

Fosun Newsletter

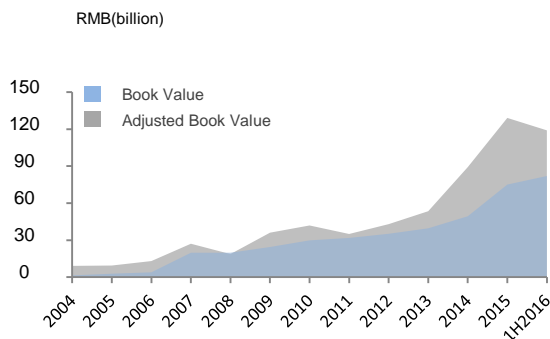
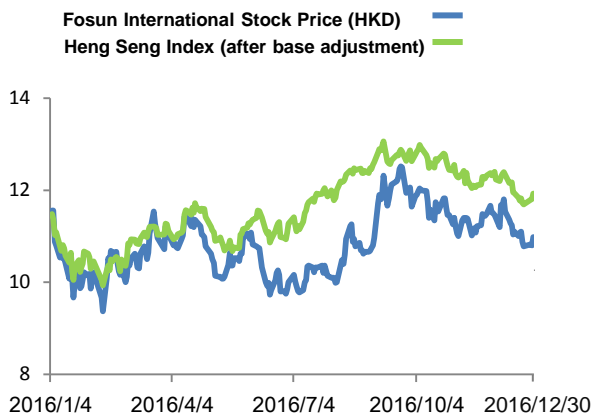
December 2016



Highlight

Stock Information (As at 30 December 2016)

Stock Price.....	HKD 10.98
52-week range.....	HKD 9.37-12.52
Total shares (mn shares).....	8,603.28
Market Value (HKD bn).....	94.77



Fosun Announces Sale of Ironshore Inc. to Liberty Mutual Group

On 5 December 2016, Fosun announced it has signed an agreement to sell its subsidiary Ironshore Inc. to Liberty Mutual Group. According to the agreement, Liberty Mutual Group will acquire a 100% ownership interest in Ironshore. The purchase price will equate to 1.45x Ironshore's actual tangible book value as of 31 December 2016, and is estimated to be approximately \$3 billion.

Chairman Guo Guangchang said "This is an excellent outcome for all three companies. Fosun has always been confident in the development of Ironshore. In the past, we have successfully helped Ironshore better understand the Asian market, and further expand business into Mainland China and Hong Kong, as well as introduce more clients through our portfolio companies. As a global investment group, it is important for Fosun to have the capability and opportunity to accomplish exit of its investment and at the same time realize a reasonable return of the investment in a relatively short period. With this transaction, Fosun's financial flexibility and capabilities will be further enhanced, It also demonstrates Fosun's ongoing commitment and focusing on maximizing values for our shareholders."

Moody's Upgraded Outlook on Fosun International's Rating to "Positive"

On 15 December 2016, Moody's Investors Service has changed the outlook from stable to positive on Fosun International Limited's Ba3 corporate family rating, and has also confirmed the Ba3 rating on the senior unsecured bonds issued by Sparkle Asset Limited and guaranteed by Fosun. According to analysis by marketing professionals, the upgrade in Fosun's rating outlook demonstrated that Moody's recognized Fosun's initiatives on lowering leverage and increasing liquidity, as well as optimizing its debt structure by increasing the proportion of mid-to-long-term debt and minimizing debt costs.

Integrated Finance (Wealth)

Insurance

Gross Premium Written (thousand RMB)	Yong'an P&C Insurance	Pramerica Fosun Life Insurance
October 2016	623,823.70	7,099.60
November 2016	1,246,324.60	1,393.75
January – November 2016	8,534,712.60	106,581.70

Note: Fosun Insurance Portugal, Peak Re, Ironshore and MIG do not announce the monthly gross premium written.

Fosun's New Initiative to Build Business Layout in Japan – Establishment of An Equity Investment Platform

On 22 December 2016, Fosun has announced the establishment of an equity investment platform in Japan. It will serve as an integrated financial platform for Fosun's investment projects and asset management operations in Japan's financial market. This is another move by Fosun to build up its business layout in Japan following its acquisition of IDERA Capital Management Ltd. ("IDERA"), a Japanese asset management platform, in 2014.

The newly established equity investment platform is formed through a partnership between Fosun and local partners, two renowned experts in the Japanese financial investment sector, Mr. Daisuke Kawano and Mr. Tetsuya Nagao. The establishment of the equity investment platform in Japan will help Fosun to explore more investment opportunities in the financial market of Japan. It will help Fosun to push forward with its strategies for equity investment and asset allocation in the country, thus enhance Fosun's global investment capability. It will also accelerate the development of Fosun's global asset management. The equity investment platform in Japan will mainly focus on investments in the secondary market and private equity investment projects.

Fosun officially entered the Japanese market by acquiring IDERA in 2014. During past two years, IDERA has completed the acquisition of TFT (the former Citigroup Center) and the quality office buildings W and Y in Harumi Island Triton Square in the central business district. In addition, Yuyuan, the associate of Fosun, successfully completed the acquisition of Hoshino Resort TOMAMU in Hokkaido at the end of 2015, and a real estate investment trust ("REIT") jointly managed by IDERA and Mitsui & Co. was listed in 2016. The equity investment platform in Japan will help Fosun to identify more investment opportunities with the medium and long term value, and broaden the scope of its investments. This will optimize Fosun's capital allocation strategies and help Fosun to succeed in its new initiative to build up its business layout in the Japanese market.

Industrial Operations

Forte

	Attributable Sales GFA (sq.m.)	Attributable Sales Amount (RMB mn)
November 2016	92,937	1,024
December 2016	156,488	2,320
January – December 2016	1,243,226	17,917

Industrial Operations

Strategic Cooperation between Intuitive Surgical and Fosun Pharma

On 10 December 2016, Fosun Pharma and Intuitive Surgical, Inc. Strategic Cooperation Press Conference and Artificial Intelligence-assisted Precision Medicine Summit was held in Shanghai. The two parties will jointly invest US\$100 million in a jointly venture, which will be established in Shanghai and engaged in research, production and sale of innovative product based on robotic-assisted catheter technology for early-stage diagnosis and treatment of lung cancer. This will be a new product line separate from da Vinci Surgical System products developed by Intuitive Surgical. The joint venture will engage in the development of medical tools for diagnosis and treatment of lung cancer, both domestically and internationally, in a more convenient efficient and comfortable way with its motto of “domestic manufacture, joint R&D and global sales”. Initial product development will be applicable to the early diagnosis of lung cancer, and whereas R&D work at a later stage will be focused on early and effective treatment of lung cancer.

Fosun Entered into a Strategic Cooperation Agreement with China General Nuclear Power Group

On 15 December 2016, Fosun and China General Nuclear Power Group Co., Ltd. (CGN) held a signing ceremony in Shenzhen relating to a strategic cooperation framework agreement. According to the agreement, both parties will establish a comprehensive strategic business relationship through various means including strategic cooperation & alliance, business collaboration and joint investment, in order to jointly promote the cooperation on the upstream and downstream industries in nuclear power, finance, nuclear technology application, and strategic cooperation in emerging industries, etc.