# Fosun Newsletter

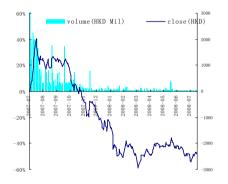
Fosun International Limited (HK Stock Code: 656) www.fosun-international.com

> July, 2008 Invest in China



#### Stock Data

Recent Price(7/31/2008)...HK\$ 5.42 52 Weeks Range ...HK\$ 4.05-15.00 Shares (Mil)......6,422 Market Cap (HK\$Bil)......34.81



#### Highlights of the issue

### Improvement of Management Efficiency

 Fosun International and its subsidiary Fosun Pharma released Profit Alert

### **Rankings and Honors**

- Fosun International ranked 127th among China's Top 500 enterprises
- Fosun International ranked 4th among China's Top 100 listed private enterprises

## **Discover**

## Manage

## **Prosper**

#### Continuous improvement of efficiency & competitiveness Fosun International and its subsidiary Fosun Pharma announced Positive Profit Alert of interim result

On July 28th, Fosun International released Positive Profit Alert, according to which it is expected that the consolidated profit for the six month ended 30 June 2008 will substantially increase in comparison with the same period of 2007. The improvement is mainly attributable to the high profit contribution from the pharmaceuticals, steel and mining busineses.

According to the Positive Profit Alert of interim result announced by Fosun Pharma, it is expected that the realized profit attributable to the parent company has increased by over 100%. The improvement is attributable to rapid growth of manufacturing business of Fosun Pharma, the high growth of Fosun's associate, Sinopharm, and the disposal of the equity of Friendship Forsun.

# Nanjing Steel United developed high value-added new products with its high speed railway spring steel exporting to Germany

Recently, Nanjing Steel United ('NSU') has successfully completed the rolling of 38Si7 high speed railway spring steel for the first time. This product will be exported to Germany and after deep processing there it is to be used for one of China's key railway construction projects—Wuhan-Guangzhou passenger dedicated railway line. High speed railway spring steel is high value-added product and is principally used for high-speed railway construction.NSU has developed various high speed railway spring steel products such as 60Si2CrVAT、38Si7、54SiCr6、55SiCr.

#### Jianlong Group ranked 39th in the world in terms of steel output

International Iron and Steel Institute (IISI) released the list of top 80 steel producers in 2007. Jianlong Group whose 26.7% stake is held by Fosun International ranked 39th, up nine slot compared to the 48th in 2007.

#### Recent Holding Position Change (As of 31 July 2008)

Fosun International has bought an aggregate 47,414,000 shares of Forte (2337.HK) between 7-18 July, 2008, at average cost of HKD1.872/share. Fosun International's holding position on Forte increased from 57.0% to 58.9%.

# Continuous company development propelled by brand and corporate culture (I)

### — ranking

2008 China's Top 500 enterprises recently issued by China Enterprise Confederation (CEC) and China Enterprise Directors Association (CEDA)					
Shanghai Fosun High Technology (Group) Co., Ltd.					
China's top 500 enterprises	127th				
China's top 500 manufacturers	60th				
Top 200 Chinese tax-paying companies	61st				
Top 200 Chinese companies with the best profits	82nd				
China's comprehensive manufacturers (principally in manufacturing industry, including services industry)	2nd				

#### Core Business (1)

#### **Pharmaceuticals**

....Fosun Pharma (600196.SH)49.0% ...... Sino Pharm 23.0%

#### **Property**

..... Forte(2337.HK)58.9%

#### **Steel**

..... NSU 60.0% .....Jianlong Group 26.7% .....Ningbo Steel 20.0%

#### Mining

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

#### Retails

..... Yuyuan Mart(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

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# Continuous company development propelled by brand and corporate culture (II)

China's top 100 listed enterprises 2008 released by CEIBS Business Review

ranking	stock code	stock abbr.	listed place	revenue 2007(100 mils)	
1	00493.HK	Gome Electric	Hong Kong	424.8	
2	002024.SZ	Suning Electric	Shenzhen	401.5	
3	000527.SZ	Meidi Electric Shenzhen		333	
4	00656.HK	Fosun International	Hong Kong	319.8	
6	600282.SH	Nanjing Iron & Steel	Shanghai	220	
44	600655.SH	Yuyuan Mart	Shanghai	56.4	
67	02337.HK	Shanghai Forte	Hong Kong	39.8	
76	600196.SH	Fosun Pharma	Shanghai	36.9	

Shanghai Fosun High Technology (Group) Co., Ltd. Ranked 5th at China's Top 100 promising enterprises 2008 which was jointly hosted by TMVC and China Enterprise Evaluation Association (CEEA) of the Development Research Center of the State.

#### - Brand

Jinxiang Pharmacy is one of the first pharmacies to obtain Green Cross in Beijing. 12 outlets of Jinxiang is granted GPP Good Pharmacy by China Nonprescription Medicines Association (CNMA).

#### - Corporate Social Responsibility

Fosun Group is listed on Hurun Corporate Social Responsibility Top 50 with the aggregate donation amounting to RMB 75.26 million from 2003 to 2007.

#### - Honors

Mr. Liang Xinjun, Party Secretary, Vice Chairman and President of Fosun, is elected as One of the Ten Outstanding Youth Persons in Shanghai in the electing event which was jointly hosted by the Communist Youth League Shanghai Municipal Party Committee and various social groups.

#### **Industrial Trend**

Outputs of iron, crude steel, steel products, coke and iron ore in June 2008 (Million tons)

	July 2008	July 2007	Change%	YTD	Same period of 2007	Change%
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

In June, domestic steel outputs increase at a high speed, but the yoy growth rate has decreased.

Source: www. mysteel. com