

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.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Fosun International Limited or Shanghai Forte Land Co., Ltd..

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

**VOLUNTARY CONDITIONAL OFFER
BY STANDARD CHARTERED BANK (HONG KONG) LIMITED
ON BEHALF OF
FOSUN INTERNATIONAL LIMITED
FOR ALL THE ISSUED H SHARES IN
SHANGHAI FORTE LAND CO., LTD. (OTHER THAN THOSE ALREADY HELD
BY FOSUN INTERNATIONAL LIMITED AND PARTIES ACTING IN CONCERT
WITH IT)**

**VOLUNTARY CONDITIONAL OFFER
BY FOSUN INTERNATIONAL LIMITED
FOR ALL THE ISSUED DOMESTIC SHARES IN
SHANGHAI FORTE LAND CO., LTD. (OTHER THAN THOSE ALREADY HELD
BY FOSUN INTERNATIONAL LIMITED AND PARTIES ACTING IN CONCERT
WITH IT)**

**PROPOSED WITHDRAWAL OF LISTING OF
SHANGHAI FORTE LAND CO., LTD.**

**DISCLOSEABLE TRANSACTION OF FOSUN INTERNATIONAL LIMITED
IN RELATION TO THE VOLUNTARY CONDITIONAL OFFERS**

**RESUMPTION OF TRADING OF
SHANGHAI FORTE LAND CO., LTD.**

**Financial adviser to
Fosun International Limited**



Standard Chartered Bank (Hong Kong) Limited

* For identification purposes only

1. INTRODUCTION

On 17 January 2011, the Offeror informed the board of Forte that:

- (a) Standard Chartered Bank, on behalf of the Offeror, will make a voluntary conditional offer to acquire all of the issued H Shares (other than those already held by the Offeror and parties acting in concert with it); and
- (b) subject to the H Share Offer becoming unconditional in all respects, the Offeror will make a voluntary conditional offer to acquire all of the issued Domestic Shares (other than those already held by the Offeror and parties acting in concert with it).

2. CONSIDERATION FOR THE H SHARE OFFER

The H Share Offer will be made on the following basis:

For each H Share HK\$3.50 in cash

The Offeror will not increase the consideration for the H Share Offer as set out above.

3. CONDITIONS OF THE H SHARE OFFER

The H Share Offer is subject to the fulfilment or waiver, as applicable, of the following conditions:

- (a) the passing of a resolution approving the voluntary withdrawal of the listing of the H Shares from the Hong Kong Stock Exchange at the H Share Class Meeting to be convened for this purpose by the Independent H Shareholders, provided that:
 - (i) approval is given by at least 75% of the votes attaching to the H Shares held by the Independent H Shareholders that are cast either in person or by proxy; and

- (ii) the number of votes cast (by way of poll) against the resolution is not more than 10% of the votes attaching to all the H Shares held by the Independent H Shareholders;
- (b) minimum valid acceptances of the H Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the rules of the Takeovers Code, decide) such that, following acquisition of such H Shares, the Offeror would hold not less than 90% in nominal value of the H Shares carrying voting rights then exercisable at a general meeting of the Forte H Shareholders;
- (c) all necessary authorisations, consents and approvals (including approval in-principle) of any governmental or regulatory body in relation to the H Share Offer (including its implementation) having been obtained and remaining in full force and effect pursuant to the provisions of any laws or regulations in Hong Kong, the PRC and other relevant jurisdictions;
- (d) all necessary third party consents in relation to the H Share Offer required pursuant to any agreement to which any member of the Forte Group is a party (where any failure to obtain a consent would have a material adverse effect on the business of the Forte Group taken as a whole) having been obtained or waived by the relevant party(ies);
- (e) no relevant government, governmental, quasi-governmental, statutory or regulatory body, court or agency having granted any order or made any decision that would make the H Share Offer void, unenforceable or illegal, or restrict or prohibit the implementation of, or impose any additional material conditions or obligations with respect to, the H Share Offer (other than such orders or decisions as would not have a material adverse effect on the legal ability of the Offeror to proceed with or consummate the H Share Offer);
- (f) all Authorisations remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with and no requirement having been imposed by any of the Relevant Authorities which is not expressly provided for, or is in addition to the requirements expressly provided for, in the relevant laws, rules, regulations or codes in connection with the H Share Offer or any matters, documents (including circulars) or things relating thereto, in each case up to and at the time when the H Share Offer becomes unconditional;

- (g) no event having occurred which would make the H Share Offer or the acquisition of any of the H Shares void, unenforceable or illegal or which would prohibit the implementation of the H Share Offer or impose any additional material conditions or obligations with respect to the H Share Offer or any part thereof; and
- (h) since the date of this announcement up to the Unconditional Date (both days inclusive), there having been no material adverse change in the business, financial or trading position of the Forte Group, taken as a whole.

The Offeror reserves the right to waive all or any of the conditions set out above (except for the conditions referred to in paragraphs (a), (c), (e) and (g) above) in whole or in part. Forte does not have the right to waive any of the conditions.

The Offeror will not invoke any condition, other than the condition referred to in (b) above, so as to cause the H Share Offer to lapse unless the circumstances which give rise to the right to invoke the condition are of material significance to the Offeror in the context of the H Share Offer.

The H Share Offer will be made in compliance with the Takeovers Code, which is administered by the Executive.

4. CONSIDERATION FOR THE DOMESTIC SHARE OFFER

The Domestic Share Offer will be made on the following basis:

For each Domestic Share:

The equivalent in cash in RMB of the offer price of the H Share Offer of HK\$3.50 per H Share

For the purpose of this paragraph, the translation of HK\$ into RMB will be based on the average exchange rate of the day on which the Domestic Share Offer becomes unconditional.

The Offeror will not increase the consideration for the Domestic Share Offer as set out above.

5. CONDITIONS OF THE DOMESTIC SHARE OFFER

The Domestic Share Offer is subject to the fulfilment or waiver, as applicable, of the following conditions:

- (a) the H Share Offer becoming unconditional in all respects; and
- (b) all necessary authorisations, consents and approvals (including approval in-principle) of any governmental or regulatory body in relation to the Domestic Share Offer having been obtained and remaining in full force and effect pursuant to the provisions of any laws or regulations in Hong Kong, the PRC and other relevant jurisdictions.

The Offeror reserves the right to waive all or any of the conditions set out above (except for the condition referred to in paragraph (a) above) in whole or in part. Forte does not have the right to waive any of the conditions.

Given that the Domestic Share Offer and the H Share Offer are not interconditional, the Offeror will apply to the Executive for a waiver from the requirements under Note 3 to Rule 14 of the Takeovers Code.

6. NO RIGHT OF COMPULSORY ACQUISITION

The Offeror has no rights under the laws of the PRC and the Articles of Association of Forte to compulsorily acquire the H Shares that are not tendered for acceptance pursuant to the H Share Offer. Accordingly, the Independent H Shareholders are reminded that if they do not accept the H Share Offer and the H Share Offer subsequently becomes unconditional in all respects, and the H Shares are delisted from the Hong Kong Stock Exchange, this will result in the Independent H Shareholders holding securities that are not listed on the Hong Kong Stock Exchange. In addition, Forte may not continue to be subject to the Takeovers Code after the completion of the Offers.

The Offeror will apply to the Executive for a waiver from the requirements under Rule 2.2(c) of the Takeovers Code.

Once all of the conditions of the H Share Offer have been either satisfied or, waived by the Offeror, the H Share Offer will be declared unconditional and the H Share Offer will be extended for a subsequent period of at least 28 calendar days.

7. GENERAL INFORMATION

7.1 Discloseable transaction of the Offeror

As the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Offers exceed 5% but are less than 25%, the Offers and the transactions contemplated thereunder will constitute a discloseable transaction of the Offeror under the Rule 14.08 of the Listing Rules.

7.2 Shareholding structure of Forte

As at the date of this announcement, the Offeror is interested in 1,458,963,765 Domestic Shares and 325,710,000 H Shares, representing in aggregate approximately 70.56% of the Forte Shares, made up of approximately 99.00% of the total issued Domestic Shares and approximately 30.86% of the total issued H Shares. The H Shares beneficially owned by the Offeror and the parties acting in concert with it, will not, in compliance with the Takeovers Code, be voted at the H Share Class Meeting.

7.3 Independent committee of the board of Forte

Under Rule 2.1 of the Takeovers Code, a board which receives an offer must establish an independent committee of the board to make a recommendation (i) as to whether the offer is, or is not, fair and reasonable and (ii) as to acceptance or voting. Mr. Feng Xiekun (being non-executive director of Forte), Mr. Charles Nicholas Brooke, Mr. Chen Yingjie, Mr. Zhang Hongming and Ms. Wang Meijuan (being independent non-executive directors of Forte) have been appointed as members of the independent committee of the board of Forte in respect of the Offers. Mr. Guo Guangchang, who is a non-executive director of Forte, is also the chairman and an executive director of the Offeror and he currently owns indirectly 78.24% of the Offeror through his shareholding in Fosun Holdings Limited and Fosun International Holdings Ltd.. Mr. Chen Qiyu, who is a non-executive director of Forte, is the vice-president of the Offeror and the chairman of Shanghai Fosun Pharmaceutical (Group) Co., Ltd., which is a non-wholly owned subsidiary of the Offeror. Accordingly, Mr. Guo Guangchang and Mr. Chen Qiyu will not be appointed as members of the independent committee of the board of Forte.

An independent financial adviser will be appointed, subject to the approval of the independent committee of the board of Forte, to advise the independent committee of the board of Forte in respect of the Offers. A separate announcement will be made by Forte as soon as possible after the independent financial adviser has been appointed.

7.4 Future plans for Forte

The Offeror intends to continue with the existing business of Forte Group and does not intend to make any material changes to the current business operations of Forte Group following completion of the Offers. It is also the intention of the Offeror that there will not be any material changes in the management or employees of Forte Group as a result of the Offers.

7.5 General matters relating to the H Share Offer

Availability of the H Share Offer

The Offeror intends to make available the H Share Offer to all Forte H Shareholders, including those who are resident outside Hong Kong, to the extent practicable. The availability of the H Share Offer to persons not resident in Hong Kong may be affected by the laws of the relevant overseas jurisdictions. Persons who are not resident in Hong Kong should inform themselves about and observe any applicable requirements in their own jurisdictions.

Composite Document

The Composite Document for the H Share Offer will contain details of, among other things, the Offers, the expected timetable relating to the H Share Offer, the recommendations of the independent committee of the board of Forte in respect of the Offers, the letter of advice from the independent financial adviser in respect of the Offers, notice of the H Share Class Meeting as well as other particulars required by the Takeovers Code and will be despatched to the Forte H Shareholders within 21 days from the date of this announcement or such later date to which the Executive may consent.

8. WITHDRAWAL OF LISTING OF THE H SHARES

Upon the H Share Offer becoming unconditional, Forte will make an application for the listing of the H Shares to be withdrawn from the Hong Kong Stock Exchange in accordance with Rule 6.12 of the Listing Rules. The Forte Shareholders will be notified by way of an announcement of the dates of the last day for dealing in the H Shares and on which the withdrawal of the listing of the H Shares on the Hong Kong Stock Exchange will become effective.

9. RESUMPTION OF TRADING

At the request of Forte, trading in the H Shares on the Hong Kong Stock Exchange was suspended from 9:30 a.m. on 18 January 2011 pending the release of this announcement. Applications have been made by Forte to the Hong Kong Stock Exchange for a resumption of trading in the H Shares with effect from 9:30 a.m. on 21 January 2011.

WARNING

The Offers are conditional upon the satisfaction of the conditions described in this announcement. Forte Shareholders and shareholders of the Offeror and/or potential investors should therefore exercise caution when dealing in the shares of Forte and the Offeror.

1. INTRODUCTION

On 17 January 2011, the Offeror informed the board of Forte that:

- (a) Standard Chartered Bank, on behalf of the Offeror, will make a voluntary conditional offer to acquire all of the issued H Shares (other than those already held by the Offeror and parties acting in concert with it); and
- (b) subject to the H Share Offer becoming unconditional in all respects, the Offeror will make a voluntary conditional offer to acquire all of the issued Domestic Shares (other than those already held by the Offeror and parties acting in concert with it).

2. THE H SHARE OFFER

2.1 Consideration for the H Share Offer

The H Share Offer will be made on the following basis:

For each H Share HK\$3.50 in cash

The Offeror will not increase the consideration for the H Share Offer as set out above.

2.2 Comparisons of value

The cash offer price offered under the H Share Offer represents:

- (a) a premium of approximately 25.4% over the closing price of HK\$2.79 per H Share as quoted on the Hong Kong Stock Exchange on the Last Trading Date;

- (b) a premium of approximately 23.2% over the average closing price of HK\$2.842 per H Share as quoted on the Hong Kong Stock Exchange for the one week up to and including the Last Trading Date;
- (c) a premium of approximately 31.9% over the average closing price of HK\$2.654 per H Share as quoted on the Hong Kong Stock Exchange for the one month up to and including the Last Trading Date;
- (d) a premium of approximately 46.0% over the average closing price of HK\$2.397 per H Share as quoted on the Hong Kong Stock Exchange for the 6 months up to and including the Last Trading Date;
- (e) a premium of approximately 54.0% over the average closing price of HK\$2.272 per H Share as quoted on the Hong Kong Stock Exchange for the 12 months up to and including the Last Trading Date; and
- (f) a premium of approximately 7.5% to the unaudited consolidated net asset value of approximately HK\$3.255 per H Share as at 30 June 2010. For the purpose of this paragraph, the translation of RMB into HK\$ is based on the average exchange rate of 1.1467 on 30 June 2010.

2.3 Highest and lowest prices

During the six-month period preceding the Last Trading Date, the highest closing price of the H Shares as quoted on the Hong Kong Stock Exchange was HK\$2.88 on both 12 and 14 January 2011, and the lowest closing price of the H Shares as quoted on the Hong Kong Stock Exchange was HK\$2.12 on 19 July 2010.

2.4 Consideration

Based on the offer price of HK\$3.50 per H Share and 729,828,122 H Shares in issue (representing the H Shares not already held by the Offeror and parties acting in concert with it) as at the date of this announcement, the maximum value of the H Share Offer (assuming the H Share Offer is accepted in full and there is no change in the share capital of Forte) is approximately HK\$2,554.4 million.

The consideration payable under the H Share Offer was determined on the basis of the most recent published financial information of Forte and the Offeror's review of Forte's business. The consideration will be paid in cash.

2.5 Settlement of consideration

Settlement of consideration in respect of acceptances of the H Share Offer will be made as soon as possible but in any event within ten days of the date of receipt of a complete and valid acceptance in respect of the H Share Offer or of the Unconditional Date, whichever is later.

2.6 Confirmation of financial resources in respect of the H Share Offer

The Offeror will finance such cash consideration for the H Share Offer by funds made available from bank loans.

Standard Chartered Bank has been appointed as the financial adviser to the Offeror in respect of the H Share Offer. Standard Chartered Bank is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offers.

3. CONDITIONS OF THE H SHARE OFFER

The H Share Offer is subject to the fulfilment or waiver, as applicable, of the following conditions:

- (a) the passing of a resolution approving the voluntary withdrawal of the listing of the H Shares from the Hong Kong Stock Exchange at the H Share Class Meeting to be convened for this purposes by the Independent H Shareholders, provided that:
 - (i) approval is given by at least 75% of the votes attaching to the H Shares held by the Independent H Shareholders that are cast either in person or by proxy; and
 - (ii) the number of votes cast (by way of poll) against the resolution is not more than 10% of the votes attaching to all the H Shares held by the Independent H Shareholders;
- (b) minimum valid acceptances of the H Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the rules of the Takeovers Code, decide) such that, following acquisition of such H Shares, the Offeror would hold not less than 90% in nominal value of the H Shares carrying voting rights then exercisable at a general meeting of the Forte H Shareholders;

- (c) all necessary authorisations, consents and approvals (including approval in-principle) of any governmental or regulatory body in relation to the H Share Offer (including its implementation) having been obtained and remaining in full force and effect pursuant to the provisions of any laws or regulations in Hong Kong, the PRC and other relevant jurisdictions;
- (d) all necessary third party consents in relation to the H Share Offer required pursuant to any agreement to which any member of the Forte Group is a party (where any failure to obtain a consent would have a material adverse effect on the business of the Forte Group taken as a whole) having been obtained or waived by the relevant party(ies);
- (e) no relevant government, governmental, quasi-governmental, statutory or regulatory body, court or agency having granted any order or made any decision that would make the H Share Offer void, unenforceable or illegal, or restrict or prohibit the implementation of, or impose any additional material conditions or obligations with respect to, the H Share Offer (other than such orders or decisions as would not have a material adverse effect on the legal ability of the Offeror to proceed with or consummate the H Share Offer);
- (f) all Authorisations remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with and no requirement having been imposed by any of the Relevant Authorities which is not expressly provided for, or is in addition to the requirements expressly provided for, in the relevant laws, rules, regulations or codes in connection with the H Share Offer or any matters, documents (including circulars) or things relating thereto, in each case up to and at the time when the H Share Offer becomes unconditional;
- (g) no event having occurred which would make the H Share Offer or the acquisition of any of the H Shares void, unenforceable or illegal or which would prohibit the implementation of the H Share Offer or impose any additional material conditions or obligations with respect to the H Share Offer or any part thereof; and
- (h) since the date of this announcement up to the Unconditional Date (both days inclusive), there having been no material adverse change in the business, financial or trading position of the Forte Group, taken as a whole.

The Offeror reserves the right to waive all or any of the conditions set out above (except for the conditions referred to in paragraphs (a), (c), (e) and (g) above) in whole or in part. Forte does not have the right to waive any of the conditions.

The Offeror will not invoke any condition, other than the condition referred to in (b) above, so as to cause the H Share Offer to lapse unless the circumstances which give rise to the right to invoke the condition are of material significance to the Offeror in the context of the H Share Offer.

In addition to the conditions set out above, the H Share Offer is made on the basis that acceptance of the H Share Offer by any person will constitute a warranty by such person or persons to the Offeror that the H Shares acquired under the H Share Offer are sold by such person or persons free from all third party rights, liens, charges, equities, adverse interests and encumbrances whatsoever and together with all rights attaching thereto as at the date of this announcement or subsequently becoming attached to them, and including the right to receive all dividends (whether final or interim) and other distributions, if any, declared, made or paid on or after the date of this announcement.

The H Share Offer will be made in compliance with the Takeovers Code, which is administered by the Executive.

As of the date of this announcement, none of the Offeror or parties acting in concert with it has received any irrevocable voting commitment in respect of the H Share Class Meeting and / or any irrevocable commitment to tender into the H Share Offer from any Independent H Shareholder.

4. THE DOMESTIC SHARE OFFER

4.1 Consideration for the Domestic Share Offer

The Domestic Share Offer will be made on the following basis:

For each Domestic Share:

The equivalent in cash in RMB of the offer price of the H Share Offer of HK\$3.50 per H Share

For the purpose of this paragraph, the translation of HK\$ into RMB will be based on the average exchange rate of the day on which the Domestic Share Offer becomes unconditional.

The Offeror will not increase the consideration for the Domestic Share Offer as set out above.

4.2 Consideration

Based on the equivalent in RMB of the offer price of the H Share Offer of HK\$3.50 per H Share for each Domestic Share and 14,804,300 Domestic Shares in issue (representing the Domestic Shares not already held by the Offeror and parties acting in concert with it) as at the date of this announcement, the maximum value of the Domestic Share Offer (assuming the Domestic Share Offer is accepted in full and there is no change in the share capital of Forte) is approximately RMB43.9 million. For the purpose of this paragraph, the translation of HK\$ into RMB is based on the exchange rate of 1.1794 as at the Last Trading Day.

The consideration payable under the Domestic Share Offer was determined on the basis of the most recent published financial information of Forte and the Offeror's review of Forte's business. The consideration will be paid in cash.

4.3 Confirmation of financial resources in respect of the Domestic Share Offer

The consideration for the Domestic Share Offer will be funded by the Offeror from funds which have been made available to it. The Offeror will finance such cash consideration for the Domestic Share Offer by funds made available from existing cash resources. Standard Chartered Bank is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offers.

5. CONDITIONS OF THE DOMESTIC SHARE OFFER

The Domestic Share Offer is subject to the fulfilment or waiver, as applicable, of the following conditions:

- (a) the H Share Offer becoming unconditional in all respects; and
- (b) all necessary authorisations, consents and approvals (including approval in-principle) of any governmental or regulatory body in relation to the Domestic Share Offer having been obtained and remaining in full force and effect pursuant to the provisions of any laws or regulations in Hong Kong, the PRC and other relevant jurisdictions.

The Offeror reserves the right to waive all or any of the conditions set out above (except for the condition referred to in paragraph (a) above) in whole or in part. Forte does not have the right to waive any of the conditions.

Given that the Domestic Share Offer and the H Share Offer are not interconditional, the Offeror will apply to the Executive for a waiver from the requirements under Note 3 to Rule 14 of the Takeovers Code.

6. NO RIGHT OF COMPULSORY ACQUISITION

The Offeror has no rights under the laws of the PRC and the Articles of Association of Forte to compulsorily acquire the H Shares that are not tendered for acceptance pursuant to the H Share Offer. Accordingly, the Independent H Shareholders are reminded that if they do not accept the H Share Offer and the H Share Offer subsequently becomes unconditional in all respects, and the H Shares are delisted from the Hong Kong Stock Exchange, this will result in the Independent H Shareholders holding securities that are not listed on the Hong Kong Stock Exchange. In addition, Forte may not continue to be subject to the Takeovers Code after the completion of the Offers.

The Offeror will apply to the Executive for a waiver from the requirements under Rule 2.2(c) of the Takeovers Code.

Once all of the conditions of the H Share Offer have been either satisfied or, waived by the Offeror, the H Share Offer will be declared unconditional and the H Share Offer will be extended for a subsequent period of at least 28 calendar days.

7. GENERAL INFORMATION

7.1 Discloseable transaction of the Offeror

As the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Offers exceed 5% but are less than 25%, the Offers and the transactions contemplated thereunder will constitute a discloseable transaction of the Offeror under the Rule 14.08 of the Listing Rules.

7.2 Information on the Offeror

The Offeror was incorporated in Hong Kong with limited liability on 24 December 2004. The Offeror was listed on the Hong Kong Stock Exchange on 16 July 2007, trading under the stock code 00656. The principal activities of the Offeror are (i) pharmaceuticals, (ii) property development, (iii) steel, (iv) mining and (v) retail, services and strategic investments.

The holding company and the ultimate holding company of the Offeror are Fosun Holdings Limited and Fosun International Holdings Ltd. which are incorporated in Hong Kong and the British Virgin Islands, respectively. Fosun International Holdings Ltd. is owned as to 58%, 22%, 10% and 10% by Mr. Guo Guangchang, Mr. Liang Xinjun, Mr. Wang Qunbin and Mr. Fan Wei, respectively. Mr. Guo Guangchang and Mr. Fan Wei are also the directors of Forte. Fosun Holdings Limited currently holds 78.24% of the total issued share capital of Fosun.

Save as disclosed below, to the best of the Offeror's directors' knowledge, information and belief having made all reasonable enquiry, the Forte H Shareholders (other than the Offeror and the parties acting in concert with it) and the Forte Domestic Shareholders (other than the Offeror and the parties acting in concert with it) are third parties independent of the Offeror and connected persons of the Offeror. Dahua (Group) Company Limited, one of the Forte Domestic Shareholders, currently holds more than 10% of two of the subsidiaries of Forte and as such it is a substantial shareholder (as defined in the Listing Rules) of the Fosun Group, and hence a connected person of the Fosun Group pursuant to Chapter 14A of the Listing Rules. The making of the Domestic Share Offer by the Offeror to Dahua (Group) Company Limited constitutes a connected transaction of the Offeror but is exempt from the reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.31(9) of the Listing Rules. Dahua (Group) Company Limited is presumed, for the purpose of the Takeovers Code, to be a party acting in concert with the Offeror. An application will be submitted to the Executive in due course to rebut such presumption.

7.3 Information on Forte

Forte was established in the PRC on 13 August 1998 as a limited company. Pursuant to an approval document numbered "Hu Fu Ti Gai Shen [2001] No. 026" dated 12 September 2001 issued by the Shanghai Municipal Government, Forte was re-organised as a stock company on 27 September 2001. Forte was listed on the Hong Kong Stock Exchange on 6 February 2004, trading under the stock code 02337. The principal activities of the Forte Group are the development and sale of high quality commercial and residential properties in the PRC.

Based on audited financial statements of the Forte Group as set out in its annual report for the year ended 31 December 2008, Forte recorded consolidated total revenue of approximately RMB3,733,255,000 (approximately HK\$4,183.5 million), consolidated net profit before tax and extraordinary items of approximately RMB887,078,000 (approximately HK\$994.1 million) and consolidated net profit after tax and extraordinary items of approximately RMB241,606,000 (approximately HK\$270.7 million), for the year ended 31 December 2008. Based on audited financial statements of the Forte Group as set out in its annual report for the year ended 31 December 2009, Forte recorded consolidated total revenue of approximately RMB5,184,804,000 (approximately HK\$5,883.7 million), consolidated net profit before tax and extraordinary items of approximately RMB1,060,709,000 (approximately HK\$1,203.7 million) and consolidated net profit after tax and extraordinary items of approximately RMB608,855,000 (approximately HK\$690.9 million), for the year ended 31 December 2009. Based on unaudited financial statements of the Forte Group as set out in its interim report for the six months ended 30 June 2010, Forte recorded consolidated total revenue of approximately RMB3,430,863,000 (approximately HK\$3,906.0 million), consolidated net profit before tax and extraordinary items of approximately RMB2,265,547,000 (approximately HK\$2,579.3 million) and consolidated net profit after tax and extraordinary items of approximately RMB1,378,301,000 (approximately HK\$1,569.2 million), for the six months ended 30 June 2010. For the purpose of this paragraph, the translation of RMB into HK\$ is based on an average exchange rate of 1.1206, 1.1348 and 1.1385 for the year ended 31 December 2008, the year ended 31 December 2009 and the six months ended 30 June 2010, respectively.

Based on the unaudited financial statements of the Forte Group as set out in its interim report for the six months ended 30 June 2010, the net asset value of the Forte Group (excluding non-controlling interests) was RMB7,179,589,000 (approximately HK\$8,232.8 million). For the purpose of this paragraph, the translation of RMB into HK\$ is based on the average exchange rate of 1.1467 on 30 June 2010.

7.4 Shareholding structure of Forte

As at the date of this announcement, the registered share capital of Forte comprises 1,473,768,065 Domestic Shares and 1,055,538,122 H Shares.

The table below sets out the shareholding structure of Forte as at the date of this announcement:

Forte Shareholders	As at the date of this announcement	
	Number of Forte Shares	% of total issued share capital
Domestic Shares		
Shanghai Fosun High Technology (Group) Co., Ltd. ⁽¹⁾	1,458,963,765	57.68
Independent Domestic Shareholders	14,804,300	0.59
H Shares		
Fosun	325,710,000	12.88
Independent H Shareholders	729,828,122	28.85
Total issued share capital	<u>2,529,306,187</u>	<u>100.00</u>

Note

(1) Shanghai Fosun High Technology (Group) Co., Ltd. is a wholly-owned subsidiary of Fosun.

As at the date of this announcement, the Offeror is interested in 1,458,963,765 Domestic Shares and 325,710,000 H Shares, representing in aggregate approximately 70.56% of the Forte Shares, made up of approximately 99.00% of the total issued Domestic Shares and approximately 30.86% of the total issued H Shares. The H Shares beneficially owned by the Offeror and the parties acting in concert with it, will not, in compliance with the Takeovers Code, be voted at the H Share Class Meeting.

As at the date of this announcement, Forte does not have in issue any outstanding options, warrants, derivatives or securities convertible into Forte Shares.

Save as aforesaid, the Offeror and persons who are parties acting in concert with it do not hold any other Forte Shares or any options, warrants, derivatives or securities convertible into Forte Shares. The Offeror and the persons who are parties acting in concert with it have not dealt for value in any Forte Shares or any options, warrants, derivatives or securities convertible into Forte Shares during the period beginning six months prior to the date of this announcement.

7.5 Independent committee of the board of Forte

Under Rule 2.1 of the Takeovers Code, a board which receives an offer must establish an independent committee of the board to make a recommendation (i) as to whether the offer is, or is not, fair and reasonable and (ii) as to acceptance or voting. Mr. Feng Xiekun (being non-executive director of Forte), Mr. Charles Nicholas Brooke, Mr. Chen Yingjie, Mr. Zhang Hongming and Ms. Wang Meijuan (being independent non-executive directors of Forte) have been appointed as members of the independent committee of the board of Forte in respect of the Offers. Mr. Guo Guangchang, who is a non-executive director of Forte, is also the chairman and an executive director of the Offeror and currently owns indirectly 78.24% of the Offeror through his shareholding in Fosun Holdings Limited and Fosun International Holdings Ltd.. Mr. Chen Qiyu, who is a non-executive director of Forte, is the vice-president of the Offeror and the chairman of Shanghai Fosun Pharmaceutical (Group) Co., Ltd., which is a non-wholly owned subsidiary of the Offeror. Accordingly, Mr. Guo Guangchang and Mr. Chen Qiyu will not be appointed as members of the independent committee of the board of Forte.

An independent financial adviser will be appointed, subject to the approval of the independent committee of the board of Forte, to advise the independent committee of the board of Forte in respect of the Offers. A separate announcement will be made by Forte as soon as possible after the independent financial adviser has been appointed.

7.6 Reasons for and benefits of the Offers

Forte's principal activities are the development and sale of high quality commercial and residential properties in the PRC. In order for Forte to continue to successfully grow, Forte will require access to substantial funding going forward. Fosun believes that Forte's status as a listed company is an impediment to Forte's future success, for the following reasons:

- as a PRC-incorporated company with H Shares listed on the Hong Kong Stock Exchange, Forte's ability to raise funds offshore, including by way of offshore bank loans, international bond issuance and equity offering, is limited;
- the ability for Fosun to contribute substantial amounts of capital to Forte is constrained by the Listing Rules requirements on connected transactions between a company and its controlling shareholder; and

- consequently, Forte’s current financial gearing levels are relatively high compared to its industry peers listed on the Hong Kong Stock Exchange, further impairing Forte’s ability to obtain financing on commercially attractive terms.

Upon the completion of the Offers, Fosun believes that the following benefits can be achieved:

- Forte will be better positioned to fund larger property development projects through leveraging Fosun’s greater financial strength, including the latter’s access to more competitive financing terms for raising funds in both the onshore and offshore bank and capital markets;
- the provision of intra-group funding will be facilitated, in particular, if and when Forte becomes a wholly-owned subsidiary of Fosun; and
- costs and management resources associated with the maintenance of Forte’s listing on the main board of the Hong Kong Stock Exchange will be eliminated.

For Forte H Shareholders, Fosun believes that the H Share Offer provides a compelling opportunity to dispose of their H Shares, for the following reasons:

- **Premium valuation;** H Shareholders receive cash at a price significantly above the prevailing market price as set out in the Section “Comparisons of Value”;
- **Certain and immediate value;** considering the limited trading volume in the H Shares, the H Share Offer represents an opportunity for Forte H Shareholders to exit their investment for cash proceeds; and
- **Avoidance of funding uncertainty;** as set out above, Forte’s ability to fund future growth is constrained if it continues to carry on as a listed company.

The directors of the Offeror believe that the terms of the Offers and the transactions contemplated thereunder are fair and reasonable and in the interests of the shareholders of the Offeror as a whole.

7.7 Future plans for Forte

The Offeror intends to continue with the existing business of Forte Group and does not intend to make any material changes to the current business operations of Forte Group following completion of the Offers. It is also the intention of the Offeror that there will not be any material changes in the management or employees of Forte Group as a result of the Offers.

7.8 Further terms of the Offers

Forte Shares

Under the terms of the Offers, the Forte Shares will be acquired with all rights attached thereto as at the date of this announcement or which subsequently become attached thereto, including the right to receive in full all dividends and other distributions, if any, declared, made or paid, on or after the date of this announcement, and free from all rights of pre-emption, options, liens, claims, equities, charges, encumbrances and third party rights.

Hong Kong stamp duty

Seller's ad valorem stamp duty for the H Shares registered with the Hong Kong branch register arising in connection with acceptance of the H Share Offer will be payable by each Forte H Shareholder at the rate of HK\$1.00 for every HK\$1,000 or part thereof of the consideration payable by the Offeror for such person's H Shares and will be deducted from the cash amount due to such Forte H Shareholder under the H Share Offer. The Offeror will pay the buyer's ad valorem stamp duty on its own behalf.

7.9 General matters relating to the H Share Offer

Availability of the H Share Offer

The Offeror intends to make available the H Share Offer to all Forte H Shareholders, including those who are resident outside Hong Kong, to the extent practicable. The availability of the H Share Offer to persons not resident in Hong Kong may be affected by the laws of the relevant overseas jurisdictions. Persons who are not resident in Hong Kong should inform themselves about and observe any applicable requirements in their own jurisdictions.

In the event receipt of the Composite Document by overseas Forte H Shareholders is prohibited by any relevant law or may only be effected after compliance with conditions or requirements that would be unduly burdensome in such overseas jurisdictions, the Composite Document, subject to the Executive's consent, will not be despatched to such overseas Forte H Shareholders. For that purpose, the Offeror will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time.

Composite Document

The Composite Document for the H Share Offer will contain details of, among other things, the Offers, the expected timetable relating to the H Share Offer, the recommendations of the independent committee of the board of Forte in respect of the Offers, the letter of advice from the independent financial adviser in respect of the Offers, notice of the H Share Class Meeting as well as other particulars required by the Takeovers Code and will be despatched to the Forte H Shareholders within 21 days from the date of this announcement or such later date to which the Executive may consent.

Further agreements or arrangements

As of the date of this announcement, there are no arrangements (whether by way of option, indemnity or otherwise) in relation to the Forte Shares or shares of the Offeror which might be material to the H Share Offer.

As of the date of this announcement, there are no agreements or arrangements to which the Offeror is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a condition to the H Share Offer.

As of the date of this announcement, there are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in Forte which any of the Offeror or parties acting in concert with it has borrowed or lent.

Completion of the H Share Offer

If the H Share Conditions are not satisfied (or not waived where applicable) on or before the Closing Date, the H Share Offer will lapse.

In that case, the Offeror will issue an announcement in relation to the revision, extension, expiry or unconditionality of the H Share Offer in accordance with the Takeovers Code and Listing Rules by 7:00 p.m. on the Closing Date. The latest time on which the Offeror can declare the H Share Offer unconditional as to acceptance is 7:00 p.m. on the 60th day after the posting of the Composite Document (or such later date to which the Executive may consent).

If the H Share Conditions are satisfied (or, if permissible, waived), Forte Shareholders will be notified by an announcement in accordance with the Takeovers Code and Listing Rules as soon as practicable thereafter.

8. WITHDRAWAL OF LISTING OF THE H SHARES

Upon the H Share Offer becoming unconditional, Forte will make an application for the listing of the H Shares to be withdrawn from the Hong Kong Stock Exchange in accordance with Rule 6.12 of the Listing Rules. The Forte Shareholders will be notified by way of an announcement of the dates of the last day for dealing in the H Shares and on which the withdrawal of the listing of the H Shares on the Hong Kong Stock Exchange will become effective.

9. RESUMPTION OF TRADING IN THE H SHARES

At the request of Forte, trading in the H Shares on the Hong Kong Stock Exchange was suspended from 9:30 a.m. on 18 January 2011 pending the release of this announcement. Applications have been made by Forte to the Hong Kong Stock Exchange for a resumption of trading in the H Shares with effect from 9:30 a.m. on 21 January 2011.

WARNING

The Offers are conditional upon the satisfaction of the conditions described in this announcement. Forte Shareholders and shareholders of the Offeror and/or potential investors should therefore exercise caution when dealing in the shares of Forte and the Offeror.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“acting in concert”	has the meaning given to it in the Takeovers Code, and “parties acting in concert” shall be construed accordingly
“Associate(s)”	has the meaning given to it in the Takeovers Code
“Authorisations”	all necessary authorisations, registrations, filings, rulings, consents, permissions, waivers, exemptions and approvals required from the Relevant Authorities or other third parties which are necessary for Forte to carry on its business
“Closing Date”	the date to be stated in the Composite Document as the first closing date of the H Share Offer or any subsequent closing date as may be announced by the Offeror and in compliance with the Takeovers Code
“Composite Document”	the composite offer document to be jointly issued by or on behalf of the Offeror and Forte in connection with the H Share Offer in accordance with the Takeovers Code
“Domestic Share(s)”	ordinary share(s) of par value of RMB0.20 each in the share capital of Forte
“Domestic Share Offer”	the voluntary conditional offer to be made by the Offeror to acquire all of the issued Domestic Shares other than those already owned by the Offeror and parties acting in concert with it
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Forte”	Shanghai Forte Land Co., Ltd., a sino-foreign joint stock company incorporated in the PRC with limited liability whose H Shares are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 02337)

“Forte Domestic Shareholder(s)”	holders of the Domestic Shares
“Forte Group”	Forte and its subsidiaries
“Forte H Shareholder(s)”	holders of the H Shares
“Forte Shares”	the Domestic Shares and H Shares
“Forte Shareholder(s)”	holders of the Forte Shares
“Fosun Group”	Fosun and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“H Shares”	ordinary share(s) of par value of RMB0.20 each in the issued share capital of Forte which are listed and traded on the Hong Kong Stock Exchange
“H Share Class Meeting”	the special general meeting of the Independent H Shareholders to be convened, and any adjournment thereof for the purpose of approving the withdrawal of the listing of the H Shares from the Hong Kong Stock Exchange
“H Share Conditions”	the conditions of the H Share Offer, as set out under the paragraph headed “Conditions of the H Share Offer” of this announcement
“H Share Offer”	the voluntary conditional offer to be made by Standard Chartered Bank on behalf of the Offeror to acquire all of the issued H Shares other than those already owned by the Offeror and parties acting in concert with it
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Domestic Shareholders”	Forte Domestic Shareholders other than the Offeror or parties acting in concert with it

“Independent H Shareholders”	Forte H Shareholders other than the Offeror or parties acting in concert with it
“Last Trading Date”	17 January 2011, being the last full trading day in the H Shares immediately before the suspension of trading in the H Shares pending publication of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Offeror” or “Fosun”	Fosun International Limited, a company incorporated under the laws of Hong Kong and whose shares are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 00656)
“Offers”	the H Share Offer and the Domestic Share Offer
“PRC”	People’s Republic of China
“Relevant Authorities”	applicable governments or governmental bodies, regulatory bodies, courts or institutions including but not limited to the SFC and the Hong Kong Stock Exchange
“RMB”	Renminbi, the lawful currency of the PRC
“Standard Chartered Bank”	Standard Chartered Bank (Hong Kong) Limited, the financial advisor to the Offeror. Standard Chartered Bank is a licensed corporation under the Securities and Futures Ordinance, licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities
“SFC”	Securities and Futures Commission
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers (as revised from time to time)
“Unconditional Date”	the date on which the H Share Offer becomes or is declared unconditional in all respects

In this announcement, unless otherwise stated, the translation of RMB into HK\$ is based on the exchange of rate of HK\$1 to RMB0.86. Such conversion shall not be construed as a representation that amounts in RMB were or may have been converted into HK\$ using such exchange rate or any other exchange rate or at all.

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

By Order of the Board
Shanghai Forte Land Co., Ltd.
Zhang Hua
Chairman

Shanghai, the PRC, 20 January 2011

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than those relating to Forte, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement, other than those expressed by Forte, have been arrived at after due and careful consideration and there are no facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The directors of Forte jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to Forte, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement, other than those expressed by the Offeror, have been arrived at after due and careful consideration and there are no facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

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

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.

In accordance with Rule 3.8 of the Takeovers Code, the Associates of Forte and the Offeror (including a person who owns or controls 5% or more of any class of relevant securities) are hereby reminded to disclose their dealings in any securities in Forte and the Offeror under Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

Intermediaries are expected to co-operate with the Executive under the Takeovers Code in its dealings enquiries. Therefore, those who deal in the securities of Forte should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.