

J.I. Chinese Equity Fund



FROM MAO TO MONEY

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J.I. Chinese Equity Fund

A brand new investment opportunity

Jyske Invest now offers you the opportunity to invest in a fund with particular focus on developments in China:

J.I. Chinese Equity Fund

China is the world's most densely populated country and has for several years recorded remarkable production and trade figures. In the course of the past 15

years, Chinese growth has been racing ahead at an average of 9% a year. Several factors seem to indicate that in the years ahead, the Middle Kingdom will maintain this very high rate of growth.

From 15 September - 3 October 2003, you can buy investment certificates at USD 104.25 each – without any further costs.

Facts about J.I. Chinese Equity Fund

Investment	The fund invests exclusively in companies in China and/or Hong Kong which operate primarily in China.
Introduction price	USD 104.25 inclusive of an up-front fee, brokerage and marketing costs.
Introduction period	From Monday, 15 September until Friday, 3 October 2003.
First trading day	Monday 6 October 2003. Units can subsequently be traded at the daily market price plus ordinary trading costs.
Investment currency	Investment certificates are USD denominated.
Price information	As from Monday 6 October, daily prices will be listed on www.jbpb.com .
Return	The fund is cumulative, which means that a possible return/loss is reflected in a capital gain/loss when you sell your units.
Minimum investment	USD 5,000. Certificates are traded in units of USD 100.
Negotiability	The certificates will be issued as an open series and will not be listed on any stock exchange. Prices will be quoted on a daily basis on the basis of the market price of the underlying assets measured in USD. Jyske Bank A/S is the only market maker. You can buy and sell units at market price plus/less trading costs at any time.
Costs	An up-front fee of 2.875%, trading costs of 0.8% and marketing costs of 0.575%. Costs amount to a total of a non-refundable 4.25%. According to the articles of association, current annual administration costs of max. 2.0% are deducted from the fund value. The investment certificates will be issued in dematerialised form and registered in safe-custody with Jyske Bank A/S free of charge.



So, what's in it for me?

When you invest through Jyske Invest, you can rest assured that we will do our utmost to look after your investments.

Cutting edge advice

Jyske Invest has entered into an agreement with CLSA Limited in Hong Kong, one of the leading financial advisers in China. Advisory services include the picking of individual equities and on-going sparring with Allan Christensen, Jyske Invest portfolio manager, who is in charge of the day-to-day management of the fund.



Allan Christensen,
Portfolio Manager.

Careful selection

The Chinese equity universe comprises equities listed directly in China and Hong Kong. J.I. Chinese Equity Fund will invest primarily in companies quoted on the Hong Kong stock exchange, which provides a relatively high level of security, more attractive valuation and a less speculative market.

In Hong Kong, Chinese equities may be broken down into companies in which the Chinese government holds a majority and privately owned undertakings. The total market capitalisation of the 179 listed companies amounts to

approx. USD 250bn. – corresponding to less than 1/40 of the US market.

The picking of equities

We prefer companies which we consider capable of exploiting the driving forces of the Chinese market, and we pay particular attention to:

- **Outsourcing – a Western trend**

To make sure that production costs are kept at a minimum, companies in the West have to an increasing extent turned to outsourcing – i.e. goods are produced by an external contractor at a lower price than the company would be able to produce them itself. Instead, the company concentrates on service, advice and sale. This trend may well have an impact on the rate of economic growth in China.

- **Restructuring of the Chinese economy**

In the years to come, Chinese banks and state-controlled companies will undergo a restructuring process preparing them for competition in the international market.

- **Rising Chinese consumption**

Chinese consumer spending is expected to considerably increase in the coming years. A particular effort is being made to increase overall purchasing power, and current estimates are that today more than 100 million Chinese can be considered as middle class.

Investment limits

J.I. Chinese Equity Fund is subject to fixed investment limits to ensure that the portfolio manager does not run too high a risk on individual equities and that acquired equities are negotiable.

- The fund invests exclusively in companies in China and/or Hong Kong which operate primarily in China.
- At least 90% of the equities included in the portfolio must be traded on an FIBV exchange (member of the Federation Internationale des Bourses de Valeurs). No single company must account for more than 10% of the overall portfolio, and the sum of equities which account for 5%-10% of the portfolio must not account for more than 40% of the overall value.

Return

The objective of J.I. Chinese Equity Fund is to generate a five-year return which exceeds the average return on Chinese equities. The fund benchmark is the CLSA China World Index. You should take into account, however, that past performance will not necessarily be repeated.

What is the risk involved?

Fund risk

Risk equals return fluctuations. The return on equities is subject to considerable annual fluctuations – positive as well as negative. This also applies to J.I. Chinese Equity Fund, which is a country-specific fund. Accordingly, you will not obtain the same degree of risk diversification as offered by one of the wider funds such as J.I. International Equity Fund.

We do, however, offer you considerable diversification at

company level, as we make it a particular point to invest in a wide range of companies. Accordingly, overall fund return should not suffer to any significant extent by the under-performance of a single company.

Political risk

The state-controlled Chinese corporate sector is often managed according to old political traditions. Management is politically appointed and the production apparatus is often inefficient. The banking sector suffers under political loans to corporations which have a hard time servicing their debt due to financial difficulties. The reconstructing process is a long-term government project which may cause temporary economic problems.

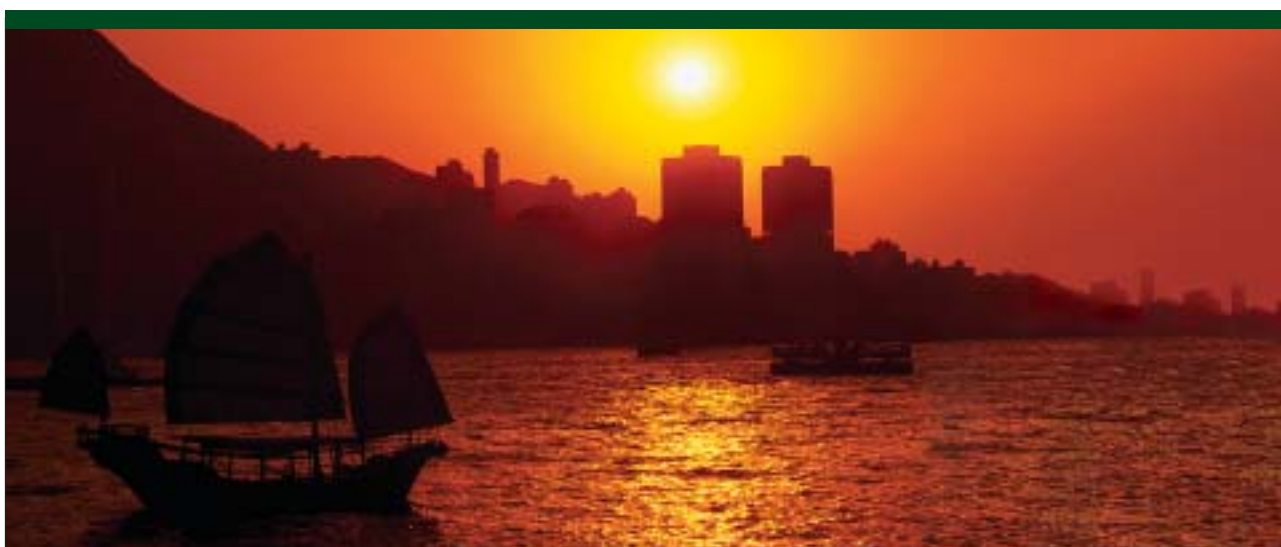
Another risk factor is the still wider gap between rich and poor. This may present problems in the future, unless the current policy of replacing the communist management style of corporations and banks by international market-oriented management is continued.

Currency risk

When you make a USD investment, and this is not your base currency, please be aware that the rate of USD may fall as well as rise between the date of the investment and the date on which you sell your units. You should also note that the price of the J.I. Chinese Equity Fund is calculated on the basis of the value of the underlying assets as measured exclusively in USD, even though the underlying activities are often denominated in Hong Kong dollar – or Renminbi, RMB (the legal tender of the People's Republic of China).

Basis

Fund certificates will be issued by Jyske Invest, and Jyske Bank A/S is the only market maker.



Who is the typical investor?

Investor profile

The investment is designed for investors looking to invest in growth equities who are willing to run a considerable risk in return for the possibility of obtaining an average return which exceeds the return on a traditional, wide, global equity fund.

This investment is not recommended to investors with an investment horizon of less than five years.

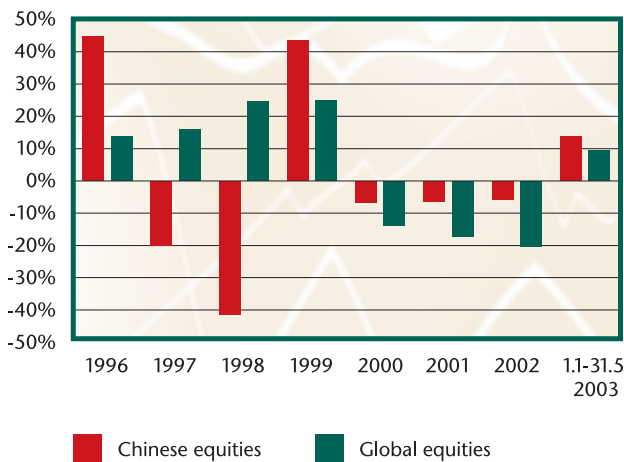
We recommend J.I. Chinese Equity Fund only as a supplement to your existing portfolio.

Unsure about your investment strategy?

If you are already a client with Jyske Bank, your account manager will be pleased to offer you advice and answer any questions you may have.

If you are not yet a client with the Bank, and would like to receive further information about this new investment and at the same time have us define your investment strategy, please contact one of our Private Banking units (see information on the back of this brochure). You are also welcome to pre-define your own investment profile on www.jbpb.com, which can then be used as a basis for our discussion.

Calendar year return

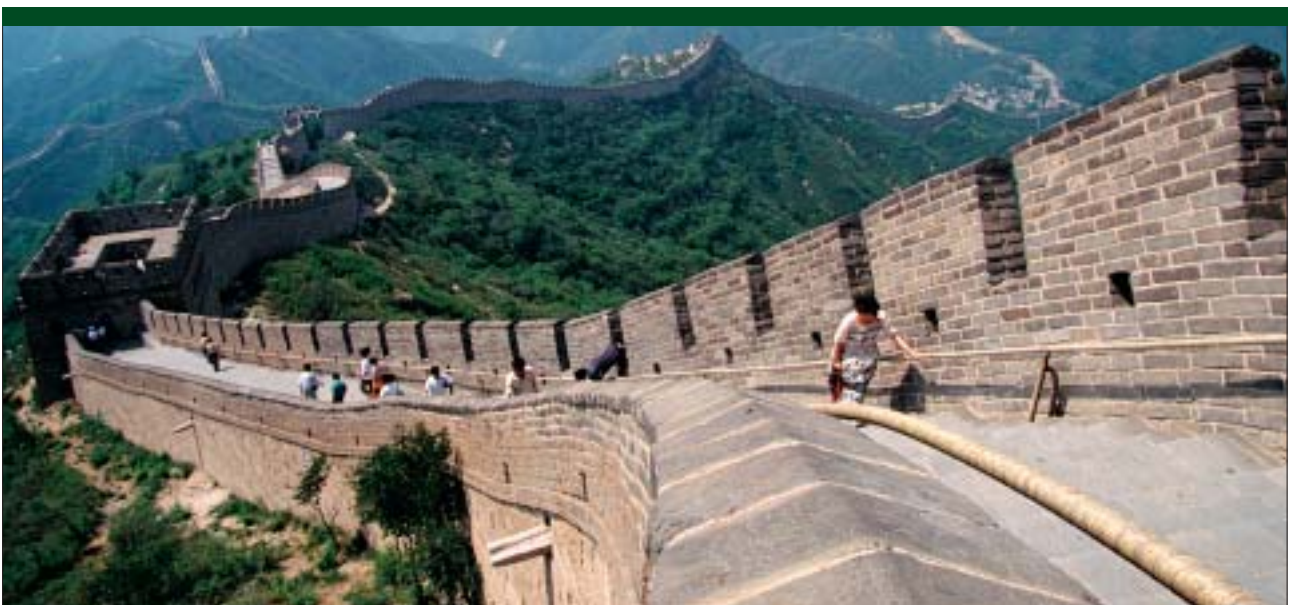


The chart illustrates the return (measured in USD) on Chinese equities compared with a global investment.

Performance since 1996



The return on a USD 100 investment in Chinese equities compared with a global equity investment.





Economic outlook

Prospects of sound growth

In times of uncertain growth in the US, Europe and Japan, it is particularly attractive to invest in a country where growth is expected to steadily increase in the coming years.

China is the world's most densely populated country and has for several years recorded remarkable production and trade figures. In the course of the past 15 years, Chinese growth has been racing ahead at an average of 9% a year. Five factors in particular seem to indicate that in the years ahead, the Middle Kingdom will maintain this very high rate of growth.

- **WTO membership in 2001**

Subsequently, China entered the international, economic and politico-commercial scene. Following a comprehensive restructuring process involving the Chinese corporate sector and society in general, China should become integrated into the global economy.

- **Investment and trade**

China is becoming increasingly popular as a place of production in Asia, as is clearly reflected in trade figures and the volume of direct investments, which has increased from approx. USD 2bn in 1985 to USD 53bn in 2002. During the same period, foreign trade increased from USD 69bn to USD 500bn.

- **Exceptional competitive strength**

Time and again, China has proved its ability to compete and it is generally accepted that production costs are 30-60% lower than in most competing markets. In 2002, China was the only country out of the top-10 exporters to the US capable of significantly increasing its US market share – despite the gloomy outlook for the US economy. The same tendency goes for Europe.

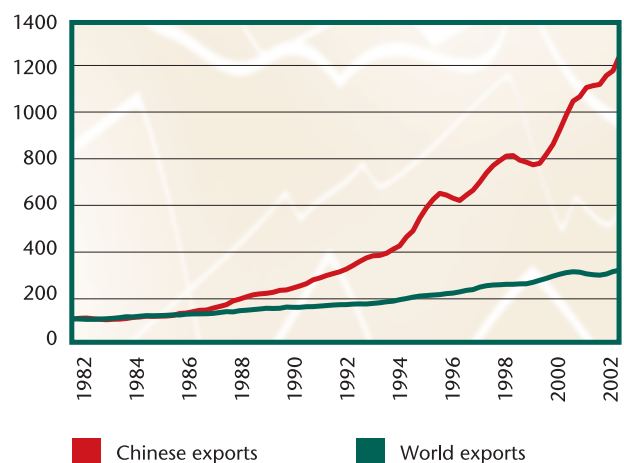
- **Political stability**

The political top fully supports the Chinese economic reform process and WTO membership, as stressed by Hu Jintao, China's new president, at the National Congress of the Communist Party of China in November 2002. Politically, China has chosen a very pragmatic path, and the reforms required to ensure economic progress are being implemented. In terms of international politics, China plays a more and more important role and has on several occasions supported the US in the war against terror and a ban on the spreading of nuclear weapons.

- **China to host the Olympic Games in 2008**

China will be in the international spotlight, and if they play their cards right this may have a tremendous, positive effect on the rate of economic growth.

China – a tough competitor



Chinese exports will no doubt continue to boom.



Profitable caution

In general, we recommend that investors remain cautious in the equity market. As the rate of global growth may remain low for some time to come, our outlook for the coming years remains cautious. So far, the Chinese economy has managed to steer clear of the global recession. This can be explained by two factors in particular.

Firstly, the Chinese export sector has been successful in gaining market shares in the large export markets despite the economic slowdown. The low level of labour and production costs makes the Chinese export sector very competitive. This makes China very attractive to international investors with an ensuing positive effect on productivity and the competitive edge of the export sector. The result is a very positive cycle.

Secondly, China is a fairly closed economy and growth is driven primarily by domestic demand. Given the low level of production costs, the level of private investments is very high as are the government's ambitions to develop the interior of the country with an ensuing positive effect on the level of public-sector investments. Furthermore, the Chinese middle class counts more than 100 million people and is rapidly growing. In 2005, the Chinese middle class is expected to reach 200 millions and 400-500 millions in 2010. This makes Chinese consumer spending a crucial growth factor – today and in the future.

We are therefore convinced that an investment in Chinese equities has the potential to generate an attractive return regardless of the state of the world economy. After all, it is worth noting that although China accounts for only 4% of global production, it accounted for approx. 20% of world growth in 2002.

Is this the right time to invest?

No one can say for certain whether this is an opportune moment to invest in China. In Jyske Invest, however, we believe this to be the case, and as indicated to the right, the price of Chinese equities is attractive.

P/E – Perfect timing?

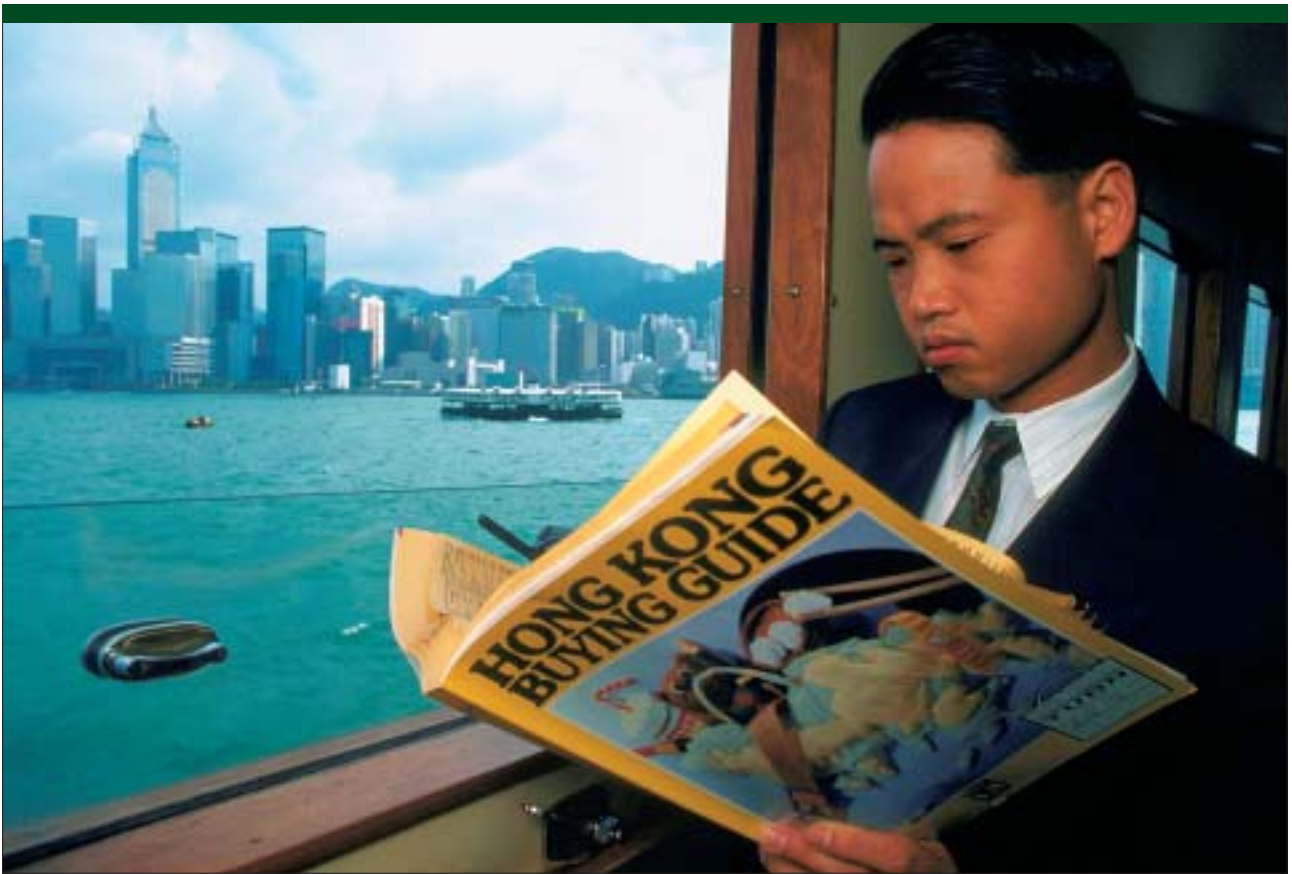


The chart illustrates the price of Chinese equities compared with the MSCI World Index. The price is stated as price per USD earned by the companies (price/earning).

Price/Book value – Perfect timing?



The chart illustrates the price of Chinese equities compared with the MSCI World Index. The price is stated as price per USD of company value as stated in the accounts (price/book value).



Facts about Jyske Invest

Active investment

Jyske Invest has been an active player in the global equity markets since 1988. Through the years, we have introduced a number of funds each with their particular focus. Today, funds under management in the 64 Jyske Invest funds amount to approx. USD 3.5bn. We co-operate with some of the world's leading experts and analysts. When investing through Jyske Invest, your funds are pooled with those of other investors. When a large number of investors pool their investment resources, they are offered a number of advantages such as increased risk diversification and asset management.

It is easy

Jyske Invest takes care of everything in connection with your investment from the selection of suitable securities, occasional portfolio switches to the reinvestment of dividends or interest or other income. We will keep you informed of the development of your investment through

our magazine Jyske Invest Fund News and on Jyske Bank Private Banking's website www.jbpb.com.

It is safe

Jyske Invest is subject to the provisions of the Danish act on investment associations and special associations which ensure risk diversification and prohibit mutual funds from taking up loans for investment. The Danish Financial Supervisory Authority and the independent auditors elected by the members check for compliance.

It is profitable

As administration costs are shared by approx. 60,000 members, the contribution of individual investors is kept at a minimum. It is our aim that the Jyske Invest funds generate a return at least in keeping with the market return. Past performance is best illustrated by the fact that the majority of our funds have been awarded a minimum of three stars by the European rating agency Morningstar as an indication that the return has been in keeping with or has exceeded the benchmark of comparable European funds.

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We believe small print should be large!

Please note that we provide the following information required by regulatory guidelines in different countries to enable you to make an informed decision in respect of your investments with us:

Jyske Invest International is subject to the provisions of the EU directive regulating the activities of mutual funds (UCITS) and the rules and regulations of the Danish Financial Supervisory Authority. The provisions of the Danish act ensure risk diversification and prohibit mutual funds from taking up loans for investment. The Danish Financial Supervisory Authority and the independent auditors elected by the members check for compliance.

Jyske Invest International Funds are recognised in the UK under Section 264 of the Financial Services and Markets Act 2000. This publication has been issued and approved by Jyske Bank London Branch, 10-12 Alie Street. Jyske Bank A/S, Denmark is regulated by the FSA for the conduct of designated investment business in the UK.

If you are a UK resident, please note that:

- the investment services will be conducted by an overseas investment business and are not covered by the rules and regulations for the protection of investors in the UK
- cancellation rights may apply if you have been advised by a UK adviser, in which case you will have 14 days to cancel from the date of receipt of your purchase confirmation note.

The marketing of Jyske Invest units is primarily undertaken by Jyske Bank A/S.

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Die Bundesanstalt für Finanzdienstleistungsaufsicht,

Berlin, has been notified of the sale of units in Germany, in accordance with section 15C AusInvestmG.

Jyske Invest is not registered with the SEC in the United States.

The information contained in this publication does not constitute an invitation to buy or the solicitation to sell such mutual funds in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. Whether it is legally possible for you to invest in this product is determined by the country where you are ordinarily resident. For example, this product is not available to residents of the US.

The investment mentioned in this material might not be suitable to all investors. If you have any doubts, you must obtain further advice from your investment adviser, fully explaining your requirements.

Past performance is not necessarily a guide to the future. The price of and return on an investment may fall as well as rise, and investors may not get their original investment back in full.

The price of emerging market equities may be subject to considerable fluctuations.

Interest and dividend income received by Jyske Invest may be subject to non-recoverable withholding tax in the countries of origin.

Where an investment is denominated in a currency other than the investor's base currency, the investor must be aware that the changes in rates of exchange may have an adverse effect on the value, price or income of the investment.

Reservations are made for changes in market conditions, prices and interest rates and for any typographical errors.

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