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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

DOMESTIC SHARE ISSUE

CONNECTED TRANSACTION

**Independent Financial Adviser to the Independent Board Committee and
Independent Shareholders of Forte**



DOMESTIC SHARE ISSUE

Fosun High Technology, a subsidiary of Fosun, and Forte entered into the Capital Injection Agreement on 28 June 2010, pursuant to which, Fosun High Technology has agreed to subscribe for 389,950,000 new Domestic Shares, at the Subscription Price of RMB1.85 (equivalent to approximately HK\$2.12) per Domestic Share with an aggregate subscription price of RMB721,407,500 (equivalent to approximately HK\$826,487,066), (subject to adjustment).

As all of the applicable percentage ratios (as defined under Rule14.04(9) of the Hong Kong Listing Rules) in relation to the Domestic Share Issue are below 5%, the Domestic Share Issue does not constitute a discloseable transaction of Fosun under Chapter 14 of the Hong Kong Listing Rules.

Fosun High Technology is a controlling shareholder of Forte and is therefore a connected person of Forte. The Domestic Share Issue constitutes a connected transaction of Forte under Chapter 14A of the Hong Kong Listing Rules. As one or more of the applicable percentage ratios (as defined under Rule14A.10(10) of the Hong Kong Listing Rules) in relation to the Domestic Share Issue exceed 5%, the Domestic Share Issue is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

EXTRAORDINARY GENERAL MEETING AND CLASS MEETINGS

In accordance with the articles of association of Forte and the Hong Kong Listing Rules, the Domestic Share Issue is subject to the approval of the independent shareholders of Forte by way of special resolutions and by poll at an extraordinary general meeting and separate class meetings of holders of Domestic Shares and holders of H Shares, respectively. Fosun High Technology, Fosun and their respective Associates will abstain from voting at the above extraordinary general meeting and class meetings.

GENERAL INFORMATION

An independent board committee comprising all of the independent non-executive directors has been formed by Forte to advise the independent shareholders of Forte on the Domestic Share Issue. 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 of Forte on the Domestic Share Issue in accordance with the Hong Kong Listing Rules.

A circular containing further details of, among other things, the Domestic Share Issue, the letter from the independent board committee and the recommendation from the independent financial adviser on the Domestic Share Issue, together with notices convening the extraordinary general meeting and class meetings, will be despatched to the shareholders of Forte on or before Tuesday, 20 July 2010, being within 15 Business Days after the date of this announcement.

INTRODUCTION

Fosun High Technology, a subsidiary of Fosun, and Forte entered into the Capital Injection Agreement on 28 June 2010, pursuant to which, Fosun High Technology has agreed to subscribe for 389,950,000 new Domestic Shares, at the Subscription Price of RMB1.85 (equivalent to approximately HK\$2.12) per Domestic Share with an aggregate subscription price of RMB721,407,500 (equivalent to approximately HK\$826,487,066), (subject to adjustment).

CAPITAL INJECTION AGREEMENT

Date

28 June 2010

Parties

- (i) Forte, as the issuer
- (ii) Fosun High Technology, as the subscriber

Domestic Share Issue

Issuer:	Forte
Type of Security:	Domestic Shares
Subscription Price (subject to adjustment):	RMB1.85 (equivalent to approximately HK\$2.12), which is equal to the closing price of the H Shares on the trading day immediately prior to the date of this announcement or the average closing price of the H Shares for the five trading days prior to the date of this announcement, whichever is higher.
Number of Domestic Shares:	<p>Fosun High Technology has agreed to subscribe for 389,950,000 new Domestic Shares, representing approximately 13.36% of the enlarged issued share capital of Forte.</p> <p>Immediately after completion of the Domestic Share Issue, Fosun High Technology will hold in aggregate of 1,848,913,765 Domestic Shares, representing approximately 63.34% of the enlarged issued share capital of Forte.</p>
Subscriber:	Fosun High Technology
Lock-up Period:	Domestic Shares to be issued to Fosun High Technology by Forte will be subject to a lock-up of 12-month period from the date of the completion of the registration at the relevant industry and commerce bureau in respect of the Domestic Share Issue.

Payment Terms

The aggregate subscription price shall be settled by Fosun High Technology in the following manner:

- (i) 30% shall be paid within three Business Days after the date of the Capital Injection Agreement;
- (ii) 50% shall be paid within three Business Days upon the approval by the independent shareholders of Forte at the extraordinary general meeting and the class meetings; and
- (iii) the remaining 20% shall be paid within three Business Days after the the Capital Injection Agreement taking effect and before making the application for registration at the relevant industry and commerce bureau.

Subscription Price Adjustment

In the event that the closing price of the H Shares on the trading day immediately prior to the Price Adjustment Date or the average closing price of the H Shares for the five trading days

prior to the Price Adjustment Date (whichever is the higher) (the “Adjusted Subscription Price”) shall be more than or equal to 105% or less than or equal to 95% of the Subscription Price of RMB1.85 (equivalent to approximately HK\$2.12) per Domestic Share, the Subscription Price shall be adjusted and fixed at the Adjusted Subscription Price and the aggregate subscription price shall be calculated by reference to 389,950,000 new Domestic Shares and the Adjusted Subscription Price.

In the event that the Adjusted Subscription Price shall be more than 95% and less than 105% of the Subscription Price of RMB1.85 (equivalent to approximately HK\$2.12) per Domestic Share, the Subscription Price will not be adjusted and shall remain as RMB1.85 (equivalent to approximately HK\$2.12) per Domestic Share.

In the event that the Adjusted Subscription Price shall be less than HK\$1.8 per share, the Domestic Share Issue will not proceed and the Capital Injection Agreement will be terminated automatically.

Conditions Precedent

The Capital Injection Agreement shall take effect upon, among other matters, the fulfilment of the following conditions precedent:

- (i) the approval by the independent shareholders of Forte by way of special resolutions and by poll at an extraordinary general meeting and separate class meetings of holders of Domestic Shares and holders of H Shares, respectively; and
- (ii) the approval by the relevant competent commercial management authorities.

In the event that the Capital Injection Agreement does not take effect within 360 days after the date of the agreement, Forte shall refund all the payment made by Fosun High Technology together with interest at the prevailing deposit rate for the relevant period.

Reasons for the Domestic Share Issue

Fosun and Forte are of the view that the Domestic Share Issue will provide additional funding to Forte Group, which will be able to (i) further improve the capital structure and cashflow position of Forte Group; and (ii) further increase the market share of Forte Group in the real estate industry and the overall profitability of Forte Group.

Upon completion of the Domestic Share Issue, the equity interest in Forte held by Fosun Group will increase from approximately 70.56% to approximately 74.49% and the equity in Forte attributable to Fosun Group will increase accordingly.

Effects on the Shareholding Structure of Forte

The new Domestic Shares to be issued pursuant to the Capital Injection Agreement, when issued, will rank pari passu in all respects with the Domestic Shares then in issue.

The effects of the Domestic Share Issue on the shareholding structure of Forte are shown as follows:

	Shareholding as at the date of this announcement		Shareholding upon completion of the Domestic Share Issue	
	Number of Shares	Percentage (%)	Number of Shares	Percentage (%)
<i>Domestic Shares</i>				
Fosun High Technology	1,458,963,765	57.68%	1,848,913,765	63.34%
Other Shareholders	14,804,300	0.59%	14,804,300	0.50%
<i>H Shares</i>				
Fosun	325,710,000	12.88%	325,710,000	11.16%
Other Shareholders	<u>729,828,122</u>	<u>28.85%</u>	<u>729,828,122</u>	<u>25.00%</u>
Total:	<u>2,529,306,187</u>	<u>100.00%</u>	<u>2,919,256,187</u>	<u>100.00%</u>

Upon completion of the Domestic Share Issue, Fosun Group will hold approximately 74.49% of the total issued share capital of Forte and H Shares representing not less than 25% of the total issued share capital of Forte will be in the hands of the public.

Use of Proceeds

The gross proceeds of the Domestic Share Issue will be approximately RMB721,407,500 (equivalent to approximately HK\$826,487,066). After deduction of relevant expenses for the Domestic Share Issue, the net proceeds are intended to be used for the repayment of loans by Forte.

Hong Kong Listing Rules Implications

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

Fosun High Technology is a controlling shareholder of Forte and is therefore a connected person of Forte. The Domestic Share Issue constitutes a connected transaction of Forte under Chapter 14A of the Hong Kong Listing Rules. As one or more of the applicable percentage ratios (as defined under Rule 14A.10(10) of the Hong Kong Listing Rules) in relation to the Domestic Share Issue exceed 5%, the Domestic Share Issue is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A 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 Domestic Share Issue and the Capital Injection Agreement (i) have been negotiated on an arm's length basis; and (ii) are on normal commercial terms and 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 Forte and its ultimate beneficial owner(s) within a 12-month period prior to the date of this announcement or otherwise related, which would be, together with the transaction under the Capital Injection 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 Domestic Share Issue and the Capital Injection Agreement (i) have been negotiated on an arm's length basis; and (ii) are on normal commercial terms and 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 High Technology and its ultimate beneficial owner(s) within a 12-month period prior to the date of this announcement or otherwise related, which would be, together with the transaction under the Capital Injection 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.

INFORMATION OF THE PARTIES

Fosun

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

Forte

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

Fosun High Technology

Fosun High Technology is a wholly-owned subsidiary of Fosun. The principal activity of Fosun High Technology is investment holding.

EXTRAORDINARY GENERAL MEETING AND CLASS MEETINGS

In accordance with the articles of association of Forte and the Hong Kong Listing Rules, the Domestic Share Issue is subject to the approval of the independent shareholders of Forte by way of special resolutions and by poll at an extraordinary general meeting and separate class meetings of holders of Domestic Shares and holders of H Shares, respectively. Fosun High Technology, Fosun and their respective Associates will abstain from voting at the above extraordinary general meeting and class meetings.

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An independent board committee comprising all of the independent non-executive directors has been formed by Forte to advise the independent shareholders of Forte on the Domestic Share Issue. 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 of Forte on the Domestic Share Issue in accordance with the Hong Kong Listing Rules.

A circular containing further details of, among other things, the Domestic Share Issue, the letter from the independent board committee and the recommendation from the independent financial adviser on the Domestic Share Issue, together with notices of convening the extraordinary general meeting and class meetings, will be despatched to the shareholders of Forte on or before Tuesday, 20 July 2010, being within 15 Business Days after the date of this announcement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Associate”	has the same meaning ascribed thereto under the Hong Kong Listing Rules
“Business Day”	a day (excluding Saturdays and Sundays) on which commercial banks generally are open in the PRC and Hong Kong for the transaction of normal banking business
“Capital Injection Agreement”	a capital injection agreement dated 28 June 2010 and entered into between Fosun High Technology and Forte, pursuant to which, Fosun High Technology has agreed to subscribe for 389,950,000 new Domestic Shares at the Subscription Price of RMB1.85 (equivalent to approximately HK\$2.12) per Domestic Share

“Domestic Share(s)”	ordinary share(s) of par value of RMB0.20 each in the share capital of Forte
“Domestic Share Issue”	issue of new Domestic Shares contemplated under the Capital Injection Agreement
“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 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 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
“H Share(s)”	ordinary share(s) of RMB0.20 each in the issued share capital of Forte which are listed and traded on the main board of the Hong Kong Stock Exchange
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“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
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Price Adjustment Date”	the 21st day prior to the extraordinary general meeting of Forte for approving the Domestic Share Issue
“RMB”	Renminbi, the lawful currency of the PRC

“Subscription Price” the subscription price of each Domestic Share under the Domestic Share Issue

“%” per cent.

By Order of the Board
FOSUN INTERNATIONAL LIMITED
GUO GUANGCHANG
Chairman

By Order of the Board
SHANGHAI FORTE LAND CO., LTD.
FAN WEI
Chairman

Shanghai, the PRC, 28 June 2010

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 Xuetao 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. Fan Wei, Mr. Zhang Hua and Mr. Wang Zhe; the non-executive directors are Mr. Guo Guangchang, 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.

Unless otherwise stated, amount in RMB has been translated into HK\$ at exchange rate of HK\$1.00 to RMB0.87286 for illustration purposes only. No representation is made that any amount in RMB or HK\$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.