

Fosun Newsletter

Fosun International Limited (HK Stock Code: 656)
www.fosun-international.com

April 2008
Investing in China



Stock Data

Recent Price(4/30/2008) ...HK\$ 6.23
52 Weeks Range.....HK\$4.05-15.00
Shares(Mil).....6,422
Market Cap(HK\$Bil)..... 40.11

Core Business ⁽¹⁾

Pharmaceuticals

...Fosun Pharma(600196.SH)49.0%
.....Sinopharm 24.0%⁽²⁾

Property

..... Forte(2337.HK)57.0%

Steel

..... Nanjing Steel United 60.0%
.....Jianlong Group 26.7%
.....Ningbo Steel 20.0%

Mining

..... Hainan Mining 60.0%
..... Jin'an Mining 60.0%
..... Huaxia Mining 18.4%
..... Shanjiao Wulin 20.0%
..... Zhaojin Mining(1818.HK) 17.1%

Retail

..... Yuyuan(600655.SH)17.3%

Financial Services & Strategic Investments

..... Tebon Securities 25.4%
..... Yong'an Insurances 14.6%
... Fosun Capital Management 100.0%

Notes:

1. Effective Shareholding
2. Fosun Pharma holds a 49% stake of Sinopharm.

Fosun, propelled by its three core competences in financing, investment and operations management, makes continuous efforts to become the world's top conglomerate with Chinese characteristics and Fosun features, even in today's volatile and uncertain market.

FINANCING Strong financing capabilities from multiple channels despite of tight monetary policy

1. Fosun Group obtained a 3-year credit facility, worth up to five billion RMB from China Development Bank (CDB), Shanghai Branch.
2. Yuyuan's application for issuance of corporate bonds has been examined and approved with conditions by Issuance Examination Committee (IEC) of China Securities Regulatory Commission (CSRC).

INVESTMENT Capability to identify and secure low-cost, high-return investment opportunities in a volatile market.

-- Forte acquired land bank at a reasonable cost through collaboration with Wharf Group.

Site location	Investment cost (RMB)	Stake	Other investors	Planned GFA (sq.m.)	Remarks
Wuxi, Jiangsu	416 Mil	50%	Wharf Group	397,956	For commercial and residential purpose

-- Pre-IPO project gained approval for initial public offering.

LIER-Chemical, invested by Tianjin Pharma Group* obtained the approval for initial public offering on Shenzhen Stock Exchange from the IPO Examination and Verification Committee in April, 2008.

Time of investment	Cost (RMB)	Stake	2007 net profit (RMB)
2005	46 Mil	33%	102 Mil

*Fosun Pharma has 25% equity interest in Tianjin Pharma Group.

OPERATIONS MANAGEMENT Continuous improvement of management efficiency

-- Overview of 2008 Q1 reports of Fosun's main A-shares listed subsidiaries/associates

Fosun Pharma (600196.SH)

Unit: RMB Mil	Jan. to Mar.,2008	Jan. to Mar.,2007	change
Revenue	915	856	7%
Net profit attributable to equity holders of the parent	200	78	158%

1. Revenue increase is mainly owing to the continuous growth of pharmaceutical manufacturing sector.
2. Net profit increase is mainly owing to increase in return of investment on Fosun's major associate Sinopharm and the disposal of available-for-sale financial assets, in addition to contributions from significant growth of pharmaceutical manufacturing sector.

Nanjing Iron & Steel (600282.SH)

Unit: RMB Mil	Jan. to Mar.,2008	Jan. to Mar.,2007	change
Revenue	6,662	5,077	31%
Net profit attributable to equity holders of the parent	205	235	-13%

1. Revenue growth is mainly owing to the rising sales volume and increasing selling price.
2. The decrease of net profit is mainly due to higher cost of raw materials.

Yuyuan (600655.SH)

Unit: RMB Mil	Jan. to Mar.,2008	Jan. to Mar.,2007	change
Revenue	2,605	1,484	75%
Net profit attributable to equity holders of the parent	139	101	38%

1. Revenue growth is mainly owing to continuous price surging of gold jewelry affected by global gold price, as well as the growing sales volume of Yuyuan.
2. Main reasons to net profit increase include revenue growth, as well as increase in investment income contributed by Zhaojin Mining, which is invested by Yuyuan.

PROSPER Continuous company development propelled by brand and corporate culture

-- Industrial ranking

1. Yuyuan was awarded as one of "China Top 100 Retailing Enterprises 2007" by China General Chamber of Commerce and China Business Information Center (China BIC).
2. Yuyuan ranked first among retailing companies in China in terms of revenue generated at a single commercial location, for the tenth consecutive year.

-- Brand building

1. Mr. Ding Guoqi, Executive Director & CFO of Fosun International, was awarded "Outstanding Chinese CFO 2007" by Xinlicai Magazine.
2. "Forte复地" was officially granted "Chinese Famous Brand" by the State Industrial & Commercial Bureau.
3. Yuyuan's Yongqing Wigshop was granted "Shanghai Famous Brand" for the second time by SHAIC.

-- Corporate social responsibilities

1. Fosun Pharm won prize in "2007 Golden Bee CSR China Honor Roll".

Links to Relevant Information

Pharmaceuticals

www.fosunpharma.com

Property

www.forte.com.cn

Steel

www.njsteel.com.cn

www.ejianlong.com

www.ningbosteel.com

Mining

www.hnmining.com

www.zhaojin.com.cn

Retails

www.yuyuantm.com.cn

Financial Services

www.tebon.com.cn

ya.netecweb.com

Contact Information

E-mail: IR@fosun.com

Direct Line: (8621) 6332 5162

Emma, Qiu Qianqian

Investor Relations Manager

Stephanie, Shi Qifang

Investor Relations Manager

INDUSTRIAL TRENDS

Steel

The ratio of Nanjing Steel United's ("NSU") first quarter export of structural plates for shipbuilding exceeded 60%

During first quarter this year, NSU exported in total 194,000 tons of steel products, a 48,000 tons increase over the same period last year. Among that, exports of high value-added product, the shipbuilding plates, reached 116,800 tons, which accounts for over 60% of its total export.

Source: www.mysteel.com

NSU enters the market of extra-long ship plates

So far, NSU has manufactured and sold 5,000 tons of extra-long ship plates with 20 meters in length, a product with a sound market future. Due to constraints in transportation and cooling bed conditions, at present, there are only one to two steel companies in China that can manufacture ship plate of such length.

Source: China Metallurgical News

International Iron and Steel Institute (IISI) claims that steel demand from emerging markets will continue to grow healthily

IISI recently forecasts that global apparent steel consumption will amount 1.28 billion tons in 2008, a 6.7% increase in comparison to the 1.2 billion tons in 2007. The estimated growth margin will be 6.3% in 2009. The growth of iron and steel demand mainly comes from emerging markets.

Source: China Metallurgical News

First quarter production volume for China's crude steel increased by 8.6%, and that for steel products increased by 12.2%

According to statistics promulgated by the National Bureau of Statistics of China on April 16th, 2008, China's first quarter crude steel production volume increased by 8.6%, while that of steel products increased by 12.2%.

Source: www.mysteel.com

Profit forecast remains positive for steel manufacturers as high prices for steel products pass pressures posed by surging cost

In early 2008, prices for domestic longs and wires increased by approximately 1500 RMB/ton, a 50% increase over the same period last year. Prices for plates and strips increased by about 1200 RMB/ton, which equals to an approximate 30% increase. The level of price increase of steel products equals or exceeds the level of price increase of raw materials.

Source: www.umetal.com

Mining

China will develop more promoting policies to encourage companies to engage in overseas mining

Recently, National Development and Reform Commission indicates that China plans to develop more promoting policies to encourage domestic companies to explore overseas mining resources. Chinese government plans to develop more beneficial policies on direct and indirect financing to support domestic companies, including providing loans and export credit insurance.

Source: www.chinaisa.org.cn

Japan and Australia reached initial agreement on over 200% increase of coking coal price, which may set industrial benchmark

Nippon Steel and its Australian supplier, Rio Tinto has reached initial agreement on coking coal prices at the annual international coking coal price negotiation. The price will increase by 205%-210% yoy, reaching 300-305 USD\$/ton, which is likely to set the industrial benchmark.

Source: www.mysteel.com