

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

FORTE 复地

復地（集團）股份有限公司

SHANGHAI FORTE LAND CO., LTD.*

(a sino-foreign joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02337)

**CONTINUING CONNECTED TRANSACTIONS
REAL ESTATE AGENCY FRAMEWORK AGREEMENT
AND
OFFICE TENANCY AGREEMENT**

REAL ESTATE AGENCY FRAMEWORK AGREEMENT

On 30 June 2010, the Company entered into the Real Estate Agency Framework Agreement with Resource Property Consultancy, a subsidiary of Fosun, pursuant to which Resource Property Consultancy has agreed to act as the agent of the Company for the sales of property projects solely owned or controlled by the Group for a term of three (3) years commencing from the date of the Real Estate Agency Framework Agreement.

OFFICE TENANCY AGREEMENT

On 30 June 2010, the Company entered into the Office Tenancy Agreement with Fosun Property, a wholly-owned subsidiary of Fosun High Technology, pursuant to which Fosun Property has agreed to rent the Office Premises to the Group for a term of three (3) years commencing from 1 January 2010.

**CONTINUING CONNECTED TRANSACTIONS AND HONG KONG LISTING
RULES IMPLICATIONS**

Resource Property Consultancy is a subsidiary of Fosun, the controlling shareholder of the Company, and is therefore a connected person of the Company under the Hong Kong Listing Rules. The Agency Services constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

As certain of the applicable percentage ratios (as defined under Rule 14A.10 of the Hong Kong Listing Rules) in respect of the proposed annual caps for the Agency Services exceeds 0.1% but is less than 5%, the Agency Services are subject to reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Hong Kong Listing Rules, and are exempt from the independent shareholders' approval requirement under Rule 14A.48 of the Hong Kong Listing Rules.

Fosun Property is a wholly-owned subsidiary of Fosun High Technology, a substantial shareholder of the Company, and is therefore a connected person of the Company under the Hong Kong Listing Rules. Accordingly, the Lease constitutes continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

As certain of the applicable percentage ratios (as defined under Rule 14A.10 of the Hong Kong Listing Rules) in respect of the proposed annual caps for the Lease exceeds 0.1% but is less than 5% subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Hong Kong Listing Rules, and is exempt from the independent shareholders' approval requirement under Rule 14A.48 of the Hong Kong Listing Rules.

REAL ESTATE AGENCY FRAMEWORK AGREEMENT

On 30 June 2010, the Company entered into the Real Estate Agency Framework Agreement with Resource Property Consultancy, a subsidiary of Fosun, pursuant to which Resource Property Consultancy has agreed to act as the agent of the Company for the sales of property projects owned or controlled by the Group for a term of three (3) years commencing from the date of the Real Estate Agency Framework Agreement.

PRINCIPAL TERMS OF THE REAL ESTATE AGENCY FRAMEWORK AGREEMENT

Date

30 June 2010

Parties

- (i) the Company
- (ii) Resource Property Consultancy

Continuing transactions

Resource Property Consultancy has agreed to act as the agent of the Company for the sales of property projects solely owned or controlled by the Group, subject to the terms and conditions contemplated under the Real Estate Agency Framework Agreement.

Term and termination

The Real Estate Agency Framework Agreement is for a term of three (3) years commencing from the date of the Real Estate Agency Framework Agreement.

Agency fees

Pursuant to the Real Estate Agency Framework Agreement, Resource Property Consultancy shall be entitled to:

- (i) basic commission which shall be calculated on 1.0% of the Settlement Amount in respect of residential property projects in Shanghai, and 1.2% of the Settlement Amount in respect of residential property projects not in Shanghai and non-residential property projects; and
- (ii) premium commission which shall be calculated on 10% of the net balance (after deduction of taxes and other expenses) between the Actual Transaction Amount and the Benchmark Price, provided that (a) the Actual Transaction Amount is higher than the Benchmark Price and (b) Resource Property Consultancy meets the Sales Target.

HISTORICAL TRANSACTION AMOUNTS

The aggregated transaction amounts of the Agency Services for each of the three (3) years ended 31 December 2007, 2008 and 2009 are set out as follows:

Transactions	Year ended 31 December		
	2007	2008	2009
	(RMB)	(RMB)	(RMB)
Commission paid by the Group to Resource Property Consultancy for the Agency Services	87,730,055	34,590,716	49,439,428

PROPOSED ANNUAL CAPS

Transactions	Annual Cap for the		
	year ending on 31 December		
	2010 (RMB)	2011 (RMB)	2012 (RMB)
Commission for the Agency Services	130,000,000	160,000,000	200,000,000

In arriving at the above proposed annual caps for the Agency Services, the Directors have taken into account (i) the historical transaction amounts, (ii) the estimated growth of the market price of the Agency Services during the three (3) years ending 31 December 2010, 2011 and 2012, respectively, at an annual rate in the range of 41%; and (iii) the estimated growth in the number of properties for sale thereof under the Real Estate Agency Framework Agreement during the three years ending 31 December 2010, 2011 and 2012, respectively, at an annual rate in the range of 50% as a result of the growth of the business of the Group.

Implementation Agreements

Members of the Group and Resource Property Consultancy may enter into, from time to time and as necessary, separate implementation agreements for each property project pursuant to the Real Estate Agency Framework Agreement during the term thereof. Each implementation agreement will set out the project and property concerned, duration of the arrangement and other relevant terms thereof.

As the implementation agreements provide for real estate agency arrangements as contemplated under the Real Estate Agency Framework Agreement, as such, they do not constitute new categories of continuity connected transactions of the Company. Any such implementation agreements will be within the ambit of the Real Estate Agency Framework Agreement and the relevant annual caps, exceeding which, the Company will comply with the relevant Hong Kong Listing Rules accordingly.

REASONS FOR ENTERING INTO THE REAL ESTATE AGENCY FRAMEWORK AGREEMENT

The Company is of the view that the Real Estate Agency Framework Agreement will (i) maintain the stability of the operations of the Group; (ii) enable the Group to secure relatively more favourable services terms; (iii) avoid any unnecessary disruption to the operations of the Group, and (iv) minimise any unnecessary intermediaries costs.

OFFICE TENANCY AGREEMENT

On 30 June 2010, the Company entered into the Office Tenancy Agreement with Fosun Property, a wholly-owned subsidiary of Fosun High Technology, pursuant to which, Fosun Property has agreed to rent the Office Premises to the Group for a term of three (3) years commencing from 1 January 2010.

PRINCIPAL TERMS OF THE OFFICE TENANCY AGREEMENT

Date

30 June 2010

Parties

- (1) Fosun Property
- (2) the Company

Office Premises:

5th — 7th Floors of Fosun Business Building at No.2 East Fuxing Road Shanghai, the PRC

Gross Floor Area:

4794.85 square metres

Continuing transactions

Pursuant to the Office Tenancy Agreement, Fosun Property has agreed to rent the Office Premises to the Group.

Term and termination

The Office Tenancy Agreement is for a term of three (3) years commencing from 1 January 2010.

Price determination

Pursuant to the Office Tenancy Agreement, the daily rental service fee for year 2010 shall be RMB5.25 per square metres including rent and Commercial Service fee, and the relevant annual rent for years 2011 and 2012 may be adjusted by not more than 15% of the annual rent of the previous year, subject to the agreement of both parties. The rent is payable on a half year basis in every January and July.

Implementation Agreements Members of the Group and Fosun Property may enter into from time to time and as necessary, separate implementation agreements in respect of the individual lease between the relevant member of the Group and Fosun Property pursuant to the Office Tenancy Agreement during the term thereof. Each implementation agreement will set out the premises, rent, lease term and other relevant terms thereof.

HISTORICAL TRANSACTION AMOUNTS

The annual rent and commercial service fee in respect of the Office Premises for each of the three years ended 31 December 2007, 2008 and 2009 are set out as follows:

Transactions	Year ended 31 December		
	2007 (RMB)	2008 (RMB)	2009 (RMB)
Rent and commercial service fee paid by the Group to Fosun Property	8,898,131	8,982,679	8,803,000

PROPOSED ANNUAL CAPS

Transactions	Annual Cap for the year ending on 31 December		
	2010 (RMB)	2011 (RMB)	2012 (RMB)
Rent and commercial service fee paid by the Group to Fosun Property	9,200,000	10,600,000	12,200,000

The above proposed annual caps are calculated based on the estimated aggregate annual rent, taking into account the potential rent adjustment for years 2011 and 2012 pursuant to the Office Tenancy Agreement, as described above.

REASONS FOR ENTERING INTO THE REAL ESTATE AGENCY FRAMEWORK AGREEMENT

The Group has been renting the Office Premises as its office premises since 2002. The Directors consider that it will benefit the Company commercially if the Company continue to rent the Office Premises, taking the location of the Office Premises, the rent, and the saving of relocation costs into account.

HONG KONG LISTING RULES IMPLICATIONS

Resource Property Consultancy is a subsidiary of Fosun, the controlling shareholder of the Company, and is therefore a connected person of the Company under the Hong Kong Listing Rules. Accordingly, the Agency Services constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

As certain of the applicable percentage ratios (as defined under Rule 14A.10 of the Hong Kong Listing Rules) in respect of the proposed annual caps for the Agency Services exceeds 0.1% but is less than 5%, the Agency Services are subject to reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Hong Kong Listing Rules, and are exempt from the independent shareholders' approval requirement under Rule 14A.48 of the Hong Kong Listing Rules.

Fosun Property is a wholly-owned subsidiary of Fosun High Technology, a substantial shareholder of the Company, and is therefore a connected person of the Company under the Hong Kong Listing Rules. Accordingly, the Lease constitutes continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

As certain of the applicable percentage ratios (as defined under Rule 14A.10 of the Hong Kong Listing Rules) in respect of the proposed annual caps for the Lease exceeds 0.1% but is less than 5% subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Hong Kong Listing Rules, and is exempt from the independent shareholders' approval requirement under Rule 14A.48 of the Hong Kong Listing Rules.

To the best of the knowledge, information and belief of the Director having made all reasonable enquiries, none of the Directors has a material interest in the transactions contemplated under the Real Estate Agency Framework Agreement or the Office Tenancy Agreement, or has abstained from voting.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Real Estate Agency Framework Agreement and the Office Tenancy Agreement (i) have been negotiated on an arm's length basis; (ii) the transactions there under have been conducted and will be conducted on normal commercial terms, or on terms no less favourable than those available to independent third parties under prevailing local market conditions; (iii) are entered into in the ordinary and usual course of business of the Group; (iv) are fair and reasonable and in the interests of the Shareholders as a whole; and (v) that the proposed annual caps in respect of the Agency Services and the Lease for the three years ending 31 December 2010, 2011 and 2012, respectively, as mentioned above, are fair and reasonable.

GENERAL INFORMATION OF THE PARTIES TO THE TRANSACTIONS

Fosun

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

The Company

The Company is principally engaged in the development and sale of high quality commercial and residential properties in the PRC.

Resource Property Consultancy

Resource Property Consultancy is a limited liability company incorporated under the laws of the PRC. It is principally engaged in sales planning, exchange and real estate agency services.

Fosun Property

Fosun Property is a limited liability company incorporated under the laws of the PRC. It is principally engaged in providing property management services and also owns the Fosun Business Building at No.2 East Fuxing Road Shanghai, PRC.

DEFINITIONS

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

“Actual Transaction Amount”	the actual transaction announce received by Resource Property Consultancy for the property sold
“Agency Services”	real estate agency and related services provided (or to be provided under the Real Estate Agency Framework Agreement) by Resource Property Consultancy to the Group
“Benchmark Price”	Price for each property set by the Company when the property is released
“Board”	the board of directors of the Company
“Company”	Shanghai Forte Land Co., Ltd. (復地(集團)股份有限公司), a sino-foreign joint stock company incorporated under the law of the PRC and the H shares of which are listed and traded on the main board of the Hong Kong Stock Exchange
“Director(s)”	the directors of the Company
“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”	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 Property”	Shanghai Fosun Property Management Co., Ltd. (上海復星物業管理有限公司), a limited liability company incorporated under the laws of the PRC
“Group”	the Company and its subsidiaries
“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

“Office Premises”	5th — 7th Floors of Fosun Business Building at No.2 East Fuxing Road Shanghai, PRC
“Office Tenancy Agreement”	The office tenancy agreement dated 30 June 2010 entered into between the Company, four subsidiaries of the Company and Fosun Property in relation to the lease of the Office Premises
“PRC”	the People’s Republic of China, which for the purposes of this announcement only (unless otherwise indicated) excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Real Estate Agency Framework Agreement”	a real estate agency framework agreement dated 30 June 2010 and entered into between the Company and Resource Property Consultancy pursuant to which Resource Property Consultancy has agreed to act as the agent for the sales of property projects owned or controlled by the Group
“Resource Property Consultancy”	Shanghai Resource Property Consultancy Co., Ltd. (上海策源置業顧問有限公司), a limited liability company incorporated under the laws of the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Sales Target”	sales target assigned by Forte to Resource Property Consultancy in respect of each property which shall be renewed every three (3) months
“Settlement Amount”	the Actual Transaction Amount or the Benchmark Price, whichever is lower
“Shareholders”	the shareholders of the Company

By order of the Board
SHANGHAI FORTE LAND CO., LTD.
Fan Wei
Chairman of the Board

30 June 2010, Shanghai, the PRC

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

* *For identification purpose only*