

JF CHINA REGION FUND, INC.

FOR IMMEDIATE RELEASE

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JF CHINA REGION FUND, INC. UPDATES MERGER PROPOSALS PUT TO THE BOARD OF THE GREATER CHINA FUND, INC - BOSTON, MA, SEPTEMBER 25, 2012

The Board of the JF China Region Fund, Inc (NYSE: JFC) notes the announcement on September 18, 2012 by the Board of the Greater China Fund, Inc (NYSE: GCH) regarding the appointment, subject to stockholder approval, of Aberdeen Asset Management Asia Limited as its investment manager in place of Baring Asset Management (Asia) Limited.

The Board of JFC previously announced on August 2, 2012 that it wrote to the Chairman of GCH with proposals for a merger of the two funds under the management of JF International Management, Inc, a member of the J.P. Morgan Group. Following that announcement, the Board of JFC received feedback from investors who collectively hold over 40% of GCH's outstanding shares indicating that they support, in principle, the merger of GCH into JFC on the terms previously outlined. The JFC Board is therefore both surprised and disappointed that the GCH Board apparently has chosen not to pursue a merger with JFC.

The JFC Board continues to believe that a merger of the two funds is in the best interests of its shareholders as a whole, and further believes that the proposed merger offers significant potential benefits to GCH's shareholders. The Board of JFC therefore reiterates its interest in pursuing a merger with GCH on substantially the following terms:

- The reorganization of GCH into JFC on the basis of the two funds' relative net asset values per share. JFC would propose to issue new JFC common shares at a price equal to JFC's net asset value per share, acquiring GCH common shares at GCH's net asset value per share. The net asset value per share of both funds would be calculated as of the same time;

- Following the merger, JFC will retain the current investment objectives and policies of JFC including maintaining the same level of direct China A-Share investment (subject to necessary approvals), the ability to utilize leverage and an exposure to mid and small cap companies;
- Following the merger, JFC will continue to retain the services of its Investment Advisor, JF International Management, Inc, a member of the J.P. Morgan Group. JFC will also retain the same service providers as are presently in place;
- Following completion of the merger, the JFC Board anticipates conducting a tender offer that would provide shareholders with the choice of exiting some or potentially all of their holding at close to net asset value or continuing with their investment. Such a tender offer would assist in reducing the perceived oversupply of Chinese product in the US closed-end fund sector. Any tender would be open only to shareholders on the JFC register immediately following the completion of the merger.
- The JFC Board would also introduce an enhanced ongoing share repurchase program and/or other measure(s) in an effort to reduce discount volatility of the enlarged JFC in normal market conditions.

Representatives of the Board of JFC intend to consult with GCH's shareholders in the coming days. Further, the Board of JFC encourages GCH's shareholders to communicate their views on the JFC merger proposal directly to the Board of GCH.

The Board of JFC will make a further announcement in due course, as appropriate. There is, however, no guarantee that any acquisition, merger or reorganization transaction will proceed, and any transaction proposed may materially differ from the terms outlined above.

The JF China Region Fund (the "Fund") is a non-diversified, closed-end management investment company whose shares are traded on the New York Stock Exchange under the symbol "JFC." For more information please refer to the Fund's website: www.jfchinaregion.com

Certain of the statements contained in this press release are forward-looking and reflect the Fund's expectations regarding the Fund's future investments, turnover, regulatory approvals, capital raising, performance, investment strategy and business based on information currently available to the Fund. Forward-looking statements are provided to present information about the Fund's current expectations and plans relating to the future and readers are cautioned that these types of statements may not be appropriate for other purposes. These statements use forward-looking words, such as "expect," "could," "may," "likely," "undertake," "will," "believe" or other similar words.

The Fund seeks to achieve long-term capital appreciation through investments primarily in equity securities of companies with substantial assets in, or revenues derived from, the People's Republic of China, Hong Kong, Taiwan and Macau -collectively, the China Region.

J.P. Morgan Fund Services, in Boston, MA is the Fund's accounting and administrative agent.