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FOSUN 复星

FOSUN INTERNATIONAL LIMITED

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

(Stock Code: 0656)

Continuing Connected Transactions

Framework Agreement in relation to Provision of Guarantees

The Directors are pleased to announce that on 30 June 2008, the Company and Fosun Pharma, a subsidiary of the Company, entered into a Framework Agreement, pursuant to which the Company has agreed to provide Guarantees, or through its subsidiaries to provide Guarantees, during the Term to Fosun Pharma for bank loans to be borrowed or debenture to be issued by Fosun Pharma.

As Fosun Pharma is holding 10.6% equity interest in Forte, a non-wholly owned subsidiary of the Company, it is a substantial shareholder of a subsidiary of the Company. Fosun Pharma is a connected person of the Company under the Listing Rules.

As one or more of the applicable percentage ratios exceed 2.5%, the transactions contemplated under the Framework Agreement constitute continuing connected transactions of the Company under the Listing Rules and are subject to the reporting, announcement and independent Shareholders' approval requirements under the Listing Rules. As no Shareholder has a material interest in the Framework Agreement and the transaction contemplated thereunder which is different from other Shareholders, no Shareholder is required to abstain from voting. Fosun Holdings Limited, the Controlling Shareholder holding 4,987,008,500 shares of the Company representing 77.66% of the total issued shares of the Company as at the date hereof, has given its written consent for the Framework Agreement. The Company has made an application to the Stock Exchange for a waiver for holding a general meeting to approve the Framework Agreement pursuant to Rule 14A.43 of the Listing Rules.

A circular containing, among other things, details of (i) Framework Agreement, (ii) the recommendation of the Independent Board Committee to the independent Shareholders relating to the Framework Agreement; and (iii) an opinion letter from the Independent Financial Adviser to the Independent Board Committee and the independent Shareholders relating to the Framework Agreement will be despatched to the Shareholders as soon as practicable.

The Directors are pleased to announce that on 30 June 2008, the Company and Fosun Pharma, a subsidiary of the Company, entered into a Framework Agreement, pursuant to which the Company has agreed to provide Guarantees, or through its subsidiaries to provide Guarantees, during the Term to Fosun Pharma for bank loans to be borrowed or debenture to be issued by Fosun Pharma.

FRAMEWORK AGREEMENT

Date:	30 June 2008
Parties:	The Company (as the Guarantor) Fosun Pharma (as the borrower)
Nature of the transactions:	Provision of Guarantees by the Company, or through its subsidiaries (other than Fosun Pharma), for Fosun Pharma for the bank loans to be borrowed or debenture to be issued by Fosun Pharma.
Commission:	Nil
Term:	The period commencing from the date of the Framework Agreement ending 31 December 2010

ANNUAL CAPS FOR THE GUARANTEE

The Company proposes that the annual caps (the “Annual Caps”) for the transactions under the Framework Agreement be as follows:

	Proposed annual caps for the Financial year ended 31 December		
	2008	2009	2010
	<i>RMB (million)</i>	<i>RMB (million)</i>	<i>RMB (million)</i>
Amount	3,500	4,200	5,000

The Annual Caps were determined by the Board after taking into consideration of the following factors:

- (a) increase in future capital needs of Fosun Pharma to expand its pharmaceutical business, increase in expenditure for the research and development of new pharmaceutical products and development of pharmaceutical manufacturing business; and
- (b) the anticipated financial position of Fosun Pharma in 2008, 2009 and 2010.

The amount of guarantees given by the Group to Fosun Pharma for the three years ended 31 December 2005, 2006 and 2007 amounting to approximately RMB860 million, RMB1,547 million and RMB1,930 million, respectively.

REASONS FOR ENTERING INTO THE FRAMEWORK AGREEMENT

By entering into Framework Agreement, Fosun Pharma will benefit by securing a reliable source of bank loans and issuance of debentures as funds for the (i) working capital; and (ii) expansion of businesses of Fosun Pharma. Fosun Pharma is an integral part of the Group and the Group can be benefited from the development of Fosun Pharma. Furthermore, expansions and investments in pharmaceuticals industries are in compliance with the Group's future plans.

The Directors (excluding the independent non-executive Directors who will opine on the Framework Agreement and annual caps after taking into account the advice to be given by the Independent Financial Adviser) are of the opinion that the Framework Agreement was entered into on normal commercial terms and that the terms of the Framework Agreement are fair and reasonable and in the interests of the Shareholders as a whole and the proposed annual caps are fair and reasonable.

LISTING RULES IMPLICATIONS

As Fosun Pharma is holding 10.6% equity interest in Forte, a non-wholly owned subsidiary of the Company, it is a substantial shareholder of a subsidiary of the Company. Fosun Pharma is a connected person of the Company under the Listing Rules. The transactions contemplated under Framework Agreement constitute continuing connected transactions under the Listing Rules.

As one or more of the applicable percentage ratios exceed 2.5%, the transactions contemplated under the Framework Agreement constitute continuing connected transactions of the Company under the Listing Rules. and are subject to the reporting, announcement and independent Shareholders' approval requirements under the Listing Rules. As no Shareholder has a material interest in the Framework Agreement and the transaction contemplated thereunder which is different from other Shareholders, no Shareholder is required to abstain from voting. Fosun Holdings Limited, the Controlling Shareholder holding 4,987,008,500 shares of the Company representing 77.66% of the total issued shares of the Company as at the date hereof, has given its written consent for the Framework Agreement. The Company has made an application to the Stock Exchange for a wavier for holding a general meeting to approve the Framework Agreement pursuant to Rule 14A.43 of the Listing Rules.

An Independent Board Committee, which comprises of all of the independent non-executive Directors, will be established to consider the Framework Agreement and the Annual Caps, and the Company will appoint an Independent Financial Adviser to advise the Independent Board Committee and the independent Shareholders in respect of the Framework Agreement and the Annual Caps.

A circular containing, among other things, (i) details of Framework Agreement, (ii) the recommendation of the Independent Board Committee to the independent Shareholders relating to the Framework Agreement, and (iii) an opinion letter from the Independent Financial Adviser to the Independent Board Committee and the independent Shareholders relating to the Framework Agreement will be despatched to the Shareholders as soon as practicable.

GENERAL INFORMATION ON THE PARTIES

The principal businesses of the Company include: (i) pharmaceuticals; (ii) property development; (iii) steel; (iv) mining; (v) investments in retail business; (vi) financial services and strategic investments, which operate through Shanghai Fosun High Technology (Group) Co. Ltd., a wholly owned subsidiary of the Company.

The principal activities of Fosun Pharma are manufacturing, research and development, wholesaling and retailing of pharmaceutical products. Fosun Pharma is a subsidiary of the Company in which the Company holds 49.03% equity interest.

DEFINITION

“Associate”	has the same meaning ascribed thereto under the Listing Rules;
“Board”	the 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;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Controlling Shareholder”	controlling shareholder of the Company;
“Director(s)”	the director(s) of the Company;
“Forte”	復地（集團）股份有限公司(Shanghai Forte Land Co., Ltd.) a limited liability company established in the PRC and a subsidiary of the Company;
“Fosun Pharma”	上海復星醫藥（集團）股份有限公司 (Shanghai Fosun Pharmaceuticals (Group) Company Limited), a limited liability company established in the PRC and a subsidiary of the Company, and its subsidiaries;

“Framework Agreement”	the guarantee framework agreement entered into between the Company and Fosun Pharma on 30 June 2008;
“Group”	the Company and its subsidiaries;
“Guarantees”	the guarantees to be given by the Company in respect of bank loans borrowed and debenture to be issued by Fosun Pharma pursuant to Framework Agreement;
“Independent Board Committee”	an independent board committee, comprising the independent non-executive Directors to be established to advise the independent Shareholders in respect of the terms of Framework Agreement and the Annual Caps;
“Independent Financial Adviser”	the independent financial adviser to be appointed by the Company to advise the Independent Board Committee and the independent Shareholders in relation to the terms of Framework Agreement and the Annual Caps;
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi yuan, the lawful currency of the PRC;
“Shareholders”	shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Term”	the period commencing from the date of the Framework Agreement ending 31 December 2010.

By order of the Board
Fosun International Limited
Guo Guangchang
Chairman

Shanghai, the PRC, 30 June 2008

As at the date of this announcement, the Company’s executive directors are Mr. Guo Guangchang, Mr. Liang Xinjun, Mr. Wang Qunbin, Mr. Fan Wei, Mr. Ding Guoqi, Mr. Qin Xuetang 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.