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FOSUN 复星

Fosun International Limited

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

(Stock code: 0656)

DISCLOSEABLE TRANSACTION DISPOSAL OF SHARES IN NANJING IRON & STEEL

The Company announces that Nanjing Steel United, a subsidiary of the Company, had in aggregate disposed on market of 79,355,049 tradable shares in Nanjing Iron & Steel during the period from 25 July 2007 to 23 January 2008.

The Disposal constitutes discloseable transactions of the Company under Chapter 14 of the Listing Rules. The Disposal became a discloseable transaction of the Company on 23 January 2008 when Nanjing Steel United disposed of 9,880,000 tradable shares in Nanjing Iron & Steel from 2 to 23 January 2008 and the applicable percentage ratios under Chapter 14 of the Listing Rules first exceeds 5% but not exceed 25%.

A circular containing details of the Disposal will be dispatched to the shareholders of the Company in accordance with the Listing Rules.

DISPOSAL OF SHARES IN NANJING IRON & STEEL

During the period from 25 July 2007 to 23 January 2008 (both dates inclusive), Nanjing Steel United had disposed on market of the Shanghai Stock Exchange in the PRC of 79,355,049 tradable shares in Nanjing Iron & Steel. Nanjing Steel United is owned as to 60% by the Group.

The Directors are not aware of the identity(ies) of the counterparty(ies) of the Disposal but to the best of their knowledge, information and belief and after having made all reasonable enquiry, the counterparty(ies) is/are third parties independent of the Company and is/are not connected persons (as defined in the Listing Rules) of the Company. Detailed transaction records of the Disposal are set out below.

Transaction dates	No. of shares sold	Net proceeds (RMB)	Average disposal price per share (RMB)
25 July to 28 December 2007	69,475,049	1,302,520,311.36	18.82
2 to 23 January 2008	<u>9,880,000</u>	<u>213,737,260.52</u>	22.15
Total	<u><u>79,355,049</u></u>	<u><u>1,516,257,571.88</u></u>	

The total consideration in cash from the Disposal was RMB1,516,257,571.88. The portion of net profit realised from 25 July to 28 December 2007 by Nanjing Steel United from the Disposal will be accounted for in the financial results of Nanjing Steel United for year 2007, which is currently estimated to be approximately RMB655,441,506.74. The net proceeds will be used as Nanjing Steel United's general working capital.

INFORMATION ON NANJING IRON & STEEL

Nanjing Iron & Steel is principally engaged in the production of steel. Based on the latest published annual report of Nanjing Iron & Steel for the year ended 31 December 2006 which were prepared under the PRC GAAP, the consolidated net profit before taxation and extraordinary items of Nanjing Iron & Steel for the two financial years ended 31 December 2005 and 2006 were RMB579,352,077.43 and RMB558,317,238.77 respectively, and the consolidated net profit after taxation and extraordinary items of Nanjing Iron & Steel for the two financial years ended 31 December 2005 and 2006 were RMB410,234,636.56 and RMB389,344,370.97 respectively.

The net profit in respect of the Disposal was approximately RMB781,584,352.13. The book value of such shares was approximately RMB369,046,844.14. The net profit is calculated by deducting the original share prices, the accumulated share of net operating profit of such shares, the income tax and transaction fees from the selling prices of the shares sold in the market.

Before the Disposal, Nanjing Steel United held 671,855,049 shares (71.78%) in Nanjing Iron & Steel. After the Disposal, Nanjing Steel United holds 592,500,000 shares (63.3%) in Nanjing Iron & Steel.

After the Disposal, Nanjing Iron & Steel remains as a subsidiary of the Company. The financial statements of Nanjing Iron & Steel are consolidated into the Group.

REASON FOR DISPOSAL

The Board (including independent non-executive directors) considers that the Disposal represents a good opportunity for Nanjing Steel United to realize profit from its investment while retaining its control in Nanjing Iron & Steel. The Board (including independent non-executive directors) is of the view that the terms of the Disposal are fair and reasonable and in the interests of the Company and its shareholders as a whole.

GENERAL

The principal activities of the Group are (i) pharmaceuticals; (ii) property; (iii) steel; (iv) mining; (v) retail; and (vi) financial services and strategic investments, which operate through Fosun Group.

Nanjing Steel United is principally engaged in the production of steel.

Nanjing Steel United is owned as to 60% by the Group.

The Disposal constitutes discloseable transactions of the Company as it exceeds 5% but not more than 25% of the applicable percentage ratios under Chapter 14 of the Listing Rules. The Disposal became a discloseable transaction of the Company on 23 January 2008 when Nanjing Steel United disposed of 9,880,000 tradable shares in Nanjing Iron & Steel from 2 to 23 January 2008 and the applicable percentage ratios under Chapter 14 of the Listing Rules first exceeds 5% but not exceed 25%. A circular containing details of the Disposal will be dispatched to the shareholders of the Company in accordance with the Listing Rules.

DEFINITIONS

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

“Board”	the Company’s board of Directors;
“Company”	復星國際有限公司 (Fosun International Limited), a company incorporated in Hong Kong on 24 December 2004 with its shares listed and traded on the main board of the Stock Exchange;
“Directors”	the directors of the Company;
“Disposal”	the sale of 79,355,049 tradable shares in Nanjing Iron & Steel by Nanjing Steel United at the market prices on the market of Shanghai Stock Exchange in the PRC during the period from 25 July 2007 to 23 January 2008 (both dates inclusive);
“Fosun Group”	上海復星高科技（集團）有限公司 (Shanghai Fosun High Technology (Group) Co., Ltd.), a wholly owned subsidiary of the Company;

“Group”	the Company and its subsidiaries;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Nanjing Iron & Steel”	南京鋼鐵股份有限公司 (Nanjing Iron & Steel Shareholding Co., Ltd.), a company incorporated with limited liability in the PRC, whose shares are listed on the Shanghai Stock Exchange;
“Nanjing Steel United”	南京鋼鐵聯合有限公司 (Nanjing Iron and Steel United Co., Ltd.), a domestic joint venture company incorporated with limited liability in the PRC and a subsidiary of the Company;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi yuan, the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

Shanghai, PRC, 24 January 2008

As at the date of this announcement, the executive Directors 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; and the independent non-executive Directors are Dr. Chen Kaixian, Mr. Zhang Shengman and Mr. Andrew Y Yan.