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FOSUN 复星
復星國際有限公司
FOSUN INTERNATIONAL LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 00656)

MAJOR TRANSACTION

ACQUISITION OF PHOENIX HOLDINGS

THE SHARE PURCHASE AGREEMENT

The Board is pleased to announce that the Purchaser (an indirect wholly-owned subsidiary of the Company) and the Seller entered into the Share Purchase Agreement on 21 June 2015 (Israel time), pursuant to which the Purchaser has agreed to acquire 130,623,262 ordinary shares of Phoenix Holdings, representing 52.31% of the issued and outstanding share capital of Phoenix Holdings. Subject to certain agreed adjustments, the Purchase Price for the Target Shares shall be NIS1,763,204,090 (approximately USD461,571,751), together with interest accrued on such amount at 4.75% per annum for the period from 30 September 2014 to the Closing Date. As a result, the maximum amount of consideration payable is expected to be not more than approximately NIS1,868,066,426 (approximately USD489,022,625).

The Acquisition is subject to customary closing conditions, including receipt of certain regulatory approvals in Israel. The Share Purchase Agreement may be terminated by either party if conditions to Closing are not met by 5 months from the date of the Share Purchase Agreement.

LISTING RULES IMPLICATIONS

As more than one of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Acquisition exceed 25% and are less than 100%, the Acquisition constitutes a major transaction for the Company and is subject to notification, announcement and Shareholders' approval requirements under the Listing Rules.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholder or any of their respective associates have any material interest in the Share Purchase Agreement and the Acquisition, thus no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Share Purchase Agreement and the Acquisition. The Company has obtained a written shareholder approval from Fosun Holdings Limited, the controlling Shareholder holding approximately 71.37% of the total issued shares of the Company as at the date of this announcement, in lieu of holding a general meeting to approve the Share Purchase Agreement and the Acquisition in accordance with Rule 14.44 of the Listing Rules.

GENERAL

A circular containing, among other things, further information relating to the Share Purchase Agreement and the Acquisition will be dispatched to the Shareholders on or before 31 October 2015, so as to allow sufficient time for the Company to prepare, among other things, the accountants' report and the indebtedness statement for inclusion in the circular.

INTRODUCTION

The Purchaser (an indirect wholly-owned subsidiary of the Company) and the Seller entered into the Share Purchase Agreement on 21 June 2015 (Israel time), pursuant to which the Purchaser has agreed to acquire 130,623,262 ordinary shares of Phoenix Holdings, representing 52.31% of the issued and outstanding share capital of Phoenix Holdings. The details of the Share Purchase Agreement are as follows:

THE SHARE PURCHASE AGREEMENT

Date: 21 June 2015 (Israel time)

Parties: (1) PI Emerald II (UK) Limited, an indirect wholly-owned subsidiary of the Company, as the Purchaser;

(2) Delek Group Ltd., as the Seller.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Seller is a third party independent of the Company and connected persons of the Company, and is not connected persons of the Company.

Target Shares to be Acquired 130,623,262 ordinary shares of Phoenix Holdings, representing 52.31% of the issued and outstanding share capital of Phoenix Holdings, shall be purchased free and clear from all Encumbrances.

Purchase Price and Payment Terms: The Purchase Price for the Target Shares shall be NIS1,763,204,090 (approximately USD461,571,751), together with interest accrued on such an amount at 4.75% per annum for the period from 30 September 2014 to the Closing Date, subject to certain agreed adjustments in accordance with the terms of the Share Purchase Agreement. As a result, the maximum amount of consideration payable is expected to be not more than approximately NIS1,868,066,426 (approximately USD489,022,625).

The Purchase Price for the Acquisition was determined through arm's length negotiations among the parties to the Share Purchase Agreement by reference to, among other matters:

- (i) the value of the assets and business of Phoenix Holdings; and
- (ii) the factors set out in the section headed "Reasons for and Benefits of the Acquisition".

The Purchase Price shall be satisfied by the Company's own funds or a combination of the Company's own funds and external financing.

The audited net profits (both before and after taxation) attributable to shareholders of Phoenix Holdings for the two fiscal years immediately preceding the Acquisition are as follows:

	For the year ended 31 December	
	2014	2013
	(audited)	(audited)
	<i>approximately</i>	<i>approximately</i>
	<i>NIS million</i>	<i>NIS million</i>
Net profit before tax	782.86	1,178.09
Net profit after tax	531.19	760.13

The audited total assets and net assets of Phoenix Holdings was approximately NIS101,336.65 million (approximately USD26.53 billion) and NIS3,929.14 million (approximately USD1.03 billion), respectively, as at 31 December 2014.

Conditions to Closing: The obligations of the Purchaser to consummate the Acquisition are subject to the satisfaction (or waiver) as of the Closing of the conditions contemplated by the Share Purchase Agreement, which include, inter alia, the following:

1. Required regulatory approvals from Israeli insurance regulator, securities regulator, Tel Aviv Stock Exchange, amongst others, have been obtained;
2. Required third party consents in connection with the change of control in Phoenix Holdings have been obtained;
3. The pledges over certain Target Shares to Bank Hapoalim and Bank Mizrachi-Tefahot have been duly removed; and
4. There shall not have been any Material Adverse Effect between signing and closing.

The obligations of the Seller to consummate the Acquisition are subject to the satisfaction (or waiver) as of the Closing of certain conditions contemplated by the Share Purchase Agreement, which include, inter alia, the Purchaser has received required regulatory approvals.

Termination by the Purchaser The Purchaser may terminate the Share Purchase Agreement for customary reasons and also has an option to terminate the Share Purchase Agreement if certain labor matters involving Phoenix Holdings and its subsidiaries are not resolved prior to the Closing. If the Purchaser exercises its option to terminate the Share Purchase Agreement under these circumstances, the Seller would be obligated to pay the Purchaser a break up fee of NIS12,000,000 (USD3,141,361).

Closing: The closing of the Acquisition contemplated by the Share Purchase Agreement shall take place on the twelfth (12th) Business Day following the satisfaction or waiver by the Purchaser or the Seller, as applicable, of the last condition set forth in the Share Purchase Agreement or on such other date as may be mutually agreeable to the Purchaser and the Seller. The Share Purchase Agreement may be terminated by either the Purchaser

or the Seller if the Closing is not consummated on or prior to 5 months from date of the Share Purchase Agreement.

**Seller
Indemnities
and
Undertakings** The Share Purchase Agreement contains representations, warranties and covenants for a transaction of this nature and scale, and Seller shall indemnify the Purchaser for any breach of representations, warranties and covenants, for a period of 15 months post-Closing for general claims, and longer period in relation to certain claims, such as tax indemnity, certain identified litigations, or investigations by or disputes with regulators, based on the relevant statute of limitations or the estimated reasonable time for resolution of the relevant litigation or dispute (ranging from 5 to 7 years).

The Seller also undertakes not to compete with Phoenix Holdings in relation to its Main Business for a period of 4 years post-Closing, and not to solicit its employees for a period of 4 years post-Closing.

**Parent
Guarantee** The Company provides an irrevocable and unconditional parent guarantee to guarantee the full performance and payment by the Purchaser of each of its covenants, obligations and undertakings under the Share Purchase Agreement.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Phoenix Holdings will become a subsidiary of the Company upon completion and remain principally engaging in insurance and asset management business in Israel, which is a core business, a key growth engine and a strategic priority for the Group. The Group regards the development of the insurance and asset management business as an attractive way to connect the Group's investment capability to high-quality long-term capital. The Acquisition is another milestone in the Group's path towards internationalization, will further expand the Group's insurance and asset management business, and will strengthen the Group's capability to access high-quality long term capital.

In particular, the Company believes the following benefits can be achieved:

1. the audited total assets of Phoenix Holdings as of 31 December 2014 amounted to approximately NIS101.34 billion (approximately USD26.53 billion). Its assets under management as of 31 December 2014 amounted to approximately NIS160 billion

(approximately USD41.88 billion). The Company plans to apply its investment capabilities to enhance the return on these assets;

2. the Acquisition will further optimize the Group's capital structure and lower its cost of funding on a consolidated level; and
3. synergies could be achieved between other insurance and reinsurance businesses of the Group and the Phoenix Holdings.

The Directors (including the independent non-executive Directors) are of the view that the Acquisition is in the ordinary and usual course of business of the Group, and that the terms of the Share Purchase Agreement are on normal commercial terms, fair and reasonable and in the interest of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As more than one of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Acquisition exceed 25% and are less than 100%, the Acquisition constitutes a major transaction for the Company and is subject to notification, announcement and Shareholders' approval requirements under the Listing Rules.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholder or any of their respective associates have any material interest in the Share Purchase Agreement and the Acquisition, thus no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Share Purchase Agreement and the Acquisition. The Company has obtained a written shareholder approval from Fosun Holdings Limited, the controlling Shareholder holding approximately 71.37% of the total issued shares of the Company as at the date of this announcement, in lieu of holding a general meeting to approve the Share Purchase Agreement and the Acquisition in accordance with Rule 14.44 of the Listing Rules.

GENERAL

A circular containing, among other things, further information relating to the Share Purchase Agreement and the Acquisition will be dispatched to the Shareholders on or before 31 October 2015, so as to allow sufficient time for the Company to prepare, among other things, the accountants' report and the indebtedness statement for inclusion in the circular.

GENERAL INFORMATION OF THE PARTIES

The Company

The principal businesses of the Company include integrated finance (insurance, investment, asset management and banking and other financial business) and industrial operations (health, happy lifestyle, steel, property development and sales and resources).

The Purchaser

PI Emerald II (UK) Limited, an indirect wholly-owned subsidiary of the Company, is principally engaged in investment holding.

The Seller

Delek Group Ltd. is a company organized under the laws of the State of Israel, listed on the Tel Aviv Stock Exchange (TASE ticker: DLEKG). It is Israel's dominant integrated energy company, and a pioneering leader of the natural gas exploration and production activities in the Eastern Mediterranean region. In addition, Delek Group Ltd. and its subsidiaries have a number of assets in downstream energy and water desalination.

Phoenix Holdings

Phoenix Holdings is a company organized under the laws of the State of Israel, listed on the Tel Aviv Stock Exchange (TASE ticker: PHOE). It integrates the operations of the following entities: (1) Phoenix Insurance Company Ltd., one of Israel's leading Insurance companies that provides life, non-life, health insurance and long-term savings, and (2) the Phoenix Investments and Finance Ltd., which manages its members' funds, Phoenix Insurance's portfolio, and holds 90% equity interest in Excellence Nessuah Investment House ("Excellence"), one of the largest securities houses in Israel. Phoenix Holdings has approximately NIS162 billion of assets (including those of Excellence) and is one of Israel's largest financial groups.

DEFINITIONS

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

"Acquisition"	the acquisition of Target Shares by the Company pursuant to the Share Purchase Agreement
"Board"	the board of Directors
"Business Day"	any day, other than a Saturday, Sunday, or any other date in which banks located in Israel, China, or Hong Kong are

	closed for regular banking business
“Closing”	the consummation of the transactions contemplated by the Share Purchase Agreement
“Closing Date”	a date that is 12 Business Days following satisfaction or waiver of the last condition to Closing, or a date that the Seller and the Purchaser mutually agree
“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 Hong Kong Stock Exchange
“Directors”	the directors of the Company
“Encumbrance”	any lien, pledge, hypothecation, charge, mortgage, security interest, encumbrance, claim or restriction of any nature, subject to certain exceptions as result of operation of applicable regulatory requirements and listing rules
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Main Business”	the existing business as conducted by Phoenix Holdings and its subsidiaries, which includes (1) insurance business, (2) marketing and management of investments for third parties, (3) mutual funds management, (4) underwriting and investment banking, (5) issue of structured products and financial products, (6) provision of stock exchange and trading services, (7) management of provident funds, (8) mortgage consulting services and sale of ancillary products, (9) credit card receivables financing, check receivables financing, trade receivables financing, monitoring and reconciliation services for credit card payments and credit advancements, (10) assisted living business, and (11) exporting agricultural products

“Material Adverse Effect”	any event, fact, circumstance, condition, change or effect that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on the operations, financial condition or results of operations of Phoenix Holdings and its subsidiaries taken as a whole, subject to certain exceptions
“NIS”	New Israeli Shekel, the lawful currency of the State of Israel
“Phoenix Holdings”	Phoenix Holdings Ltd., a company incorporated under the laws of the State of Israel
“Purchase Price”	the price payable by the Purchaser for the Target Shares, which is at a maximum amount of NIS1,868,066,426 (approximately USD489,022,625)
“Purchaser”	PI Emerald II (UK) Limited, a limited liability company incorporated under the laws of England and Wales and an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“Seller”	Delek Group Ltd., a company incorporated under the laws of the State of Israel
“Shareholder(s)”	holder(s) of the issued ordinary share(s) of the Company
“Share Purchase Agreement”	a share purchase agreement dated 21 June 2015 and entered into between the Purchaser and the Seller in relation to the sale and purchase of the Target Shares
“Target Shares”	130,623,262 ordinary shares of Phoenix Holdings issued at a par value of NIS1 per share
“USD”	United States dollar, the lawful currency of the United States of America

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

Shanghai, the PRC, 21 June 2015

As at the date of this announcement, the executive directors of the Company are Mr. Guo Guangchang, Mr. Liang Xinjun, Mr. Wang Qunbin, Mr. Ding Guoqi, Mr. Qin Xuetao and Mr. Wu Ping; the non-executive director is Mr. Fan Wei; and the independent non-executive directors are Mr. Zhang Shengman, Mr. Zhang Huaqiao, Mr. David T. Zhang and Mr. Yang Chao.