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FOSUN 复星

FOSUN INTERNATIONAL LIMITED

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

(Stock Code: 00656)

**PROGRESS UPDATE OF THE MAJOR TRANSACTION
IN RELATION TO INVESTMENT IN
TIANJIN IRON & STEEL CO., LTD.**

Reference is made to the announcement of Fosun International Limited (the “**Company**”) dated 12 June 2008 in respect of the JV Contract (the “**Announcement**”) and the announcements of the Company dated 3 July 2008, 29 August 2008, 24 November 2008 and 30 March 2009, respectively, in respect of the delay in despatch of the Circular (the “**Delay in Despatch Announcements**”). Capitalized terms used in this announcement shall have the same meaning as those defined in the Announcement and the Delay in Despatch Announcements, unless the context requires otherwise.

Given the change of the circumstances since the date of entering into the JV Contract and the intention of the JV Parties to continue to cooperate with each other, the JV Parties entered into a memorandum of understanding on 3 June 2009 (the “**Memorandum**”). Pursuant to the Memorandum, (i) the JV Parties acknowledged that the JV Contract has not been fully performed in accordance with the terms therein as at the date of the Memorandum; (ii) before reaching consensus among the JV Parties, the JV Parties agreed that the performance of the JV Contract will be suspended until a mutually agreeable solution has been reached; and (iii) each of the JV Parties agreed not to pursue its right under the JV Contract to take any legal action against each other on the non-performance of the JV Contract. The Company will make further announcements in relation to any further developments in relation to the transaction.

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

Shanghai, the PRC, 9 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 Xuetang 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.