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FOSUN 复星

FOSUN INTERNATIONAL LIMITED

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

(Stock Code: 00656)

**CONNECTED TRANSACTION
IN RELATION TO
TRANSFER OF FORTE SHARES**

The Board announces that on 5 June 2009, Fosun Group, a wholly owned subsidiary of the Company, and Fosun Pharma Development, a wholly owned subsidiary of Fosun Pharma, entered into the Share Transfer Agreement, pursuant to which Fosun Pharma Development has agreed to transfer 25,300,000 Forte Shares to Fosun Group, representing approximately 1.72% of the total issued domestic shares of Forte and approximately 1% of the total issued shares of Forte, respectively, at a consideration of RMB52,877,000 (equivalent to approximately HK\$59,982,531).

Fosun Pharma Development is a substantial shareholder of Forte, a subsidiary of the Company, and is therefore a connected person of the Company as defined under the Listing Rules. The transaction under the Share Transfer Agreement hence constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As one or more of the percentage ratios exceed 0.1% but less than 2.5%, the transaction contemplated under the Share Transfer Agreement is only subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules and is exempt from the independent shareholders' approval requirement under Rule 14A.48(2) of the Listing Rules.

INTRODUCTION

The Board announces that on 5 June 2009, Fosun Group, a wholly owned subsidiary of the Company, and Fosun Pharma Development, a wholly owned subsidiary of Fosun Pharma, entered into the Share Transfer Agreement, pursuant to which Fosun Pharma Development has agreed to transfer 25,300,000 Forte Shares to Fosun Group, representing approximately

1.72% of the total issued domestic shares of Forte and approximately 1% of the total issued shares of Forte, respectively, at a consideration of RMB52,877,000 (equivalent to approximately HK\$59,982,531).

SHARE TRANSFER AGREEMENT

Date:

5 June 2009

Parties:

- (i) Fosun Group, as the purchaser
- (ii) Fosun Pharma Development, as the vendor

Consideration:

Pursuant to the Share Transfer Agreement, Fosun Pharma Development has agreed to transfer 25,300,000 Forte Shares to Fosun Group, representing approximately 1.72% of the total issued domestic shares of Forte and approximately 1% of the total issued shares of Forte, respectively, at a consideration of RMB52,877,000 (equivalent to approximately HK\$59,982,531), which shall be fully settled in cash in the following manner:

- (i) RMB21,150,800 (equivalent to approximately HK\$23,993,012), being 40% of the consideration, will be paid within 30 business days after the Share Transfer Agreement taking effect upon signing by the parties and approval by the relevant government authorities; and
- (ii) RMB31,726,200 (equivalent to approximately HK\$35,989,518), being 60% of the consideration, will be paid within 30 business days after the completion of the transfer contemplated under the Share Transfer Agreement taking place upon due completion of the approval and registration procedures by the relevant government authorities in respect of the transfer.

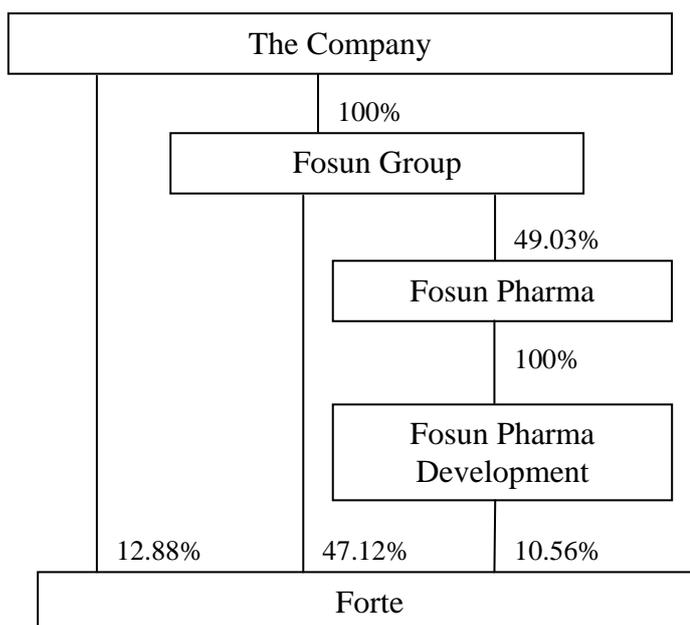
The consideration has been arrived at after arm's length negotiations between the parties to the Share Transfer Agreement with reference to the audited net asset attributable to equity holders of Forte prepared in accordance with PRC General Accepted Accounting Principles

in the amount of RMB5,185,000,000 (equivalent to approximately HK\$5,881,752,388) as at 31 December 2008.

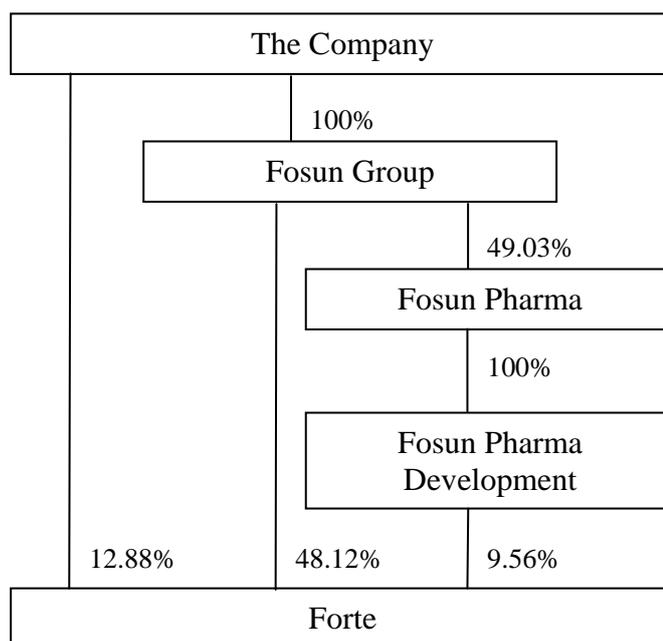
Conditions precedent:

The completion of the Share Transfer Agreement is subject to the approval of and the registration at the relevant government authorities.

Before the completion of the Share Transfer Agreement



After the completion of the Share Transfer Agreement



Upon completion of the transfer of 25,300,000 Forte Shares, (i) Fosun Group will hold 1,217,046,150 Forte Shares, representing approximately 82.58% of the total issued domestic shares of Forte and approximately 48.12% of the total issued shares of Forte, respectively; (ii) Fosun Pharma Development will hold 241,917,615 Forte Shares, representing approximately 16.41% of the total issued domestic shares of Forte and approximately 9.56% of the total issued shares of Forte, respectively; and (iii) Fosun Pharma Development will cease to be a substantial shareholder of Forte and a connected person of the Company.

Based on the audited accounts of Forte for the financial year ended 31 December 2008 prepared in accordance with the International Financial Reporting Standards, the book value of net asset attributable to equity holders of Forte was RMB5,284,587,000 (equivalent to approximately HK\$5,994,721,737) as of 31 December 2008.

The following table shows the audited financial information prepared in accordance with International Financial Reporting Standards of Forte for the two financial years ended 31 December 2007 and 31 December 2008, respectively:-

	For the financial year ended 31 December	
	2007	2008
	RMB	RMB
Net profit before taxation and extraordinary items	1,312,469,000	887,078,000
Net profit after taxation and extraordinary items	760,982,000	241,606,000

FINANCIAL EFFECTS OF THE SHARE TRANSFER

The proceeds from the transaction under the Share Transfer Agreement in the amount of RMB52,877,000 (equivalent to approximately HK\$59,982,531) will be applied towards general working capital of Fosun Pharma Development.

Fosun Pharma Development acquired its 10.56% shareholding interest in Forte by way of contribution to its registered capital upon its establishment on 13 August 1998 for the amount of approximately RMB39,516,355 (equivalent to approximately HK\$44,826,502).

There will be no gain or loss from the transaction under the Share Transfer Agreement and no effect on the assets and liabilities of the Group.

Upon completion of the transaction under the Share Transfer Agreement, the Group will still, directly and indirectly, hold approximately 70.56% of the issued share capital of Forte, and accordingly, Forte will continue to be a subsidiary of the Group.

REASONS FOR AND BENEFITS OF THE SHARE TRANSFER AGREEMENT

Fosun Pharma Development is currently a connected person of the Company for the purpose of the Listing Rules by virtue of being a substantial shareholder of Forte, a subsidiary of the Company. Upon completion of the transfer of 25,300,000 Forte Shares, Fosun Pharma Development will cease to be a substantial shareholder of Forte and a connected person of the Company.

The Company is of the view that, the transfer will (i) relieve the disclosure obligations under the Listing Rules in relation to transactions between any of Fosun Pharma, Fosun Pharma Development and their respective Associates on the one hand and any member of the Group on the other hand; (ii) reduce the costs of complying with such disclosure requirements; and (iii) enhance the operation efficiency of the Group.

The Directors (including the independent non-executive Directors) consider that the terms of the Share Transfer Agreement have been negotiated on an arm's length basis and on normal commercial terms and the terms thereof are fair and reasonable and are in the best interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Fosun Pharma Development is a substantial shareholder of Forte, a subsidiary of the Company, and is therefore a connected person of the Company as defined under the Listing Rules. The transaction under the Share Transfer Agreement hence constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As one or more of the percentage ratios exceed 0.1% but less than 2.5%, the transaction contemplated under the Share Transfer Agreement is only subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules and is exempt from the independent shareholders' approval requirement under Rule 14A.48(2) of the Listing Rules.

The Company confirms that there is no other transaction entered into between any member of the Group and Fosun Pharma Development or its Associates within a 12-month period prior to the date of this announcement or otherwise related, which would be, together with

the transaction under the Share Transfer Agreement, regarded as a series of transactions and treated as if they are one transaction under Rule 14A.25 of the Listing Rules.

GENERAL

The Company

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

Fosun Group

Fosun Group is a wholly owned subsidiary of the Company. The principal activity of Fosun Group is investment holding.

Fosun Pharma Development

Fosun Pharma Development is a wholly owned subsidiary of Fosun Pharma, a subsidiary of the Company. The principal activity of Fosun Pharma Development is investment holding.

Forte

Forte is a subsidiary of the Company. Forte is principally engaged in the development and sale of high quality commercial and residential properties in the PRC.

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 Listing Rules
“Board”	the board of Directors
“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
“Director(s)”	the director(s) of the Company

“Forte”	Shanghai Forte Land Co., Ltd. (復地 (集團) 股份有限公司), a sino-foreign joint stock company incorporated under the laws of the PRC with limited liability and whose H shares are listed and traded on the main board of the Stock Exchange (Stock Code: 02337)
“Forte Shares”	existing domestic shares of par value of RMB0.2 each in the share capital of Forte
“Fosun 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 Pharma”	Shanghai Fosun Pharmaceuticals (Group) Company Limited (上海復星醫藥 (集團) 股份有限公司), a joint stock company incorporated under the laws of the PRC with limited liability and whose shares are listed and traded on the Shanghai Stock Exchange (Stock Code: 600196)
“Fosun Pharma Development”	Shanghai Fosun Pharmaceutical Development Company Limited (上海復星醫藥產業發展有限公司), a limited liability company incorporated under the laws of the PRC
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	the shareholders of the Company

“Share Transfer Agreement” a share transfer agreement dated 5 June 2009 and entered into between Fosun Group and Fosun Pharma Development, pursuant to which Fosun Pharma Development has agreed to transfer 25,300,000 Forte Shares to Fosun Group, representing approximately 1.72% of the total issued domestic shares of Forte and approximately 1% of the total issued shares of Forte, respectively, at a consideration of RMB52,877,000 (equivalent to approximately HK\$59,982,531)

“Stock Exchange” The Stock Exchange of Hong Kong Limited

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

Shanghai, the PRC, 5 June 2009

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; the non-executive director of the Company is Mr. Liu Benren; and the independent non-executive directors of the Company are Dr. Chen Kaixian, Mr. Zhang Shengman and Mr. Andrew Y. Yan.

Unless otherwise stated, amount in RMB has been translated into HK\$ at exchange rate of HK\$1.00 to RMB0.88154 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.