

Fosun Newsletter

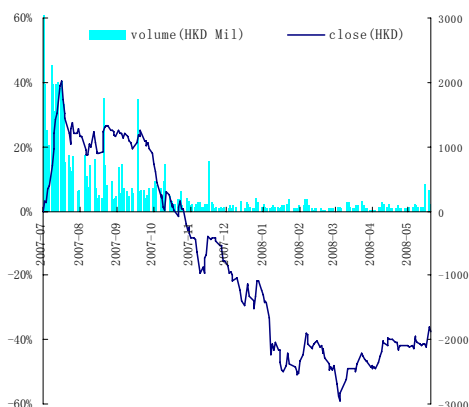
Fosun International Limited (HK Stock Code: 656)
www.fosun-international.com

June 2008
Investing in China



Stock Data

Recent Price(5/30/2008)HK\$ 5.68
52 Weeks Range.....HK\$4.05-15.00
Shares(Mil).....6,422
Market Cap(HK\$Bil).....36.56



Highlights of the issue

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

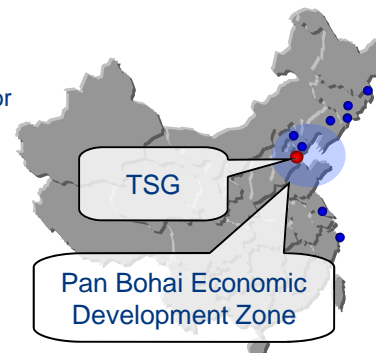
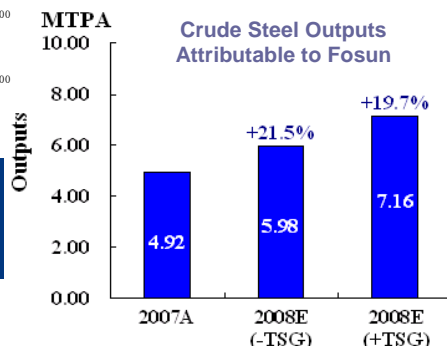
Steel — promotion of sector consolidation and coastline allocation

Fosun Technology (Tianjin), a subsidiary of Fosun International, entered into a joint venture with Tianjin Tiangang and Tianjin Aoxin to found Tianjin Steel Group (TSG)

Date	Project Location	Channel	Investment Amount (RMB)	Stake
June 2008	Binhai New Area of Tianjin	J.V.	3.8 billion	47.5%

Project highlights:

- Strategic location with political support
- Low logistic cost with proximity to major harbor
- Close to downstream consumer markets
- Great development potential with fully-equipped ancillary facilities



Synergetic impact to Fosun's steel segment:

- Increase in production
- Promotion of sector consolidation
- A milestone towards completion of Fosun's strategic coastline allocation planning

Invest & Deliver

- Fosun entered into a JV contract with Tianjin Tiangang and Tianjin Aoxin to found TSG
- Forte acquired a land of 200,000 sq.m. (total GFA), located at south part of Chendu's New District
- ZQCOT, a pre-IPO investment of Principle Capital received approval for IPO application

Ranking & Honor

- Fosun Pharma was selected to be a component of SSE Corporate Governance Index
- Yuyuan was ranked No. 85 on the 2008 list of "Top 500 Most Valuable Brands in China"

Forte — acquisition of land bank at reasonable cost, in accordance with the principle of value investing



Project Name	Chendu project
Date	June 2008
Channel	Auction
Total Amount	153 mil RMB
Total GFA	200,000 sq.m.
Unit price	765 RMB per sq.m.
Purpose	Commercial/Office

Project comparison:

- 1 China Resource Land's Phoenix City (High-rise residential, bareshell), ASP: RMB 6,500/sq.m.
- 2 China Overseas Land's Orchid Garden (High-rise residential, bareshell), ASP: RMB 6,000/sq.m.
- 3 KWG Property's land, land cost: RMB 5,400/sq.m.

Core Business ⁽¹⁾**Pharmaceuticals**

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

Property

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

Steel

..... Nanjing Steel United 60.0%
Jianlong Group 26.7%
Ningbo Steel 20.0%
Tianjin Steel Group 47.5%

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 47.04% stake of Sinopharm.

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

INVESTMENT (Continued)**Fosun Pharma — pre-IPO project gained approval for initial public offering**

Zhejiang Quartz Crystal Optoelectronic Technology ("ZQCOT"), invested by Principle Capital⁽¹⁾, obtained IPO approval from the Examination and Verification Committee on June 27, 2008 and will be listed on Shenzhen Stock Exchange

Date	Investment Amount (RMB)	Stake	Net Profit of 2007(RMB)
Nov., 2006	2.2 million	20%	43.88 million

Note:

1. Fosun Pharma owns 96% stake of Principle Capital

PROSPER Continuous company development propelled by brand and corporate culture**— Industrial rankings**

1. Shanghai Stock Exchange ("SSE") announced on June 17, 2008 that Fosun Pharma was selected to be a component of SSE Corporate Governance Index. Before, Fosun Pharma has been selected to serve as components of SSE 180, CSI300 and SSE Dividend Index.
2. According to statistics on IMS database of year 2007, Fosun Pharma is ranked No. 17 among all pharmaceutical companies nationwide. This figure will rise to No. 8, excluding pharmaceutical companies owned by foreign entities.
3. On June 3, 2008, SSE and China Securities Index Company announced that Yuyuan Tourist Mart was selected to become a component of CSI300.

— Brand value

1. "豫园商城" (Yuyuan Tourist Mart), with a value of 7.461 billion RMB, was ranked No. 85 on the 2008 list of "Top 500 Most Valuable Brands in China", released by World Brand Laboratory. This represents a significant leap as compared to its original ranking in 2005, marking an increase of the brand value.

— Honors

1. Fosun International was presented with the "Platinum Award" by the Community Chest in June 2008.

RECENT FAQs

1. **Rio Tinto recently announced its agreement with BaoSteel to raise contract price of iron ore imports. Please describe potential impact of this announcement on the cost of Fosun's Steel Business. Can Fosun offset this pressure by increase price of its steel products?**

Answer: Relevant increase in unit cost of crude steel in sole response to this price increase will range between 50 RMB to 200RMB, among Fosun's subsidiary and associates in the steel sector. Based on the actual ability of NSU to raise steel product price in May, the company seems to be able to transfer the rising cost of raw material to the downstream customer (not taken into consideration potential market fluctuation in the future).

2. **What is the iron ore self-supply ratio of Fosun's steel business, after the addition of TSG?**

Answer: Based on the estimated 2008 outputs attributable to the shareholders of the company (including 47.5% of TSG's estimated 2H outputs), Fosun's steel segment iron ore self-supply rate will be 28% in 2008

Notes:

1. Production volume of steel is based on that of pig iron
2. Calculation is based on the assumption that 1.6 tons of iron ore is needed to produce 1 ton of pig iron

INDUSTRIAL TRENDS

Steel

Outputs of iron, crude steel, steel products, coke and iron ore are on continuous rise

May 2008, domestic outputs of iron and steel were rising at a relatively fast pace. Based on aggregate growth rate from January to May, domestic crude steel annual outputs will reach 530 million tons. Meanwhile, effected by the rising cost of international iron ore imports, domestic iron ore supply is rising significantly. In May, raw ore output reached 7.55 million tons, a 27.90% increase compared with the same period last year.

Unit: Million Tons

Products	May 2008	May 2007	Change%	YTD	Same period of 2007	Change%
Iron	43.04	39.76	8.20	203.00	187.77	8.10
Steel	46.01	41.62	10.50	216.11	197.48	9.40
Finished Steel	53.38	46.96	13.60	246.04	218.67	12.50
Coking Coal	29.93	26.98	11.00	140.79	125.33	12.30
Iron Ore	75.49	59.01	27.90	310.90	247.40	25.70

Source: www.mysteel.com

The China Iron and Steel Association (CISA) estimates that steel price will remain high

CISA issued a report on June 17, estimating that domestic steel price will remain high with small fluctuation in the coming months.

By the end of May, China Steel Products Complex Price Index reached 156.86, recording a 7.09% increase over the previous month and a 38.40% increase over the same period last year. According to this report, reasons contributing to the increase of steel products include a sustained and strong domestic demand need; hiking in prices of raw materials and a decline in the steel product inventory, which causes temporarily imbalance of supply and demand.

Source: www.mysteel.com

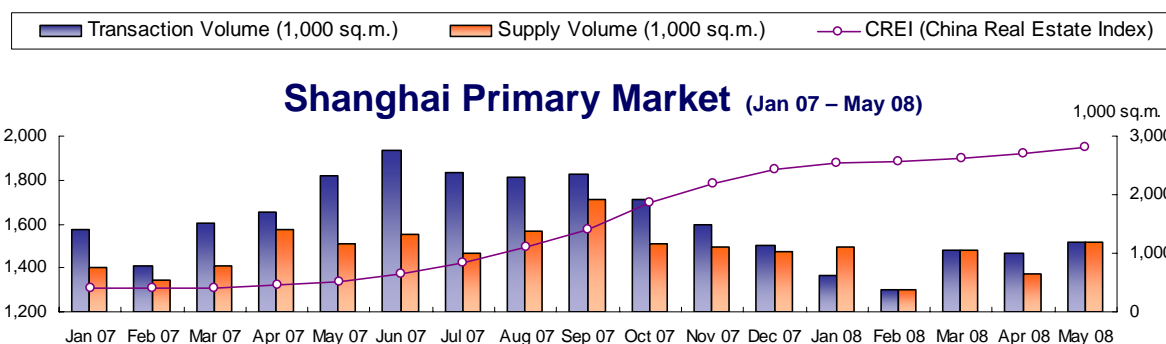
Property Development

Supply is constrained in land reserve for residential development in Shanghai for the 1H 2008

As by the end of June 2008, only 12 plots of land reserves were issued for bidding in Shanghai, a vast majority of which are for industrial and commercial development. Based on "2008 Shanghai Housing Construction Planning", land supply for residential development in Shanghai should be about 800-1000 acres. Current supply only accounts for one twentieth of the planned land.

www.soufun.com

Shanghai residential market experiences modest seasonal recovery in sales volume with pricing remains stable

Source: Shanghai Real Estate Development and Management Decision-making Consultation System & www.valuer.org.cn

Contact Information

Emma Qiu (Investor Relations Manager)
Stephanie Shi (Investor Relations Manager)

E-mail: IR@fosun.com
Direct Line: (8621) 6332 5162