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FOSUNPHARMA
复星医药

上海復星醫藥（集團）股份有限公司

Shanghai Fosun Pharmaceutical (Group) Co., Ltd.*

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

(Stock Code: 02196)

2014 FIRST QUARTERLY REPORT

This announcement is made pursuant to Rule 13.09(2) and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The following is the first quarterly report for 2014 of Shanghai Fosun Pharmaceutical (Group) Co., Ltd.* (the “**Company**”, together with its subsidiaries, collectively the “**Group**”). The financial report therein is prepared in accordance with the PRC Accounting Standards for Business Enterprises and has not been audited.

By Order of the Board

Shanghai Fosun Pharmaceutical (Group) Co., Ltd.*

Chen Qiyu

Chairman

Shanghai, People's Republic of China

29 April 2014

As at the date of this announcement, the executive directors are Mr. Chen Qiyu and Mr. Yao Fang; the non-executive directors are Mr. Guo Guangchang, Mr. Wang Qunbin, Mr. Zhang Guozheng, Mr. Wang Pinliang and Ms. Kang Lan; and the independent non-executive directors are Mr. Han Jiong, Dr. Zhang Weijiong, Mr. Li Man-kiu Adrian David and Mr. Cao Huimin.

* *For identification purposes only*

1 IMPORTANT NOTICE

- 1.1 The board of directors and the supervisory committee of the Company and its directors, supervisors and senior management warrant that this quarterly report does not contain any false information, misleading statements or material omission and severally and jointly accept legal responsibility for the truthfulness, accuracy and completeness of the contents herein contained.
- 1.2 All Directors of the Company attended the Board meeting to review this quarterly report.
- 1.3 Chen Qiyu, the person in charge of the Company, Hongfei Jia, the Chief Financial Officer and Yan Jia, the Director of the Accounting Department (Accounting Officer) duly declare that they warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.
- 1.4 The financial statements of the first quarterly report of the Group have not been audited.

2 MAJOR FINANCIAL INFORMATION OF THE GROUP AND CHANGES IN SHAREHOLDINGS OF THE COMPANY

2.1 Major financial information

Unit: Yuan Currency: RMB

	As at the end of the Reporting Period	As at the end of the previous year	Change recorded at the end of the Reporting Period compared with the end of the previous year (%)
Total assets (RMB)	30,052,245,578.23	29,475,190,861.78	1.96
Owners' equity (or shareholders' equity) (RMB)	15,628,747,178.15	15,332,184,483.03	1.93
	From the beginning of the year to the end of the Reporting Period (Jan – Mar)	From the beginning of the previous year to the end of the Reporting Period of the previous year (Jan – Mar)	Year-on-year change (%)
Net cash flow generated from operating activities (RMB) (Note)	7,028,518.43	76,165,361.59	-90.77
	From the beginning of the year to the end of the Reporting Period (Jan – Mar)	From the beginning of the previous year to the end of the Reporting Period of the previous year (Jan – Mar)	Year-on-year change (%)
Operating revenue (RMB)	2,657,829,657.86	2,056,585,981.27	29.24
Net profit attributable to shareholders of the listed company (RMB)	413,919,836.12	352,007,264.61	17.59
Net profit attributable to shareholders of the listed company after deducting extraordinary gain and loss (RMB/share)	303,223,087.65	252,074,390.81	20.29
Weighted average return on net assets (%)	2.66	2.56	Increased by 0.10 percentage point
Basic earnings per share (RMB/share)	0.18	0.16	12.50
Diluted earnings per share (RMB/share)	0.18	0.16	12.50

Note: The change in net cash flow generated from operating activities was mainly due to centralized payment during the Reporting Period.

After deducting extraordinary items and amounts:

Unit: Yuan Currency: RMB

Items	Current Amount (Jan – Mar)	Description
Gain or loss from disposal of non-current assets	40,557,450.86	Mainly due to the disposal of equity investment of the Group during the Reporting period
Government subsidies included in gain and loss of the current period, excluding those closely related to the ordinary business of the Company and granted in fixed amount or fixed quota in conformity with the national policies and standards	991,000.00	
Gain and loss on change in fair value of financial assets and liabilities held for trading, and investment gain realized from disposal of financial assets and liabilities held for trading and available-for-sale financial assets, other than those from effective hedging activities relating to the Company's ordinary course of business	114,370,713.21	Mainly due to the disposal of available-for-sale financial assets of the Group during the Reporting period
Other non-operating income and expenses other than the foregoing items	-1,953,072.38	
Effect of income tax	-37,667,301.46	
Impact on minority interests (after tax)	-5,602,041.76	
Total	110,696,748.47	

2.2 Total number of shareholders, the shareholding status of the Top 10 shareholders and the Top 10 unrestricted shareholders of the Company at the end of the reporting period

Unit : Share

Total number of shareholders		84,280			
The shareholding status of the Top 10 shareholders					
Name of the shareholder	Capacity	Shareholding (%)	Total number of shares held	Number of restricted shares held	Number of shares pledged or frozen
Shanghai Fosun High Technology (Group) Co., Ltd.	Domestic non-state-owned legal entity	41.02	920,641,314	0	None
HKSCC NOMINEES LIMITED	Overseas legal entity	14.94	335,415,630	0	Unknown
National Social Security Fund 104 portfolio	Unknown	1.22	27,399,852	0	None
China Construction Bank — Hua An Hong Li Stock Securities Investment Fund	Unknown	0.86	19,261,848	0	None
Industrial and Commercial Bank of China — Jing Shun Great Wall selected blue-chip Stock Securities Investment Fund	Unknown	0.80	18,000,000	0	None
National Social Security Fund 118 portfolio	Unknown	0.67	14,978,226	0	None
Rong Tong new blue-chip Securities Investment Fund	Unknown	0.64	14,302,690	0	None
Industrial and Commercial Bank of China — Hui Tian Fu Cheng Long Focus Stock Securities Investment Fund	Unknown	0.56	12,577,314	0	None
Bank of Communications — Hua An Strategic Premium Stock Securities Investment Fund	Unknown	0.51	11,384,589	0	None
Taikang Life Insurance Company Ltd — Dividend distribution — Personal Dividend — 019L — FH002 Hu	Unknown	0.45	10,192,660	0	None

The shareholding status of the Top 10 unrestricted shareholders of tradable shares		
Name of the shareholder (in full)	Number of unrestricted tradable shares held at the end of the reporting period	Type and number of shares
Shanghai Fosun High Technology (Group) Co., Ltd.	920,641,314	RMB ordinary shares
HKSCC NOMINEES LIMITED (<i>Note</i>)	335,415,630	Overseas listed foreign shares
National Social Security Fund 104 portfolio	27,399,852	RMB ordinary shares
China Construction Bank — Hua An Hong Li Stock Securities Investment Fund	19,261,848	RMB ordinary shares
Industrial and Commercial Bank of China — Jing Shun Great Wall selected blue-chip Stock Securities Investment Fund	18,000,000	RMB ordinary shares
National Social Security Fund 118 portfolio	14,978,226	RMB ordinary shares
Rong Tong new blue-chip Securities Investment Fund	14,302,690	RMB ordinary shares
Industrial and Commercial Bank of China — Hui Tian Fu Cheng Long Focus Stock Securities Investment Fund	12,577,314	RMB ordinary shares
Bank of Communications — Hua An Strategic Premium Stock Securities Investment Fund	11,384,589	RMB ordinary shares
Taikang Life Insurance Company Ltd — Dividend distribution — Personal Dividend — 019L — FH002 Hu	10,192,660	RMB ordinary shares
Description of the related relationship or concerted action of the above shareholders	The fund manager of both China Construction Bank — Hua An Hong Li Stock Securities Investment Fund and Bank of Communications — Hua An Strategic Premium Stock Securities Investment Fund is Hua An Fund Management Co., Ltd. The fund custodian of both China Construction Bank — Hua An Hong Li Stock Securities Investment Fund and Rong Tong new blue-chip Securities Investment Fund is China Construction Bank. The Company is not aware of any related relationship and concerted action between any of other shareholders of tradable shares.	

Note: HKSCC NOMINEES LIMITED, i.e. Hong Kong Securities Clearing Company Nominees Limited, is holding shares on behalf of multiple clients.

3 SIGNIFICANT EVENTS

3.1 Significant changes in major financial statement items and financial indicators of the Group and the reasons thereof

✓ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Balance Sheet				
Items	Closing balance as at the end of the Period	Opening balance as at the beginning of the Year	Ratio of change	Reasons
Short-term loans	2,048,777,121.20	1,383,300,726.59	48%	Mainly due to the increase in short-term debts during the Reporting Period
Long-term loans	329,725,731.92	126,318,141.82	161%	Mainly due to the increase in long-term debts during the Reporting Period
Income Statement				
Items	Current Amount	Amount of the last period	Ratio of change	Reasons
	(Jan – Mar 2014)	(Jan – Mar 2013)		
Operating costs	1,555,069,936.63	1,142,596,407.57	36%	Mainly due to the enlargement of the sales scale of core products and the changes in the scope of consolidation during the Reporting Period
Administrative expenses	371,725,297.92	276,084,110.14	35%	Mainly due to the increase in the R&D investment and the changes in the scope of consolidation during the Reporting Period
Gains from changes in fair value (“-” indicating loss)	1,545,061.36	32,651,662.94	-95%	Mainly due to the change of financial assets held for trading during Reporting Period
Investment income (“-” indicating loss)	401,914,648.42	275,200,017.16	46%	Mainly due to the increase in net profits of the associates and the investment income arising from disposal of the Group’s investment during the Reporting Period
Non-operating revenue	7,468,704.05	17,030,439.76	-56%	Mainly due to the amount of government grants confirmed during the same period of last year more than during the Reporting Period
Income tax expenses	62,119,744.76	40,306,767.60	54%	Mainly due to the increase in income tax charge in respect of the investment gain arising from disposal of the Group’s investment and the changes in the scope of consolidation during the Reporting Period
Other comprehensive income	-64,109,792.57	25,449,834.83	-352%	Mainly due to the change of stock price for AFS financial assets and disposal of parts of AFS financial assets during the Reporting Period

Statement of Cash Flow				
Items	Current Amount	Amount of the last period	Ratio of change	Reasons
	(Jan – Mar 2014)	(Jan – Mar 2013)		
Net Cash flows generated from operating activities	7,028,518.43	76,165,361.59	-91%	Mainly due to centralized payment during the Reporting Period
Net Cash flows generated from financing activities	661,343,416.88	-174,903,694.76	N/A	Mainly due to the increase in bank borrowings during the Reporting Period

3.2 Analysis and explanation of the progress, impact and solution of major events

Applicable Not Applicable

- (1) On 7 January 2014, the Company held the twelfth meeting (extraordinary) of the sixth session of the Board and the first meeting (extraordinary) in 2014 of the sixth session of the Supervisory Committee, at which the “Resolution Concerning the Related Issues of Making Offer under the Company’s Restricted Shares Incentive Scheme” was considered and approved, and the date of grant under the incentive scheme was confirmed as 7 January 2014. On 20 January 2014, the Company completed the registration of the restricted A Shares at the China Securities Depository and Clearing Corporation Limited, Shanghai Branch and granted a total of 3,935,000 restricted A Shares to 27 participants of the scheme. As at 20 January 2014, the total issued Shares of the Company increased from 2,240,462,364 Shares to 2,244,397,364 Shares, among which the total issued A Shares increased from 1,904,392,364 Shares to 1,908,327,364 Shares while the total issued H Shares remained at 336,070,000 Shares.
- (2) On 17 February 2014, the Company convened the seventeenth meeting (extraordinary) of the sixth session of the Board, at which it was agreed that Fosun Industrial Co., Limited (a wholly-owned subsidiary and hereinafter referred to as “Fosun Industrial”) will participate in the privatization transaction of Chindex International Inc. (hereinafter referred to as “Chindex”) with not more than US\$193.74 million and 3,157,163 class A stock of Chindex held as at 17 February 2014 (hereinafter referred to as the “Privatization Transaction”). Besides, it was also agreed that 30% shareholdings in Chindex Medical Limited (hereinafter referred to as “CML”) shall be transferred to the Company (through holding subsidiaries) upon completion of the Privatization Transaction at a consideration not exceeding US\$45 million (hereinafter referred to as “CML Shareholdings Transfer”). On 18 April 2014, the Company convened the twenty-second meeting (extraordinary) of the sixth session of the Board, at which the Board agreed to make amendments to the Privatization Transaction. It was agreed that Fosun Industrial will participate in the Privatization Transaction with not more than US\$223.62 million and a total of 3,157,163 class A stock of Chindex held. The Privatization Transaction and CML Shareholdings Transfer shall be subject to the approval at the general meeting.

- (3) On 28 February 2014, the Company convened the eighteenth meeting (extraordinary) of the sixth session of the Board, at which it was agreed that Shanghai Fosun Pharmaceutical Industrial Development Limited* (上海復星醫藥產業發展有限公司) shall be transferred 28.146% shareholdings in Jinzhou Aohong Pharmaceutical Company Limited* (錦州奧鴻藥業有限責任公司) held by Xinjiang Boze Equity Investment Limited Partnership* (新疆博澤股權投資有限合夥企業) for a contribution not exceeding RMB1,866,079,800. Such transfer shall be subject to the approval at the general meeting.
- (4) Pursuant to the authority granted at the first extraordinary general meeting of the Company in 2013, on 20 January 2014, the Company convened the thirteenth meeting (extraordinary) of the sixth session of the Board, at which the resolution of the issuance of additional H Shares by the Company was approved. Pursuant to the “Approval Related to the Application for Issuance of Additional Overseas Listed Shares by Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (Zheng Jian Xu Ke [2014] No.240) issued by China Securities Regulatory Commission, the Company allotted and issued a total of 67,214,000 new H Shares to not less than six and not more than ten places at HK\$ 26.51 per Share on 3 April 2014. Proceeds from this placement is approximately HK\$ 1,781.84 million in total, while proceeds of this placement after deducting commission and estimated expenses is approximately HK\$ 1,760.89 million. Upon completion of the placement, the total issued Shares of the Company increased from 2,244,397,364 Shares to 2,311,611,364 Shares, among which the total issued H Shares increased from 336,070,000 Shares to 403,284,000 Shares and total issued A Shares remained at 1,908,327,364 Shares.

3.3 Fulfillment of undertakings by the Company and shareholders holding over 5% of shareholdings

Applicable Not Applicable

3.4 Warning on any potential loss in accumulated net profit for the period from the beginning of the year to the end of the next reporting period or any material changes in accumulated net profit as compared with the same period of the previous year and the reason thereof

Applicable Not Applicable

Shanghai Fosun Pharmaceutical (Group) Co., Ltd.*

Legal representative: **Chen Qiyu**

29 April 2014

4 APPENDICES

Consolidated Balance Sheet

31 March 2014

Prepared by: **Shanghai Fosun Pharmaceutical (Group) Co., Ltd.***

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	Closing balance as at the end of the Period	Opening balance as at the beginning of the Year
Current Assets:		
Cash and bank balances	3,023,490,563.08	3,067,413,633.64
Settlement reserves		
Loans to banks or other financial institutions		
Financial assets held for trading	46,183,807.69	44,195,883.71
Bills receivable	348,913,041.85	356,174,511.89
Trade receivable	1,456,020,582.96	1,293,986,619.98
Prepayments	244,103,640.38	202,300,884.24
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contract reserve receivable		
Interest receivable	1,344,074.64	822,388.20
Dividends receivable	15,149,056.84	15,149,056.84
Other receivables	382,967,055.43	387,987,436.17
Purchase and sell-back of financial assets		
Inventories	1,687,681,389.71	1,614,271,795.30
Non-current assets due within one year		
Other current assets	3,504,302.44	4,242,198.12
Total current assets	7,209,357,515.02	6,986,544,408.09
Non-current assets:		
Provision of entrusted loans and advances		
Available-for-sale financial assets	1,549,868,827.78	1,672,787,763.92
Held-to-maturity investment		
Long-term receivables		
Long-term equity investments	10,212,672,423.92	9,932,095,207.56
Investment properties		
Fixed assets	3,698,685,547.63	3,582,158,990.97
Construction in progress	1,358,765,312.18	1,321,060,523.61
Project supplies	6,293,516.19	4,231,968.29
Disposal of fixed assets		
Productive biological assets		
Oil and gas assets		
Intangible assets	2,606,181,189.00	2,590,492,325.70
Development expenditures	53,803,822.63	48,950,334.57
Goodwill	2,980,167,807.47	2,976,039,397.86
Long-term deferred expenditures	29,884,714.19	30,589,235.50
Deferred income tax assets	90,212,038.81	88,091,330.24
Other non-current assets	256,352,863.41	242,149,375.47
Total non-current assets	22,842,888,063.21	22,488,646,453.69
Total assets	30,052,245,578.23	29,475,190,861.78

Consolidated Balance Sheet (Continued)

31 March 2014

Items	Closing balance as at the end of the Period	Opening balance as at the beginning of the Year
Current liabilities:		
Short-term loans	2,048,777,121.20	1,383,300,726.59
Borrowings from the central bank		
Deposits from customers and inter-bank deposits		
Loans from banks and other financial institutions		
Financial liabilities held for trading		
Bills payable	133,720,390.61	145,588,393.35
Trade payable	1,135,642,215.94	990,861,493.44
Receipts in advance	200,280,656.64	257,722,214.41
Financial assets held for trading		
Fees and commissions payable		
Wages payable	218,695,996.41	253,056,428.28
Tax payable	282,453,192.67	288,904,858.86
Interest payable	110,955,181.39	147,655,274.33
Dividends payable	11,269,699.73	6,286,003.99
Other payables	1,214,817,248.18	1,712,026,741.35
Reinsurance accounts payables		
Insurance contract reserve payable		
Amount paid for agency securities trading		
Amount paid for agency securities underwriting		
Non-current liabilities due within one year	40,909,090.00	40,909,090.00
Other current liabilities	54,100,664.17	51,810,029.11
Total current liabilities	5,451,621,456.94	5,278,121,253.71
Non-current liabilities:		
Long-term loans	329,725,731.92	126,318,141.82
Bonds payable	4,075,927,391.63	4,073,391,240.49
Long-term payables	421,372,422.52	404,467,334.87
Specific payables		
Accrued liabilities		
Deferred income tax liabilities	1,750,076,637.14	1,783,519,889.47
Other non-current liabilities	150,786,227.37	144,858,843.98
Total non-current liabilities	6,727,888,410.58	6,532,555,450.63
Total liabilities	12,179,509,867.52	11,810,676,704.34
Equity attributable to the owners (or equity attributable to shareholders):		
Paid-in capital (or share capital)	2,244,397,364.00	2,240,462,364.00
Capital reserve	4,374,621,318.23	4,501,744,912.27
Less: treasury shares		
Specific reserve		
Surplus reserve	1,485,373,176.37	1,485,373,176.37
General risk provision		
Unappropriated profits	7,526,612,360.30	7,112,692,524.18
Foreign currency translation difference	-2,257,040.75	-8,088,493.79
Total equity attributable to the owners of the Parent company	15,628,747,178.15	15,332,184,483.03
Minority interests	2,243,988,532.56	2,332,329,674.41
Total equity attributable to the owners	17,872,735,710.71	17,664,514,157.44
Total liabilities and equity attributable to the owners	30,052,245,578.23	29,475,190,861.78

Legal Representative of the
Company: Chen Qiyu

Chief Financial Officer:
Hongfei Jia

Director of the Accounting
Department: Yan Jia

Balance Sheet of the Company

31 March 2014

Prepared by: **Shanghai Fosun Pharmaceutical (Group) Co., Ltd.***

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	Closing balance as at the end of the Period	Opening balance as at the beginning of the Year
Current Assets:		
Cash and bank balances	913,015,403.60	928,131,985.71
Financial assets held for trading		
Bills receivable		
Trade receivable		
Prepayments		
Interest receivable	39,121,906.57	26,559,855.50
Dividends receivable	16,956,224.96	16,956,224.96
Other receivables	1,990,028,955.14	1,874,849,219.04
Inventories	517,939.44	517,939.44
Non-current assets due within one year		
Other current assets	777,000,000.00	245,000,000.00
Total current assets	3,736,640,429.71	3,092,015,224.65
Non-current assets:		
Available-for-sale financial assets		
Held-to-maturity investment		
Long-term receivables		
Long-term equity investments	5,723,753,396.50	5,380,845,572.66
Investment properties		
Fixed assets	19,438,924.19	20,165,064.87
Construction in progress		
Project supplies		
Disposal of fixed assets		
Productive biological assets		
Oil and gas assets		
Intangible assets	2,906,711.89	3,059,034.52
Development expenditures		
Goodwill		
Long-term deferred expenditures		
Deferred income tax assets		
Other non-current assets	3,651,494,574.15	4,062,847,282.90
Total non-current assets	9,397,593,606.73	9,466,916,954.95
Total assets	13,134,234,036.44	12,558,932,179.60

Balance Sheet of the Company (Continued)

31 March 2014

Items	Closing balance as at the end of the Period	Opening balance as at the beginning of the Year
Current liabilities:		
Short-term loans	810,000,000.00	360,000,000.00
Financial liabilities held for trading		
Bills payable		
Trade payable		
Receipts in advance		
Wages payable	54,850,648.73	60,829,711.34
Tax payable	17,137,095.02	22,229,396.68
Interest payable	107,262,870.49	144,354,519.49
Dividends payable		
Other payables	47,164,539.48	99,612,423.54
Non-current liabilities due within one year	40,000,000.00	40,000,000.00
Other current liabilities		
Total current liabilities	1,076,415,153.72	727,026,051.05
Non-current liabilities:		
Long-term loans	325,000,000.00	125,000,000.00
Bonds payable	4,075,927,391.63	4,073,391,240.49
Long-term payables		
Specific payables		
Accrued liabilities		
Deferred income tax liabilities		
Other non-current liabilities	1,975,000.00	2,050,000.00
Total non-current liabilities	4,402,902,391.63	4,200,441,240.49
Total liabilities	5,479,317,545.35	4,927,467,291.54
Equity attributable to the owners (or equity attributable to shareholders):		
Paid-in capital (or share capital)	2,244,397,364.00	2,240,462,364.00
Capital reserve	3,897,206,279.88	3,876,481,297.41
Less: treasury shares		
Specific reserve		
Surplus reserve	456,890,135.33	456,890,135.33
General risk provision		
Unappropriated profits	1,056,422,711.88	1,057,631,091.32
Total equity attributable to the owners (or equity attributable to shareholders)	7,654,916,491.09	7,631,464,888.06
Total liabilities and equity attributable to the owners (or equity attributable to shareholders)	13,134,234,036.44	12,558,932,179.60

Legal Representative of the
Company: Chen Qiyu

Chief Financial Officer:
Hongfei Jia

Director of the Accounting
Department: Yan Jia

Consolidated Income Statement

January – March 2014

Prepared by: **Shanghai Fosun Pharmaceutical (Group) Co., Ltd.***

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	Current Amount	Amount of the Last Period
I. Total operating revenue	2,657,829,657.86	2,056,585,981.27
Including: Operating revenue	2,657,829,657.86	2,056,585,981.27
Interest income		
Earned premiums		
Fees and commission income		
II. Total operating costs	2,520,445,304.91	1,927,736,517.83
Including: Operating costs	1,555,069,936.63	1,142,596,407.57
Interest expenses		
Fees and commission expenses		
Premiums refund		
Compensation payout, net		
Net provision drawn for insurance contract		
Policy dividend payment		
Amortized reinsurance expenditures		
Business tax and surcharges	16,766,962.27	17,902,882.19
Selling expenses	502,831,211.12	405,802,444.55
Administrative expenses	371,725,297.92	276,084,110.14
Finance costs	72,831,584.37	84,937,210.96
Asset impairment losses	1,220,312.60	413,462.42
Plus: Gains from changes in fair value (“-” indicating loss)	1,545,061.36	32,651,662.94
Investment income (“-” indicating loss)	401,914,648.42	275,200,017.16
Including: Gains from investments in associated companies and joint ventures	248,370,492.15	193,694,986.71
Foreign exchange gains (“-” indicating loss)		
III. Operating profit (“-” indicating loss)	540,844,062.73	436,701,143.54
Plus: Non-operating revenue	7,468,704.05	17,030,439.76
Less: Non-operating expenses	3,312,487.09	927,059.33
Including: Loss on disposal of non-current assets	733,771.36	4,550.05
IV. Total profit (“-” indicating total loss)	545,000,279.69	452,804,523.97
Less: Income tax expenses	62,119,744.76	40,306,767.60
V. Net profit (“-” indicating net loss)	482,880,534.93	412,497,756.37
Net profit attributable to the owners of the Parent company	413,919,836.12	352,007,264.61
Gains/losses of minority shareholders	68,960,698.81	60,490,491.76
VI. Earnings per share:		
(1) basic earnings per share	0.18	0.16
(2) diluted earnings per share	0.18	0.16
VII. Other comprehensive income	-64,109,792.57	25,449,834.83
VIII. Total comprehensive income	418,770,742.36	437,947,591.20
Total comprehensive income attributable to the owners of the Parent company	351,515,145.74	380,894,086.25
Total comprehensive income attributable to minority interests	67,255,596.62	57,053,504.95

Legal Representative of the
Company: Chen Qiyu

Chief Financial Officer:
Hongfei Jia

Director of the Accounting
Department: Yan Jia

Income Statement of the Company

January – March 2014

Prepared by: **Shanghai Fosun Pharmaceutical (Group) Co., Ltd.***

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	Current Amount	Amount of the Last Period
I. Operating revenue		
Less: Operating costs		
Business tax and surcharges		
Selling expenses		
Administrative expenses	32,310,816.54	20,824,003.02
Finance costs	-3,179,208.41	8,207,334.72
Asset impairment losses		
Plus: Gains from changes in fair value (“-” indicating loss)		
Investment income (“-” indicating loss)	28,108,228.69	294,881,685.49
Including: Gains from investments in associated companies and joint ventures	27,907,823.84	3,695,232.49
II. Operating profit (“-” indicating loss)	-1,023,379.44	265,850,347.75
Plus: Non-operating revenue	75,000.00	4,032.69
Less: Non-operating expenses	260,000.00	5,116.42
Including: Loss on disposal of non-current assets		
III. Total profit (“-” indicating total loss)	-1,208,379.44	265,849,264.02
Less: Income tax expenses		
IV. Net profit (“-” indicating net loss)	-1,208,379.44	265,849,264.02
V. Earnings per share:		
(1) basic earnings per share	-0.00	0.12
(2) diluted earnings per share	-0.00	0.12
VI. Other comprehensive income		59,249.30
VII. Total comprehensive income	-1,208,379.44	265,908,513.32

Legal Representative of the
Company: Chen Qiyu

Chief Financial Officer:
Hongfei Jia

Director of the Accounting
Department: Yan Jia

Consolidated Statements of Cash Flows

January – March 2014

Prepared by: **Shanghai Fosun Pharmaceutical (Group) Co., Ltd.***

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	Current Amount	Amount of the Last Period
I. Cash flow generated from operating activities:		
Cash received from sale of goods and rendering of services	3,035,922,785.76	2,533,989,063.55
Net increase of deposits from customers and inter-bank deposits		
Net increase of borrowings from the central bank		
Net increase of loans from other financial institutions		
Cash received as premiums of original insurance contract		
Net cash received from reinsurance business		
Net increase of policy holder deposits and investment		
Net increase of disposal of financial assets held for trading		
Cash received from interests, fees and commissions		
Net increase of loans from banks and other financial institutions		
Net increase of capital from repurchase business		
Refund of taxes and levies	18,805,474.80	9,297,933.84
Other cash received relating to operating activities	70,946,626.63	34,397,760.48
Sub-total of cash inflow from operating activities	3,125,674,887.19	2,577,684,757.87
Cash paid for purchasing goods and receiving services	1,911,813,649.37	1,405,379,252.46
Net increase of customers' loans and advances		
Net increase of deposits in the central bank and inter-bank deposits		
Cash paid for compensation payout under original insurance contracts		
Cash paid for interest, fees and commissions		
Cash paid for policy dividends		
Cash paid to and for the benefit of employees	446,920,298.70	313,549,322.95
Taxes and levies paid	274,438,901.35	243,823,229.47
Other cash paid relating to operating activities	485,473,519.34	538,767,591.40
Sub-total of cash outflow from operating activities	3,118,646,368.76	2,501,519,396.28
Net cash flow arising from operating activities	7,028,518.43	76,165,361.59
II. Cash flow generated from investing activities:		
Cash received from investment recovery	169,991,104.63	164,463,780.10
Cash received from return on investments	950,404.85	6,156,453.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	7,831,985.86	2,045,522.22
Net cash received from disposal of subsidiaries and other operating segments	38,716,636.59	
Other cash received relating to investing activities	30,105,000.00	5,960,000.00
Sub-total of cash inflow from investing activities	247,595,131.93	178,625,755.32
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	363,953,694.84	225,481,263.21
Cash paid for investments	45,458,782.88	1,280,000.00
Net increase of pledged loans		
Net cash paid for acquisition of subsidiaries and other operating segments	416,610,884.40	481,516,862.77
Other cash paid relating to investing activities	61,291,197.29	19,686,695.77
Sub-total of cash outflow from investing activities	887,314,559.41	727,964,821.75
Net cash flow generated from investing activities	-639,719,427.48	-549,339,066.43

Consolidated Statements of Cash Flows (Continued)

January – March 2014

Items	Current Amount	Amount of the Last Period
III. Cash flow generated from financing activities:		
Cash received from capital contribution	459,180.00	
Including: cash received by subsidiaries from investments of minority interests	459,180.00	
Cash received from borrowings	991,527,561.45	178,089,602.00
Cash received from issuing bonds		
Other cash received relating to financing activities	216,579.53	
Sub-total of cash inflow from financing activities	992,203,320.98	178,089,602.00
Cash paid for debts settlement	125,253,263.83	179,480,316.37
Cash paid for the distribution of dividends, profits or interest payments	204,226,998.63	164,275,900.47
Including: dividends and profits paid by subsidiaries to minority interests	90,000,000.00	51,782,503.77
Other cash paid relating to financing activities	1,379,641.64	9,237,079.92
Sub-total of cash outflow from financing activities	330,859,904.10	352,993,296.76
Net cash flow generated from financing activities	661,343,416.88	-174,903,694.76
IV. Effects of exchange rate fluctuations on cash and cash equivalents	8,347,694.00	-7,904,738.66
V. Net increase of cash and cash equivalents	37,000,201.83	-655,982,138.26
Plus: Opening balance of cash and cash equivalents	2,416,260,389.26	4,171,574,742.12
VI. Closing balance of cash and cash equivalents	2,453,260,591.09	3,515,592,603.86

Legal Representative of the
Company: Chen Qiyu

Chief Financial Officer:
Hongfei Jia

Director of the Accounting
Department: Yan Jia

Statements of Cash Flows of the Company

January – March 2014

Prepared by: **Shanghai Fosun Pharmaceutical (Group) Co., Ltd.***

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	Current Amount	Amount of the Last Period
I. Cash flow generated from operating activities:		
Cash received from sale of goods and rendering of services		
Refund of taxes and levies		
Other cash received relating to operating activities	3,335,892.12	15,694,109.77
Sub-total of cash inflow from operating activities	3,335,892.12	15,694,109.77
Cash paid for purchasing goods and receiving services		
Cash paid to and for the benefit of employees	26,819,283.95	21,677,532.32
Taxes and levies paid	15,558,810.62	8,274,447.45
Other cash paid relating to operating activities	8,006,670.49	11,766,453.53
Sub-total of cash outflow from operating activities	50,384,765.06	41,718,433.30
Net cash flow arising from operating activities	-47,048,872.94	-26,024,323.53
II. Cash flow generated from investing activities:		
Cash received from investment recovery		
Cash received from return on investments	200,404.85	145,746,453.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	50,000.00	34,239.42
Net cash received from disposal of subsidiaries and other operating segments		
Other cash received relating to investing activities		
Sub-total of cash inflow from investing activities	250,404.85	145,780,692.42
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets		54,650.00
Cash paid for investments	315,000,000.00	
Net cash paid for acquisition of subsidiaries and other operating segments	27,023,100.00	459,096,900.00
Other cash paid relating to investing activities		
Sub-total of cash outflow from investing activities	342,023,100.00	459,151,550.00
Net cash flow generated from investing activities	-341,772,695.15	-313,370,857.58

Statements of Cash Flows of the Company (Continued)

January – March 2014

Items	Current Amount	Amount of the Last Period
III. Cash flow generated from financing activities:		
Cash received from capital contribution		
Cash received from borrowings	650,000,000.00	
Cash received from issuing bonds		
Other cash received relating to financing activities	1,678,973,843.61	659,957,471.70
Sub-total of cash inflow from financing activities	2,328,973,843.61	659,957,471.70
Cash paid for debts settlement		
Cash paid for the distribution of dividends, profits or interest payments	104,144,655.55	104,500,000.00
Other cash paid relating to financing activities	1,855,247,836.39	802,669,079.92
Sub-total of cash outflow from financing activities	1,959,392,491.94	907,169,079.92
Net cash flow generated from financing activities	369,581,351.67	-247,211,608.22
IV. Effects of exchange rate fluctuations on cash and cash equivalents	4,123,634.31	-5,592,943.31
V. Net increase of cash and cash equivalents	-15,116,582.11	-592,199,732.64
Plus: Opening balance of cash and cash equivalents	519,292,385.71	2,090,971,083.37
VI. Closing balance of cash and cash equivalents	504,175,803.60	1,498,771,350.73

Legal Representative of the
Company: Chen Qiyu

Chief Financial Officer:
Hongfei Jia

Director of the Accounting
Department: Yan Jia

* For identification purposes only