

Fosun Newsletter

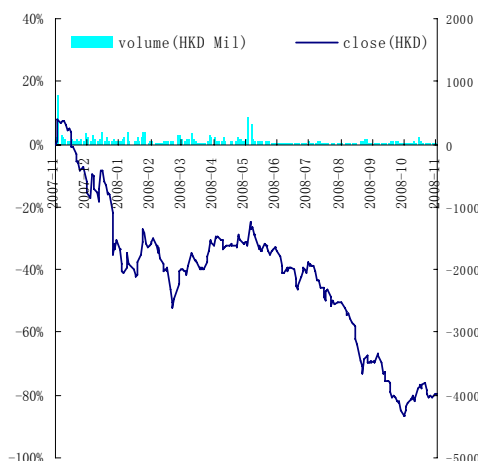
Fosun International Limited (HK Stock Code: 656)
www.fosun-international.com

Newsletter (Nov.2008) Challenges vs. Opportunities



Stock Data

Recent Price(11/28/2008)...HK\$ 1.81
52 Weeks Range ...HK\$ 1.13-9.69
Shares(Mil).....6,422
Market Cap(HK\$Bil)..... 11.62



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Invest & Deliver

1. Fosun Group announced the transfer of 159 mil domestic shares of Zhaojin Mining to Yuyuan with a 4-year IRR ratio of 40%

Unit: RMB in mils

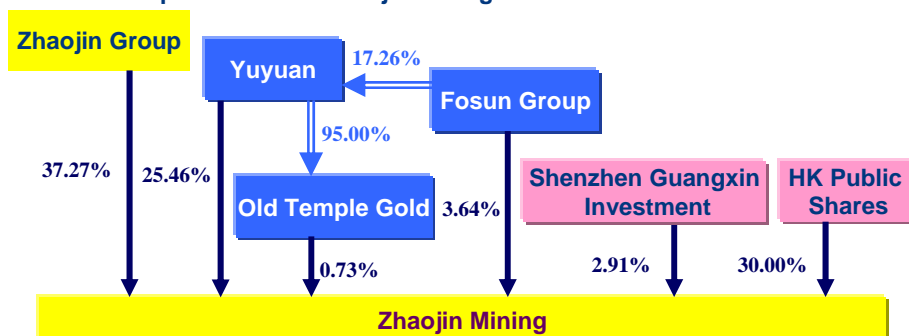
Investor	Time of investment	Initial cost	Value of shares sold	Value of remaining shares (2)	IRR
Industrial Investment ⁽¹⁾	2004	161	394	164	40%

Notes:

(1) Fosun Industrial Investment is a wholly-owned subsidiary of Fosun Group.

(2) Calculated based upon the closing price of Nov. 28, 2008; HKD/RMB is 1:0.88

Ownership Structure of Zhaojin Mining after transaction*



* All ownership information has been rounded, hence small differences may be present in the totals.

2. Fosun Pharma continued to increase its stake in TCM in November⁽¹⁾

Project	Acquirer	Cost (incl. commission)	Investment type	Stake
Tongjitang (NYSE:TCM)	Fosun Pharma	USD 9.14 mil	Stock purchase in secondary market	7.41%

Note: (1) As of the closing time of NYSE on Nov. 17, 2008

3. NSU's plates for pressure containers were approved to enter EU market

Recently, NSU's plates for pressure containers got the PED/CE certificate from European Union. This means all its 52 types of plates for pressure containers got the approval from European Union, US, Japan and China, which laid good foundation for NSU to enter the world market.

4. Fosun's investment in new energy brought preliminary achievement: Shen-li's hydrogen fuel cell of appears on International Automobile Exhibition

Recently, the hydrogen fuel cell vehicle of Shanghai Volksvagen displays at North American International Auto Show in Los Angeles after its successful debut in Beijing Olympics. Shanghai Shen-li High Tech Co. Ltd., an investee of Fosun Pharma, provides hydrogen fuel cell for the vehicles.

Honors Development led by brand and corporate culture

1. Fosun High Technology (Group) Co. Ltd. ranks top 5 among China's Top 500 Private Enterprises and 2nd in terms of tax payment with a total amount of RMB 4.98 bil according to a report jointly published by China Private Enterprise League, the National Statistical Society of China, and Research Center of Corporate Development of China Academy of Management Science on November 17.
2. Mr. Guo Guangchang, Chairman of Fosun Group, was awarded 2008 China's Top Leaders by Deloitte and HORASIS in Barcelona.
3. Fosun Pharma won CSR Award and was granted High-integrity Enterprise of Biochemical Industry by Shanghai Biopharmaceutics Industry Association (SBIA)
4. Golden Elephant Pharmacy, an affiliate company to Golden Elephant Fosun Co., was awarded the Outstanding Contributor in self-medication industry by China Nonprescription Medicines Association (CNMA).
5. The Park town, one of Forte's projects in Wuxi, was awarded the gold medal of "Outstanding Residence in Jiangsu" by Construction Department of Jiangsu Province.

Industrial Trends (I)

Steel & Mining

1. **Oct's national crude steel outputs declined again y-o-y., following its initial decrease in Sep.**

China's crude steel outputs in Oct. is 35.9 mil tons, down 17.0% y-o-y and 9.4% m-o-m respectively. Due to the persistent weakness of steel business, outputs of Nov. and Dec. is expected to further decrease. The outputs of 2008 are expected to be around 500 mil tons.

Source: China Iron & Steel Association

2. **The profit level of China's steel enterprises fell by almost 40% in the 3rd quarter of 2008**

According to CISA, the profit of China's steel industry in 3Q08 is RMB 30.377 bil, with a monthly average of RMB10.126 bil, down 38.16% compared to 1H08. The profit of Sep. recorded RMB 3.221 bil, down 80.33% compared to the monthly average of 1H08. The sales margins of large/medium sized steel enterprises in Sep. is 1.4%, down 6.2% compared to 1H; among which, 32.4% of steel enterprises recorded losses. Given the international and domestic economic environment, the downward trend is likely to continue in 4Q.

Source: China Iron & Steel Association

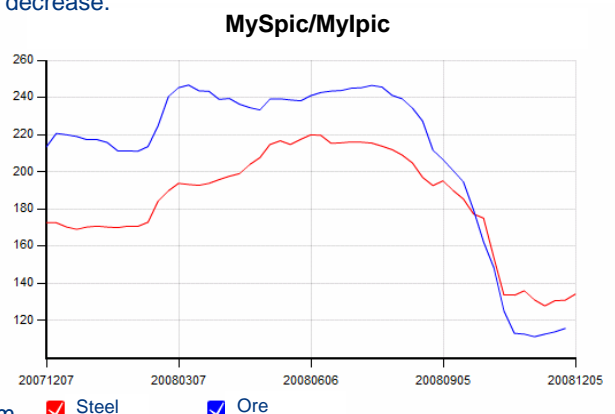
3. **China's steel price fell sharply in Oct. with the slowing rate of domestic steel consumption growth; prices of steel and ore began to stabilize in late Nov., boosted by the government's stimulus packages**

China's steel price index was 108.95 points at the end of Oct., down 353.35 points compared to previous month, registering the largest monthly fall since 2001 with a 24.56% decrease.

Affected by the falling steel price, prices of raw materials and fuel dropped substantially. For example, the prices of China's iron ore concentrates, scrap and coke all down by over 30% m-o-m at the end of Oct..

China's economic stimulus package boosts the confidence in domestic steel market. Steel and ore prices showed signs of stabilization after a persistent fall in late Oct. and early Nov. At the end of Nov., MySpIC and MyIpiC rose 2.3% and 2.8% respectively, compared to the previous month.

Source: China Iron & Steel Association & www.mysteel.com



Core Business ⁽¹⁾

Pharmaceuticals

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

Property Development

..... Forte(2337.HK)65.2%

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) 8.2%

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

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

Links to Relevant Information

Pharmaceuticals

www.fosunpharma.com

Property Development

www.forte.com.cn

Steel

www.njsteel.com.cn
www.ejianlong.com
www.ningbosteel.com

Mining

www.hnmining.com
www.zhaojin.com.cn

Retail

www.yuyuantm.com.cn

Financial Services

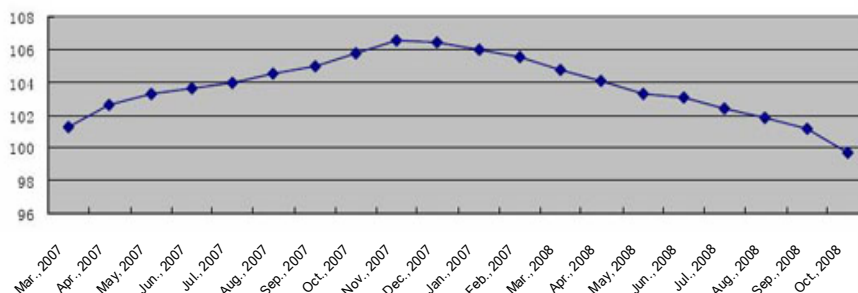
www.tebon.com.cn
ya.netecweb.com

Industrial Trends (II)

Property Development

4. A report issued by E-House China indicates a drop in both the sales volume and prices of the Chinese property market by Oct.

Real Estate Climate Index



According to a report issued by E-House China R&D Institute, major eastern cities suffered a 40-70% drop in sales volume since 2008, with substantial decrease in prices. Among that, Pearl River Delta region are affected the most. For Yangzi River Delta, sales volume fell sharply with the price turning point occurred in 3Q. Cities in Bohai Ring Area had different performances with Beijing likely to suffer a bigger drop. In Central China, cities suffered a sharp decline of sales volume yet smaller decline in prices. Sales volume in Western China dropped by 20-40%, but the price was rather stable.

Source: E-House China R&D Institute and National Bureau of Statistics

5. Property trade volume in Beijing and Shanghai rose significantly in Nov with central and local governments issuing various rescue plans

Since late Oct., central and local governments announced various measures to stimulate property market. Boosted by these policies, trade volume in Beijing and Shanghai rose quickly with numbers of transacted flats up 50% m-o-m in these two cities. According to statistics, numbers of second-hand house sold also rose over 50% in Shanghai.

The rise in transaction volume is likely to be driven by rigid demand and policy stimulus. However, the market sentiment is still gloomy and prospects of Dec's market remains uncertain.

City	Supply Area		Transacted Area		Average Price	
	Area (10000 M ²)	M-o-M Change	Area (10000 M ²)	M-o-M Change	Area (Yuan/M ²)	M-o-M Change
Shanghai	104.25	-11.1%	71.44	56.0%	13745	6.7%
Beijing	116.70	36.5%	81.16	55.2%	12437	1.9%

Source: UWIN system, www.bjfdc.gov.cn and management team

Declaration for Correction

Fosun Newsletter (Sep. 2008), P1

Original text: "Proven molybdenum deposit is about 8,596 tons, estimated molybdenum prospective deposits is about 21,866 tons."

Change to text: "Molybdenum metal resource (333+334?) is about 8,596 tons, and the estimated molybdenum prospective resource is about 21,866 tons."