

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

**FOSUN 复星**

**FOSUN INTERNATIONAL LIMITED**

*(incorporated in Hong Kong with limited liability under the Companies Ordinance)*

**(Stock code: 0656)**

## **Announcement pursuant to Rule 13.09 of the Listing Rules Disposal of Equity Interest Held by a Subsidiary**

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to announce that on 29 October 2007, Fosun Pharma, a non wholly-owned subsidiary of the Company, entered into Agreement I and Agreement II with Yuyuan Mart to sell its entire 48% equity interest in Friendship Fosun to Yuyuan Mart for a total cash consideration of RMB699,960,000.

The proposed transactions would allow Fosun Pharma to focus on pharmaceutical development and avoid overlapping with the Company's interests in the retail sector.

### **BACKGROUND**

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to announce that Fosun Pharma (a non wholly-owned subsidiary of the Company) entered into Agreement I and Agreement II on 29 October 2007 to sell its entire 48% equity interest in Friendship Fosun to Yuyuan Mart.

To the best knowledge, information and belief of the Board, apart from that Yuyuan Mart is 17.3% indirectly owned by the Company, Yuyuan Mart is a third party independent of the Company and is not a connected person of the Company.

### **INFORMATION ON FRIENDSHIP FOSUN**

The business operations of Friendship Fosun are mainly property investment and domestic trading. As of the time of signing Agreement I and Agreement II, Friendship Fosun is 48% owned by Fosun Pharma and 52% by Shanghai Brilliance. After completion of the proposed transactions, Fosun Pharma will cease to have any interest in Friendship Fosun.

## **AGREEMENT I**

**Date:** 29 October 2007

### **Parties**

**Vendor:** Fosun Pharma

**Purchaser:** Yuyuan Mart

### **Consideration and Payment Terms:**

The consideration for 25% of the Equity Interest under Agreement I amounts to RMB364,562,500 and shall be paid in cash by Yuyuan Mart to Fosun Pharma in the following manner:

Yuyuan Mart shall pay 55% of the consideration to Fosun Pharma within 10 Business Days of Agreement I; Yuyuan Mart shall pay the remaining amount of the consideration to Fosun Pharma within 10 Business Days of the completion of the equity transfer in question.

## **AGREEMENT II**

**Date:** 29 October 2007

### **Parties**

**Vendor:** Fosun Pharma

**Purchaser:** Yuyuan Mart

### **Consideration and Payment Terms:**

The consideration for 23% of the Equity Interest under Agreement II amounts to RMB335,397,500 and shall be paid in cash by Yuyuan Mart to Fosun Pharma in the following manner:

Yuyuan Mart shall pay 55% of the consideration to Fosun Pharma before 30 June 2008; Yuyuan Mart shall pay the remaining amount of the consideration to Fosun Pharma within 10 Business Days of the completion of the equity transfer in question.

## **REASONS FOR ENTERING INTO THE PROPOSED TRANSACTIONS**

The proposed transactions will enable Fosun Pharma to concentrate on pharmaceutical development and avoid overlapping with the Company's interests in the retail sector.

The Directors (including the independent non-executive Directors) consider that Agreement I and Agreement II are on normal commercial terms and fair and reasonable and in the interests of the shareholders of the Company.

## GENERAL INFORMATION

The principal activities of the Group are: (i) steel; (ii) property development; (iii) pharmaceuticals; (iv) investment in retail business; and (v) financial services and strategic investments.

Fosun Pharma is a non wholly-owned subsidiary of the Company and is engaged in the manufacturing of pharmaceuticals.

Yuyuan Mart is mainly engaged in retail business.

The proposed transactions do not constitute notifiable transactions for the Company under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Agreement I”	an equity transfer agreement entered into between Fosun Pharma as vendor and Yuyuan Mart as purchaser regarding the acquisition by Yuyuan Mart of 25% of the Equity Interest
“Agreement II”	an equity transfer agreement entered into between Fosun Pharma as vendor and Yuyuan Mart as purchaser regarding the acquisition by Yuyuan Mart of 23% of the Equity Interest
“Board”	the board of directors of the Company
“Business Days”	days on which banks are open for business (except Saturdays and Sundays)
“Company”	復星國際有限公司(Fosun International Limited), a company incorporated in Hong Kong whose shares are listed on the Stock Exchange (Stock Code: 0656)
“Directors”	the directors of the Company
“Equity Interest”	the total amount of equity interest of Friendship Fosun
“Fosun Pharma”	上海復星醫藥(集團)股份有限公司(Shanghai Fosun Pharmaceutical (Group) Co., Ltd.), a non wholly-owned subsidiary of the Company

“Friendship Fosun”	上海友誼復星(控股)有限公司(Shanghai Friendship Fosun (Holding) Co., Ltd.)
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Shanghai Brilliance”	上海百聯(集團)有限公司(Shanghai Brilliance (Group) Co., Ltd.)
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“RMB”	Renminbi yuan, the lawful currency of the PRC
“Yuyuan Mart”	上海豫園旅遊商城股份有限公司(Shanghai Yuyuan Tourist Mart Co., Ltd.)
“%”	per cent

*As at the date of this announcement, the Executive Directors of the Company are Mr. Guo Guangchang, Mr. Liang Xinjun, Mr. Wang Qunbin, Mr. Fan Wei, Mr. Ding Guoqi, Mr. Qin Xuetao and Mr. Wu Ping; the Non-executive Director is Mr. Liu Benren; the Independent Non-executive Directors are Dr. Chen Kaixian, Mr. Zhang Shengman and Mr. Andrew Y. Yan.*

By order of the Board  
**Fosun International Limited**  
**Guo Guangchang**  
*Chairman*

Shanghai, the PRC, 29 October 2007