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FOSUN 复星
FOSUN INTERNATIONAL LIMITED
*(Incorporated in Hong Kong with limited liability
under the Companies Ordinance)*
(Stock Code: 00656)

FORTE 复地
復地（集團）股份有限公司
SHANGHAI FORTE LAND CO., LTD.*
*(a sino-foreign joint stock limited company incorporated in the
People's Republic of China with limited liability)*
(Stock Code: 02337)

JOINT ANNOUNCEMENT

TRANSFER OF A 30% EQUITY INTEREST IN JV COMPANY

MAJOR AND CONNECTED TRANSACTIONS

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders of Forte**



EQUITY INTEREST IN JV COMPANY

Forte Investment, a subsidiary of Forte, and Zhejiang Fosun, a subsidiary of Fosun, entered into the Equity Transfer Agreement on 28 June 2010, whereby Zhejiang Fosun has agreed to acquire the Investment (comprising of a capital contribution in the amount of RMB300,000,000 (equivalent to approximately HK\$343,697,729) and the Shareholder Loan in the amount of RMB1,300,000,000 (equivalent to approximately HK\$1,489,356,827)) and take up all the rights and obligations of Forte Investment under the Joint Investment Agreement (including the Outstanding Financial Commitment) for a consideration of RMB1,600,000,000 (equivalent to approximately HK\$1,833,054,556).

As all of the applicable percentage ratios (as defined under Rule 14.04(9) of the Hong Kong Listing Rules) in relation to the Transfer are below 5%, the Transfer does not constitute a discloseable transaction of Fosun under Chapter 14 of the Hong Kong Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14.04(9) of the Hong Kong Listing Rules) in relation to the Transfer exceed 25% but below 75%, the Transfer constitutes a major transaction of Forte under Chapter 14 of the Hong Kong Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under the Hong Kong Listing Rules.

Fosun is the controlling shareholder of Forte and is therefore a connected person of Forte. The Transfer constitutes a connected transaction of Forte under the Hong Kong Listing Rules. As one or more of the applicable percentage ratios (as defined under Rule 14A.10(10) of the Hong Kong Listing Rules) in relation to the Transfer exceed 5%, the Transfer is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

EXTRAORDINARY GENERAL MEETING

An extraordinary general meeting of Forte will be convened for the Independent Shareholders to consider and approve, among other matters, the resolutions in relation to the Transfer. Fosun, Fosun High Technology and their respective Associates will abstain from voting at the above extraordinary general meeting.

GENERAL INFORMATION

An Independent Board Committee has been formed to advise the Independent Shareholders on the Transfer and the Independent Board Committee has approved the appointment of Somerley Limited as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the Transfer in accordance with the Hong Kong Listing Rules.

A circular containing, among other things, further details of the Transfer, the letter from the Independent Board Committee and the recommendation from the independent financial adviser on the Transfer, together with a notice convening the extraordinary general meeting, will be despatched to the shareholders of Forte on or before Tuesday, 20 July 2010, being within 15 Business Days after the publication of this announcement.

INTRODUCTION

Reference is made to the joint announcement of Fosun and Forte dated 27 April 2010. Pursuant to a joint investment agreement dated 25 April 2010 (the “Joint Investment Agreement”) and entered into between Zendai Property and Forte, the JV Company was duly established on 26 April 2010 and was currently owned as to 50%, 30%, 10% and 10% by Zendai Property, Forte Investment, Greentown and Panshi Investment, respectively. As at the date of this announcement, Forte Investment has injected an aggregate amount of RMB1,600,000,000 (equivalent to approximately HK\$1,833,054,556) into the JV Company, comprising of a capital contribution in the amount of RMB300,000,000 (equivalent to approximately HK\$343,697,729) and the Shareholder Loan in the amount of RMB1,300,000,000 (equivalent to approximately HK\$1,489,356,827) (the “Investment”). According to the Joint Investment Agreement and a shareholder loan agreement dated 7 May 2010 and entered into between Forte and the JV Company (the “Shareholder Loan Agreement”), Forte has agreed to make a further shareholder loan in the amount of RMB1,272,000,000 (equivalent to approximately HK\$1,457,278,372) (the “Outstanding Financial Commitment”) to the JV Company before 31 August 2010, provided that the JV Company is not able to raise funding by itself.

Taking into consideration of the status of the current internal funding resources, the directors of Forte (including its independent non-executive directors) proposed to dispose the Investment and utilise the disposal proceeds and the funding originally earmarked for the Outstanding Financial Commitment for other real estate development opportunities in the PRC. After arm’s length negotiations between Fosun and Forte, Fosun is willing to take up the Investment from and warehouse the same for Forte.

Forte Investment and Zhejiang Fosun entered into the Equity Transfer Agreement on 28 June 2010, whereby Zhejiang Fosun has agreed to acquire the Investment and take up all the rights and obligations of Forte Investment under the Joint Investment Agreement (including the Outstanding Financial Commitment). Upon the completion of the Equity Transfer

Agreement, the Investment will be subject to the Call Option and pre-emptive rights under the Non-competition Agreement and the Supplemental Agreement entered into between Fosun and Forte, details of which were disclosed in the joint announcements of Fosun and Forte dated 21 April 2009 and 1 December 2009, respectively.

EQUITY TRANSFER AGREEMENT

Forte Investment, a subsidiary of Forte, and Zhejiang Fosun, a subsidiary of Fosun, entered into the Equity Transfer Agreement on 28 June 2010, whereby Zhejiang Fosun has agreed to acquire the Investment and take up all the rights and obligations of Forte Investment under the Joint Investment Agreement (including the Outstanding Financial Commitment) for a consideration of RMB1,600,000,000 (equivalent to approximately HK\$1,833,054,556).

Date

28 June 2010

Parties

- (i) Forte Investment
- (ii) Zhejiang Fosun

Consideration

The consideration in the amount of RMB1,600,000,000 (equivalent to approximately HK\$1,833,054,556) has been arrived at after arm's length negotiations between the parties to the Equity Transfer Agreement with reference to: (i) contribution made by Forte Investment to the registered capital of the JV Company in the amount of RMB300,000,000 (equivalent to approximately HK\$343,697,729); and (ii) the Shareholder Loan in the amount of RMB1,300,000,000 (equivalent to approximately HK\$1,489,356,827) advanced by Forte Investment to the JV Company.

The consideration in the amount of RMB1,600,000,000 shall be settled by Zhejiang Fosun in cash by internal resources in the following manner:

- (i) an amount of RMB480,000,000 (equivalent to approximately HK\$549,916,367) shall be paid within three Business Days after the date of the Equity Transfer Agreement;
- (ii) an amount of RMB800,000,000 (equivalent to approximately HK\$916,527,278) shall be paid within three Business Days after the approval by the Independent Shareholders; and
- (iii) an amount of RMB320,000,000 (equivalent to approximately HK\$366,610,911) shall be paid within three Business Days after completion of the registration of change with the original registration authority of the JV Company.

Pursuant to the Equity Transfer Agreement, Forte will be entitled to the interests accrued on the relevant portion of the Shareholder Loan for the period up to the date receiving the

payment of consideration in respect of the corresponding portion of the Shareholder Loan which shall be paid by the JV Company to Forte. Fosun will be entitled to the interest accrued on the relevant portion of the Shareholder Loan after the date receiving the payment of consideration in respect of the corresponding portion of the Shareholder Loan.

Zhejiang Fosun will be responsible for making a further shareholder loan in the amount of RMB1,272,000,000 (equivalent to approximately HK\$1,457,278,372) to the JV Company before 31 August 2010 provided that the JV Company is not able to raise funding by itself.

Conditions Precedent

The Equity Transfer Agreement shall take effect upon, among other matters, the fulfilment of the following conditions precedent:

- (i) the Independent Shareholders approving the Transfer and the Equity Transfer Agreement;
- (ii) the Independent Shareholders waiving the non-compliance of the Non-competition Agreement on the part of Fosun arising from the holding of the 30% equity interest in the JV Company upon completion of the Equity Transfer Agreement;
- (iii) the directors of Fosun approving the Transfer; and
- (iv) the other shareholders of the JV Company having given in writing their respective consents and waivers of pre-emptive rights in respect of the Transfer.

In the event that the Equity Transfer Agreement does not take effect within 180 days after the date of the agreement, Forte Investment shall refund all the payment made by Zhejiang Fosun together with interest at the prevailing deposit rate for the relevant period.

Financial Information

Since the JV Company was only established on 26 April 2010, there is no financial information available as at the date of this announcement.

Financial Effects of the Transfer

There will be no gain or loss expected to accrue to Forte.

The disposal proceeds from the Transfer will be used as the general working capital of Forte.

Reasons for the Transfer

Forte considers that the Transfer represents a good opportunity for Forte to liquidate its 30% equity interest in the JV Company in order to reorganise its assets portfolio and improve its cash position.

Fosun considers that the Transfer represents its support to Forte, being a member of the Fosun Group, by way of warehousing the 30% equity interest in the JV Company for Forte.

NON-COMPETITION AGREEMENT

Upon completion of the Equity Transfer Agreement, Fosun Group will be interested in the 30% equity interest in the JV Company, which is principally engaged in the development of a commercial property project in Shanghai, the PRC. As one of the conditions precedent of the Equity Transfer Agreement, a waiver in respect of the non-compliance of the Non-competition Agreement on the part of Fosun arising from the holding of the 30% equity interest in the JV Company upon the completion of the Equity Transfer Agreement will be sought from the Independent Shareholders at an extraordinary general meeting of Forte.

Upon the completion of the Equity Transfer Agreement, the Investment will be subject to the Call Option and pre-emptive rights under the Non-competition Agreement.

HONG KONG LISTING RULES IMPLICATIONS

Fosun

As all of the applicable percentage ratios (as defined under Rule 14.04(9) of the Hong Kong Listing Rules) in relation to the Transfer are below 5%, the Transfer does not constitute a discloseable transaction of Fosun under Chapter 14 of the Hong Kong Listing Rules.

Forte

As one or more of the applicable percentage ratios (as defined under Rule 14.04(9) of the Hong Kong Listing Rules) in relation to the Transfer exceed 25% but below 75%, the Transfer constitutes a major transaction of Forte under Chapter 14 of the Hong Kong Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under the Hong Kong Listing Rules.

Fosun is the controlling shareholder of Forte and is therefore a connected person of Forte. The Transfer constitutes a connected transaction of Forte under the Hong Kong Listing Rules. As one or more of the applicable percentage ratios (as defined under Rule 14A.10(10) of the Hong Kong Listing Rules) in relation to the Transfer exceed 5%, the Transfer is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

General

Fosun

The directors of Fosun (including the independent non-executive directors) are of the view that the terms of the Equity Transfer Agreement (i) have been negotiated on an arm's length basis; and (ii) are on normal commercial terms and are fair and reasonable and in the interests of its shareholders as a whole.

To the best of the knowledge, information and belief of the directors of Fosun having made all reasonable enquiries, there is no other transaction entered into between any member of the Fosun Group and Forte Investment and their respective ultimate beneficial owner(s) within a 12-month period prior to the date of this announcement or otherwise related, which would be, together with the Transfer, regarded as a series of transactions and treated as if they are one transaction under Rule 14.22 of the Hong Kong Listing Rules.

Forte

The directors of Forte (excluding the independent non-executive directors who will express their view after receiving advice from the independent financial adviser) are of the view that the terms of the Equity Transfer Agreement (i) have been negotiated on an arm's length basis; and (ii) are on normal commercial terms and are fair and reasonable and in the interests of its shareholders as a whole.

To the best of the knowledge, information and belief of the directors of Forte having made all reasonable enquiries, there is no other transaction entered into between any member of the Forte Group and Zhejiang Fosun and their respective ultimate beneficial owner(s) within a 12-month period prior to the date of this announcement or otherwise related, which would be, together with the Transfer, regarded as a series of transactions and treated as if they are one transaction under Rule 14.22 and/or Rule 14A.25 of the Hong Kong Listing Rules.

GENERAL INFORMATION OF THE PARTIES TO THE TRANSACTION

Fosun

The principal activities of Fosun are: (i) pharmaceuticals; (ii) property development; (iii) steel; (iv) mining and (v) retail, services and strategic investments.

Forte

Forte is a 70.56% owned subsidiary of Fosun. It is principally engaged in the development and sale of high quality commercial and residential properties in the PRC.

Zhejiang Fosun

Zhejiang Fosun is a wholly-owned subsidiary of Fosun. The principal activity of Zhejiang Fosun is investment holding.

Forte Investment

Forte Investment is a wholly-owned subsidiary of Forte. The principal activities of Forte Investment are investment management and property investment.

JV Company

JV Company is a limited liability company established under the laws of the PRC. It is principally engaged in investment management and real estate consultancy services.

EXTRAORDINARY GENERAL MEETING

An extraordinary general meeting of Forte will be convened for the Independent Shareholders to consider and approve, among other matters, the resolutions in relation to the Transfer. Fosun, Fosun High Technology and their respective Associates will abstain from voting at the above extraordinary general meeting.

GENERAL INFORMATION

An Independent Board Committee has been formed to advise the Independent Shareholders on the Transfer and the Independent Board Committee has approved the appointment of Somerley Limited as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the Transfer in accordance with the Hong Kong Listing Rules.

A circular containing, among other things, further details of the Transfer, the letter from the Independent Board Committee and the recommendation from the independent financial adviser on the Transfer, together with a notice convening the extraordinary general meeting, will be despatched to the shareholders of Forte on or before Tuesday, 20 July 2010, being within 15 business days after the publication of this announcement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

“Associates”	has the meaning ascribed thereto under the Hong Kong Listing Rules
“Business Day”	a day (excluding Saturdays and Sundays) on which commercial banks generally are open in the PRC and Hong Kong for the transaction of normal banking business
“Call Option”	has the meaning ascribed thereto under the Non-competition Agreement
“Equity Interest”	the 30% equity interest in the JV Company to be acquired by Zhejiang Fosun pursuant to the Equity Transfer Agreement
“Equity Transfer Agreement”	an equity transfer agreement dated 28 June 2010 and entered into between Forte Investment and Zhejiang Fosun in relation to the Transfer
“Forte”	Shanghai Forte Land Co., Ltd. (復地(集團)股份有限公司), a sino-foreign joint stock company incorporated in the PRC with limited liability and whose H Shares are listed and traded on the main board of the Hong Kong Stock Exchange
“Forte Group”	Forte and its subsidiaries
“Forte Investment”	Shanghai Forte Investment Management Co., Ltd. (上海復地投資管理有限公司), a limited liability company incorporated under the laws of the PRC
“Fosun”	Fosun International Limited (復星國際有限公司), a company incorporated under the laws of Hong Kong and whose shares are listed and traded on the main board of the Hong Kong Stock Exchange

“Fosun High Technology”	Shanghai Fosun High Technology (Group) Co., Ltd. (上海復星高科技(集團)有限公司), a limited liability company incorporated under the laws of the PRC
“Fosun Group”	Fosun and its subsidiaries
“Greentown”	Hangzhou Greentown Real Estate Investment Co., Ltd. (杭州綠城置業投資有限公司), a limited liability company incorporated under the laws of the PRC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	an independent board committee of the board of directors of Forte, comprising all of its independent non-executive directors, namely, Mr. Charles Nicholas Brooke, Mr. Chen Yingjie, Mr. Zhang Hongming and Ms. Wang Meijuan
“Independent Shareholders”	shareholders of Forte (other than Fosun, Fosun High Technology and their respective Associates) who are not required to abstain from voting on the resolutions to be proposed at the extraordinary general meeting to approve the Transfer under the Hong Kong Listing Rules
“Investment”	has the meaning ascribed thereto under the section headed “Introduction” of this announcement
“Joint Investment Agreement”	has the meaning ascribed thereto under the section headed “Introduction” of this announcement
“JV Company”	Shanghai Haizhimen Property Investment Management Co., Ltd. (上海海之門房地產投資管理有限公司), a limited liability company incorporated under the laws of the PRC
“Non-competition Agreement”	the non-competition agreement dated 21 April 2009 and entered into between Fosun and Forte
“Outstanding Financial Commitment”	has the meaning ascribed thereto under the section headed “Introduction” of this announcement
“Panshi Investment”	Shanghai Panshi Investment Management Co., Ltd. (上海磐石投資管理有限公司), a limited liability company incorporated under the laws of the PRC
“PRC”	the People’s Republic of China, which for the purposes of this announcement only excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder Loan”	a shareholder loan in the amount of RMB1,300,000,000 (equivalent to approximately HK\$1,489,356,827) advanced by Forte Investment to the JV Company
“Shareholder Loan Agreement”	has the meaning ascribed thereto under the section headed “Introduction” of this announcement
“Supplemental Agreement”	the supplemental agreement to the Non-competition Agreement dated 1 December 2009 and entered into between Fosun and Forte
“Transfer”	the proposed transfer of the Equity Interest and the assignment of Shareholder Loan from Forte Investment to Zhejiang Fosun under the Equity Transfer Agreement
“Zendai Property”	Shanghai Zendai Property Limited (上海証大房地產有限公司), a company incorporated under the laws of Bermuda, and whose shares are listed and traded on the main board of the Hong Kong Stock Exchange
“Zhejiang Fosun”	Zhejiang Fosun Commerce Development Limited (浙江復星商業發展有限公司), a limited liability company incorporated under the laws of the PRC

By Order of the Board
FOSUN INTERNATIONAL LIMITED
GUO GUANGCHANG
Chairman

By Order of the Board
SHANGHAI FORTE LAND CO., LTD.
FAN WEI
Chairman

28 June 2010, Shanghai, the PRC

As at the date of this announcement, the executive directors of Fosun 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.

As at the date of this announcement, the executive directors of Forte are Mr. Fan Wei, Mr. Zhang Hua and Mr. Wang Zhe; the non-executive directors are Mr. Guo Guangchang, Mr. Feng Xiekun and Mr. Chen Qiyu; and the independent non-executive directors are Mr. Charles Nicholas Brooke, Mr. Chen Yingjie, Mr. Zhang Hongming and Ms. Wang Meijuan.

Unless otherwise stated, amount in RMB has been translated into HK\$ at the exchange rate of HK\$1.00 to RMB0.87286 for illustration purpose only. No representation has been made that any amount in RMB or HK\$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.

** For identification purpose only*