a connected transaction for Forte under the Hong Kong Listing Rules. As one or more of the applicable percentage ratios (as defined under Rule 14A.10 of the Hong Kong Listing Rules) in respect of the Fuyang Project Investment exceed 2.5%, the Fuyang Project Investment is subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Hong Kong Listing Rules and the independent shareholders' approval requirement under Rule 14A.48 of the Hong Kong Listing Rules. Save for Fosun and its associates, no shareholder of Forte nor its associates has a material interest in the Fuyang Project Investment, and therefore is required to abstain from voting under Rule 14A.54 of the Hong Kong Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14.04(9) of the Hong Kong Listing Rules) in relation to the Fuyang Project Investment exceed 5% but below 25%, the Fuyang Project Investment constitutes a discloseable transaction of Forte under Chapter 14 of the Hong Kong Listing Rules.

General

Fosun

The directors of Fosun (including the independent non-executive directors) are of the view that the terms of the Equity Transfer Agreement (i) have been negotiated on an arm's length basis; and (ii) are fair and reasonable and in the interests of its shareholders as a whole.

To the best of the knowledge, information and belief of the directors of Fosun having made all reasonable enquiries, there is no other transaction entered into between any member of the Fosun Group and Shiner and its ultimate beneficial owner(s) within a 12 month period from the date of this announcement or otherwise related, which would be, together with the transaction under the Equity Transfer Agreement, regarded as a series of transactions and treated as if they are one transaction under Rule 14.22 of the Hong Kong Listing Rules.

Forte

The directors of Forte (excluding the independent non-executive directors who will express their views after receiving advice from the independent financial adviser) are of the view that the terms of the Equity Transfer Agreement (i) have been negotiated on an arm's length basis; and (ii) are fair and reasonable and in the interests of its shareholders as a whole.

To the best of the knowledge, information and belief of the directors of Forte having made all reasonable enquiries, there is no other transaction entered into between any member of the Forte Group and Fosun Property and its ultimate beneficial owner(s) within a 12 month period from the date of this announcement or otherwise related, which would be, together with the transaction under the Equity Transfer Agreement, regarded as a series of transactions and treated as if they are one transaction under Rule 14.22 and/or Rule 14A.25 of the Hong Kong Listing Rules.

GENERAL INFORMATION OF THE PARTIES TO THE TRANSACTIONS

Fosun

The principal activities of the Group are: (i) pharmaceuticals; (ii) property development; (iii) steel; (iv) mining; and (v) retail, services and strategic investments.

Fosun Property

Fosun Property is a company incorporated under the laws of Hong Kong with limited liability and a wholly-owned subsidiary of Fosun. It is principally engaged in investment holding.

Forte

Forte is a 70.56% owned subsidiary of Fosun. It is principally engaged in the development and sale of high quality commercial and residential properties in the PRC.

Shiner

Shiner is a company incorporated under the laws of Hong Kong with limited liability and a wholly-owned subsidiary of Forte. It is principally engaged in investment holding.

Fuyang Project Company

Fuyang Project Company is a limited liability company incorporated under the laws of the PRC and a wholly-owned subsidiary of Fosun Property. It is principally engaged in the development and sale of the Fuyang Project.

GENERAL INFORMATION

Fosun

A circular containing, among other things, further details of the Non-competition Arrangements under the Amended and Restated Non-Competition Agreement and the termination of the 2003 Non-competition Agreement will be despatched to the shareholders of Fosun within 21 days after the publication of this announcement.

Forte

An Independent Board Committee has been formed to advise the Independent Shareholders of Forte on the Non-competition Arrangements and the Fuyang Project Investment and the Independent Board Committee has approved the appointment of Somerley Limited as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the Non-competition Arrangements and the Fuyang Project Investment in accordance with the Hong Kong Listing Rules.

A circular containing, among other things, further details of the Non-competition Arrangements and the Fuyang Project Investment, the letter from the Independent Board Committee and the recommendation from the independent financial adviser on the terms of the Non-competition Arrangements and the Fuyang Project Investment, together with a notice convening the EGM, will be despatched to the shareholders of Forte within 21 days after the publication of this announcement.

DEFINITIONS

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

“Amended and Restated Non-Competition Agreement”	a non-competition agreement dated 21 April 2009 and entered into between Fosun and Forte in relation to the Non-competition Arrangements and, upon taking effect, it will supersede the 2003 Non-competition Agreement
“Associates”	has the meanings ascribed thereto under the Hong Kong Listing Rules
“Call Option”	has the meanings ascribed thereto under the section headed “Amended and Restated Non-Competition Agreement — Major Terms” of this announcement
“Covenantors”	Mr. Guo, Fosun Technology, Guangxin Technology and Fosun Hi-Tech Group, being the covenantors under the 2003 Non-competition Agreement

“EGM”	an extraordinary general meeting of Forte to be convened to consider and approve the Non-competition Arrangements and the Fuyang Project Investment
“Equity Transfer Agreement”	an equity transfer agreement dated 21 April 2009 and entered into between Shiner and Fosun Property in relation to the acquisition of the entire equity interest in Fuyang Project Company by Shiner from Fosun Property
“Forte”	Shanghai Forte Land Co., Ltd. (復地(集團)股份有限公司), a sino-foreign joint stock company incorporated in the PRC with limited liability and whose H shares are listed and traded on the main board of the Hong Kong Stock Exchange
“Forte Core Business	the property or related business engaged by the Forte Group, including without limitation, property development, construction supervisory, sales planning and real estate agency and other ancillary property related services and any business which competes or is likely to compete with any business of the Forte Group
“Forte Group”	Forte and its subsidiaries
“Fosun”	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 Hong Kong Stock Exchange
“Fosun Group”	Fosun and its subsidiaries
“Fosun Hi-Tech Group”	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
“Fosun Holdings”	Fosun Holdings Limited, a company incorporated under the laws of Hong Kong with limited liability
“Fosun Property”	Fosun Property Holdings Limited (復星地產控股有限公司), a company incorporated under the laws of Hong Kong with limited liability
“Fosun Technology”	Shanghai Fosun High and New Technology Development Co., Ltd. (上海復星高新技術發展有限公司), a limited liability company incorporated under the laws of the PRC

“Fuyang Land”	two parcels of land of an aggregate area of approximately 93,674 square metres and an aggregate gross floor area of approximately 234,185 square metres located at Fuyang City under the Hangzhou City of Zhejiang Province, the PRC for residential and commercial uses
“Fuyang Project”	the land development project on the Fuyang Land
“Fuyang Project Company”	Fuyang Furun Real Estate Co., Ltd. (富陽復潤置業有限公司), a limited liability company incorporated under the laws of the PRC and the project company for the Fuyang Project
“Fuyang Project Investment”	the proposed investment in the Fuyang Project Company by Forte (via Shiner) by way of the acquisition of the entire equity interest in the Fuyang Project Company from Fosun Property under the Equity Transfer Agreement
“Guangxin Technology”	Shanghai Guangxin Science & Technology Development Co., Ltd. (上海廣信科技發展有限公司), a limited liability company incorporated under the laws of the PRC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	an independent board committee of the board of directors of Forte, comprising all of its the independent non-executive directors, namely, Mr. Charles Nicholas Brooke, Mr. Chen Yingjie, Mr. Zhang Hongming and Ms. Wang Meijuan
“Independent Shareholders”	Shareholders of Forte (other than Fosun and its associates) who are not required to abstain from voting on the resolutions to be proposed at the EGM to approve the Non-competition Arrangements and the Fuyang Project Investment under the Hong Kong Listing Rules

“Mr. Guo”	Mr. Guo Guangchang, the Chairman and an executive director of Fosun and the Chairman and an executive director of Forte
“Non-competition Arrangements”	the non-competition arrangements between Fosun and Forte in relation to the Forte Core Business as set out under the Amended and Restated Non-Competition Agreement
“PRC”	the People’s Republic of China, which for the purposes of this announcement only (unless otherwise indicated) excludes Hong Kong, Macau and Taiwan
“Shiner”	Shiner Way Limited, a company incorporated under the laws of Hong Kong with limited liability
“2003 Non-competition Agreement”	a non-competition undertaking agreement dated 10 February 2003 and entered into between Forte and the Covenantors in relation to certain non-competition undertakings given by the Covenantors in favour of Forte

By Order of the Board
FOSUN INTERNATIONAL LIMITED
GUO GUANGCHANG
Chairman

By Order of the Board
SHANGHAI FORTE LAND CO., LTD.
GUO GUANGCHANG
Chairman

21 April 2009, Shanghai, the PRC

As at the date of this announcement, the executive directors of Fosun are Mr. Guo Guangchang, Mr. Liang Xinjun, Mr. Wang Qunbin, Mr. Fan Wei, Mr. Ding Guoqi, Mr. Qin Xuetang and Mr. Wu Ping; the non-executive director is Mr. Liu Benren; and the independent non-executive directors are Dr. Chen Kaixian, Mr. Zhang Shengman and Mr. Andrew Y. Yan.

As at the date of this announcement, the executive directors of Forte are Mr. Guo Guangchang, Mr. Fan Wei and Mr. Wang Zhe; the non-executive directors are Mr. Feng Xiekun and Mr. Chen Qiyu; and the independent non-executive directors are Mr. Charles Nicholas Brooke, Mr. Chen Yingjie, Mr. Zhang Hongming and Ms. Wang Meijuan.

** For identification purpose only*