

Fosun Newsletter

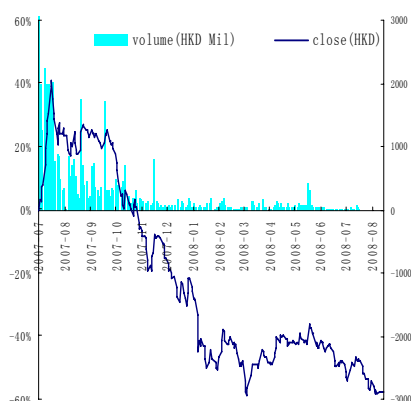
Fosun International Limited (HK Stock Code: 656)
www.fosun-international.com

August, 2008
Invest in China



Stock Data

Recent Price(8/29/2008).....HK\$ 4.40
52 Weeks RangeHK\$ 4.05-13.48
Shares (Mil)..... 6,422
Market Cap(HK\$10 Bil).....28.26



Highlights of the issue

- Speech Summary of Mr. Guo Guangchang, chairman of Fosun International at the release conference of China's Top 500 Enterprises
- Interim results of Fosun International
- Nanjing Steel United occupied a leading position with respect to industrial indicators, and achieved evident effect in building an eco-friendly steel enterprise.
- Fosun Pharma successfully issued short-term commercial paper

"Several things are extremely important for private enterprises as well as for us:

First, we need to transform and we need to upgrade.

Second, especially at this time (winter is coming), we should be more flexible to move forward or backward. Only when we know when to buy and sell and how to come in or out, can we always conduct our business with ease.

Third, we will set up a sound financing system and ensure a healthy cash flow.

Fourth, we will introduce talents corresponding to our reality.

Last but not least, the private enterprises should take more social responsibilities. Only in this way, the society would give more support and understanding to us."

----Guo Guangchang

Chairman & CEO of Fosun International

Release Conference of China's Top 500 Enterprises

Fosun International Interim Results 2008

Financial Highlights

(RMB in Million)	As of 30 June 2008	As of 30 June 2007	Change
Revenue	20,783	14,264	45.7%
Net profit	5,136	3,070	67.3%
Net profit attributable to shareholders	1,921	827	132.4%
Recurring	1,906	681	179.9%
One-off	15	146	(89.7%)
EPS (RMB)	0.30	0.17	76.5%

Manage Continuous Improvement of Efficiency and Competitiveness

Nanjing Steel United: a leading position with respect to industrial indicators

- Ranking 4th with respect to steel production per capita
- Ranking 4th with respect to gross profit per capita
- Ranking 5th with respect to gross profit per ton

Source: statistics of key enterprises with production over 5 million tons as of 30 June 2008 by China Iron and Steel Association.

Nanjing Steel United: Building an eco-friendly steel enterprise

- The energy consumption per marginal RMB10000 production value of the first six months in 2008 has decreased by 6.28% compared with the same period of 2007.
- The fresh water consumption per ton has decreased by 46.6% compared with the same period of 2007.
- The self-generating power ratio of 2008 is 41.8%.

Source: management account

Core Business (1)

Pharmaceuticals

...Fosun Pharma(600196.SH)49.0%
 ... Sinopharm Holding 23.0% ⁽²⁾

Property

..... Forte(2337.HK)59.6%

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%
 Shanjiaowulin 20.0%
 Zhaojin Mining(1818.HK) 17.1%

Retails

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

Financial Services and other**Strategic Investment**

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

Notes:

(1)Effective Shareholding as of 31 August 2008

(2)Fosun Pharma holds a 47.04% stake of Sinopharm Holding

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Investor Relations Manager

Finance Strong financing capabilities via multiple channels despite of tight monetary policy

Fosun Pharma issued short-term commercial paper

As of August 2008, Fosun Pharma has completed the first issuance of short-term commercial paper worth up to RMB 500 million with a maturity of 365 days and par value of RMB100. The interest rate is 6.1%. And the purpose of the issuance:

- 1、Increase the proportion of direct financing, and optimize financing structure
- 2、replenish working capital

Industrial Trend

Baosteel lowered the price of some steel products but increase the price for medium/heavy plates and the plates for shipbuilding.

According to the steel price latest released by Baosteel on August 25, the price of some steel products has been lowered in the range of RMB 100 per ton and RMB 400 per ton, and that of other products maintains the same and even higher. The price of hot-rolled silicon steel, one of its key products keeps the same, the price of medium/heavy plates and plates for shipbuilding goes up by RMB 100 per ton respectively, and that of boiler plates and hi-strength steel plates has increased by RMB 400 per ton.

Source: China Metallurgical News

Japanese and South Korean Steel Enterprises increased the price for medium/heavy plates

Recently, the Japanese and South Korean Steel Enterprises have increased the domestic and export price of medium/heavy plates.

Nippon Steel Corporation increased the price by US\$ 95 per ton (JPY 10,000 per ton). The domestic sale price of medium and heavy plates has increased from JPY 80,200 per ton at the beginning of the year to JPY 120,500 per ton at present, an increase of 50%.

Posco's quote price for heavy plates exporting to Japan has increased to JPY 120,000 per ton, an increase of 12%. Currently, South Korea is in shortage of heavy plates for shipbuilding. It is estimated that 6 million tons of heavy plates are needed to be imported. The previous estimation conducted at the beginning of the year is 5 million tons .

Source: China Metallurgical News

Outputs of pig iron, crude steel, steel products, coke and iron ore in July 2008

In July, the outputs of crude steel, pig iron and steel products has increased by 7.5%, 4.9%, and 7%, respectively. However, the increase speed is lower than last month.
 Unit: 10,000 tons

	July 2008	July 2007	Change%	YTD	Same period of 2007	Change%
Pig iron	4339.16	4060.22	6.90	24642.18	22839.22	7.90
Crude steel	4694.44	4260.76	10.20	26319.48	24012.25	9.60
Steel Products	5387.27	4854.85	11.00	29996.60	26662.35	12.50
Coke	3119.77	2880.85	8.30	17231.47	15465.10	11.40
Iron ore	8156.35	6415.12	27.10	39137.88	31105.45	25.80

Source: www.mysteel.com