

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

JF CHINA REGION FUND INC
Form N-CSRS
August 30, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES

Investment Company Act file number 811-06686

JF China Region Fund, Inc.

(Exact name of registrant as specified in charter)

301 Bellevue Parkway
Wilmington, DE 19809

(Address of principal executive offices) (Zip code)

Cleary, Gottlieb, Steen & Hamilton
1 Liberty Plaza
New York, NY 10006

(Name and address of agent for service)

registrant's telephone number, including area code: 800-441-9800

Date of fiscal year end: December 31

Date of reporting period: June 30, 2006

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

ITEM 1. REPORTS TO STOCKHOLDERS.

The Report to Shareholders is attached herewith.

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

[LOGO] JF CHINA REGION FUND, INC.

SEMI-ANNUAL REPORT
JUNE 30, 2006

[GRAPHIC OMITTED]

THIS REPORT, INCLUDING THE FINANCIAL STATEMENTS HEREIN, IS SENT TO THE STOCKHOLDERS OF THE FUND FOR THEIR INFORMATION. IT IS NOT A PROSPECTUS, CIRCULAR OR REPRESENTATION INTENDED FOR USE IN THE PURCHASE OR SALE OF SHARES OF THE FUND OR OF ANY SECURITIES MENTIONED IN THIS REPORT.

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

CONTENTS

	PAGE
Objectives	1
Management	1
Market Information	1
Highlights	2
Chairman's Statement	3
Top Ten Holdings	4
Investment Portfolio	6
Statement of Assets and Liabilities	12
Statement of Operations	13
Statement of Changes in Net Assets	14
Financial Highlights	15
Notes to Financial Statements	16
Results of the Annual Stockholders Meeting	21
Other Information	21
Dividend Reinvestment and Cash Purchase Plan	22
Directors and Administration	26

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

OBJECTIVES

JF China Region Fund, Inc. (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 ("PRC" or "China"), Hong Kong, Taiwan and Macau--collectively, the China Region.

The Fund provides investors with an opportunity to participate in the growing economies of the China Region, especially that of the PRC, although investments in the PRC are expected to be predominantly through securities listed on the Stock Exchange of Hong Kong. Hong Kong enterprises have made substantial investments in the PRC, in Guangdong Province in particular, where labor and land prices are lower than in Hong Kong. Hong Kong is also the largest trading partner of the PRC. Furthermore, many PRC companies and their Hong Kong-incorporated subsidiaries have listed their securities on the Stock Exchange of Hong Kong.

The economies of the PRC, Hong Kong, Taiwan and Macau have become increasingly linked over the past 10 years, especially since Hong Kong and Macau reverted to Chinese sovereignty in 1997 and 1999, respectively. Investments made by the Fund will seek to take advantage of opportunities resulting from this linkage among the China Region markets.

MANAGEMENT

JF International Management Inc. ("JFIMI") is the investment management company appointed to advise and manage the Fund's portfolio. JFIMI is part of J.P. Morgan Chase & Co. ("JPMC"), one of the world's premier financial services institutions. In asset management, JPMC operates globally under the name of JPMorgan Asset Management ("JPMAM"), although in Asia it uses the sub-brand JF Asset Management. Funds under management for the global asset management business of JPMAM were US\$898.2 billion as of June 30, 2006.

The day-to-day management of the Fund's portfolio is handled by JPMAM's Greater China investment team based in Hong Kong. The head of this team is Howard Wang who joined JPMAM in 2005. Previously, Mr. Wang spent eight years with Goldman Sachs, where in 2004, he was appointed Managing Director, Equities and General Manager of the Taipei branch office.

MARKET INFORMATION

THE FUND IS LISTED ON THE NEW YORK STOCK EXCHANGE (SYMBOL JFC). THE SHARE PRICE IS PUBLISHED IN

- o The Wall Street Journal (daily online at www.WSJ.com/Free)

THE NET ASSET VALUE IS PUBLISHED IN

- o The Wall Street Journal under "Closed-End Funds" (every Saturday)

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

HIGHLIGHTS

	FOR THE SIX MONTHS ENDED JUNE 30, 2006 US\$ (UNAUDITED)	For the Year Ended December 31, 2005 US\$
Net Assets	\$80.2 MILLION	\$73.6 million
Net Asset Value Per Share	\$17.50	\$16.04

MARKET DATA

Share Price on the New York Stock Exchange	\$15.89	\$13.71
Discount to Net Asset Value	9.2%	14.5%

TOTAL RETURN FOR THE PERIOD ENDED JUNE 30, 2006

Net Asset Value	9.1%
Share Price	15.9%
JFC Benchmark Index*	9.5%
MSCI Hong Kong Index (Total)	7.0%
BNP Prime Peregrine China Index	25.3%
Taiwan Weighted Index	3.9%

NET ASSET VALUE AND SHARE PRICE VS. BENCHMARK INDEX

	Net Asset Value	Share Price	JFC Benchmark Index*
7/16/1992	\$100.00	\$100.00	\$100.00
7/27/1992	99.78	98.33	89.81
8/28/1992	100.43	94.20	91.11
9/30/1992	100.94	80.00	79.15
10/30/1992	108.60	92.53	90.31
11/30/1992	111.05	96.67	91.95
12/31/1992	109.29	93.02	90.21
1/29/1993	110.16	96.37	87.65
2/26/1993	117.49	98.85	97.55
3/31/1993	120.54	108.90	94.28
4/30/1993	125.48	118.95	97.84
5/28/1993	129.84	122.30	92.05
6/30/1993	122.35	120.09	83.13
7/30/1993	120.67	116.73	77.96
8/27/1993	124.75	129.29	82.27
9/30/1993	128.39	126.81	84.74
10/29/1993	147.17	150.32	102.63
11/26/1993	156.34	166.71	113.90
12/31/1993	188.96	187.39	128.98
1/28/1994	175.52	183.65	111.34
2/25/1994	158.91	148.41	103.16
3/31/1994	136.56	136.08	91.08
4/29/1994	132.14	134.18	87.30
5/27/1994	136.06	148.41	90.89
6/30/1994	123.99	123.29	82.84
7/29/1994	130.78	126.47	87.48
8/26/1994	130.78	135.83	92.18
9/30/1994	132.98	129.56	94.14
10/28/1994	132.34	126.47	89.14
11/23/1994	124.35	110.76	80.63
12/31/1994	115.72	94.29	72.23

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

1/27/1995	101.37	90.10	62.02
2/24/1995	108.27	98.48	66.92
3/31/1995	109.37	94.29	67.13
4/30/1995	105.33	90.10	63.43
5/26/1995	113.68	107.01	70.35
6/30/1995	111.93	92.33	69.32
7/28/1995	116.08	95.51	73.64
8/31/1995	108.89	88.13	69.66
9/30/1995	112.85	94.42	68.82
10/31/1995	110.46	89.22	67.02
11/30/1995	104.65	85.02	64.06
12/31/1995	103.54	84.52	63.34
1/31/1996	112.35	107.76	72.64
2/29/1996	113.37	95.08	73.99
3/31/1996	110.12	95.08	70.65
4/30/1996	111.70	96.18	68.52
5/31/1996	112.25	94.07	71.64
6/30/1996	111.98	87.73	71.47
7/31/1996	110.21	81.39	71.69
8/30/1996	110.68	84.52	73.69
9/30/1996	112.16	85.62	74.73
10/31/1996	113.18	83.51	77.45
11/29/1996	125.79	90.86	89.15
12/31/1996	132.84	95.25	97.43
1/31/1997	135.63	99.49	99.27
2/28/1997	138.13	99.49	100.73
3/27/1997	133.96	99.49	99.65
4/30/1997	148.44	106.94	106.53
5/31/1997	159.48	115.41	111.06
6/30/1997	170.35	124.89	114.45
7/31/1997	178.89	130.22	117.43
8/31/1997	187.33	126.50	121.24
9/30/1997	167.65	124.38	116.19
10/31/1997	124.12	87.29	88.50
11/28/1997	107.96	84.67	82.92
12/31/1997	110.00	82.89	83.73
1/30/1998	85.88	79.75	70.48
2/28/1998	114.29	88.25	86.61
3/31/1998	107.58	80.77	83.66
4/30/1998	98.27	74.90	76.62
5/29/1998	83.74	60.57	69.04
6/30/1998	72.75	54.24	63.53
7/31/1998	57.28	44.10	56.17
8/31/1998	51.32	29.76	50.16
9/30/1998	60.82	40.91	56.88
10/30/1998	70.51	50.48	65.12
11/30/1998	72.47	53.14	64.68
12/31/1998	69.86	46.76	61.44
1/29/1999	63.27	45.70	55.92
2/26/1999	63.43	44.63	56.22
3/31/1999	69.67	47.82	62.49
4/30/1999	82.25	62.17	74.33
5/31/1999	76.94	57.39	69.97
6/30/1999	90.35	74.39	80.74
7/30/1999	84.95	60.57	75.80
8/31/1999	88.77	61.11	78.44
9/30/1999	84.11	56.86	73.92
10/29/1999	87.65	59.51	75.69
11/30/1999	99.29	68.01	82.85
12/31/1999	110.11	72.07	90.38
1/31/2000	108.99	69.94	90.33
2/29/2000	113.38	73.68	91.87

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

3/31/2000	118.43	75.28	96.89
4/28/2000	100.86	64.07	87.24
5/31/2000	94.69	62.46	82.27
6/30/2000	98.52	66.73	85.48
7/31/2000	102.07	69.94	89.73
8/31/2000	103.94	71.54	88.73
9/29/2000	95.34	66.73	79.73
10/31/2000	87.40	64.07	72.78
11/30/2000	83.00	61.93	68.48
12/31/2000	87.30	60.33	71.12
1/31/2001	95.81	71.33	78.24
2/28/2001	91.42	67.57	76.15
3/30/2001	84.59	60.73	69.80
4/30/2001	86.09	63.89	69.03
5/31/2001	87.12	66.46	67.29
6/29/2001	84.69	66.20	65.30
7/31/2001	78.98	60.22	61.21
8/31/2001	73.10	54.24	57.47
9/28/2001	66.37	50.83	48.34
10/31/2001	71.51	51.34	51.10
11/30/2001	76.18	55.95	57.64
12/31/2001	76.09	56.12	63.41
1/31/2002	75.34	55.52	63.09
2/28/2002	75.53	57.92	60.84
3/28/2002	81.23	63.64	65.43
4/30/2002	80.95	64.92	66.68
5/31/2002	81.88	65.18	64.55
6/28/2002	76.65	58.94	60.36
7/31/2002	73.94	54.24	57.39
8/30/2002	70.29	53.39	54.89
9/30/2002	65.71	49.71	49.30
10/31/2002	68.42	52.96	52.07
11/29/2002	70.48	55.78	54.34
12/31/2002	69.82	55.52	50.92
1/31/2003	77.58	62.36	53.73
2/28/2003	77.30	66.63	50.72
3/31/2003	73.94	64.41	48.90
4/30/2003	73.75	63.21	48.38
5/30/2003	82.63	65.43	53.24
6/30/2003	86.93	73.46	55.68
7/31/2003	96.93	80.30	60.86
8/29/2003	104.13	88.58	66.88
9/30/2003	106.37	86.87	68.73
10/31/2003	120.30	116.09	73.75
11/28/2003	119.37	114.63	72.11
12/31/2003	130.21	154.44	75.70
1/30/2004	134.88	129.50	80.89
2/27/2004	143.95	141.97	84.25
3/31/2004	135.35	123.01	79.74
4/30/2004	115.81	91.40	73.82
5/31/2004	118.43	104.47	74.32
6/30/2004	115.63	97.12	73.49
7/30/2004	115.63	90.80	72.08
8/31/2004	117.59	102.68	76.05
9/30/2004	121.80	100.88	78.02
10/31/2004	121.33	99.17	77.35
11/30/2004	128.81	111.05	83.91
12/31/2004	131.42	109.34	86.50
1/31/2005	129.37	110.19	83.66
2/28/2005	137.22	114.38	88.07
3/31/2005	132.08	105.92	83.87
4/30/2005	132.92	104.90	84.85

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

5/31/2005	133.76	106.01	86.42
6/30/2005	137.31	110.45	89.42
7/29/2005	144.23	116.68	93.15
8/31/2005	141.14	117.11	90.42
9/30/2005	146.75	117.37	92.93
10/31/2005	135.63	108.65	86.00
11/30/2005	145.44	114.98	91.53
12/31/2005	150.49	117.62	95.39
1/31/2006	162.31	139.24	101.51
2/28/2006	162.50	135.38	102.13
3/31/2006	167.66	135.04	103.48
4/30/2006	177.04	153.31	111.13
5/31/2006	168.51	143.71	104.50
6/30/2006	164.19	136.33	104.46

* JFC Benchmark: MSCI Golden Dragon Index (Total)

Prior to March 2001, 25% Taiwan Weighted Index, 20% BNP Paribas China Index, 50% MSCI Hong Kong, 5% HSBC;

Prior to March 1999, 60% Hong Kong All Ordinaries, 30% Credit Lyonnais Securities Asia All China B Index, 10% Taiwan Weighted Index;

Prior to January 1997, Peregrine Greater China Index

** Commencement of operations

Source JPMorgan Asset Management

- 2 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

CHAIRMAN'S STATEMENT

Dear Fellow Stockholder,

The six month period to June 30, 2006 was a volatile period for our investments in the Greater China Region. Nevertheless, I am pleased to report that the Fund's net asset value gained 9.1% over the period. The share price gained 15.9%, which not only reflected the increase in the net asset value but the narrowing of the discount from 14.5% as at December 31, 2005 to 9.2% as at June 30, 2006. Your Board continues to monitor the level of the discount closely and is pleased that it narrowed over the reporting period. Generally, the Fund has performed broadly in line with its benchmark, the MSCI Golden Dragon Index (Total), which returned 9.5%.

On August 10, 2006, Michael J. James replaced A. Douglas Eu as Treasurer to the Fund following Mr. Eu's decision to pursue career opportunities outside of the J.P. Morgan Chase & Co. family of funds. On behalf of the Board I would like to thank Mr. Eu for his contribution to the Fund over the past 9 years and wish him well in his new endeavours. Michael James brings with him a wealth of experience as he is currently the Chief Operating Officer of JPMorgan Asset Management's closed-end fund division. He is also a qualified Chartered Accountant and holds an MBA from London University. On behalf of the Board I would like to extend a warm welcome to Michael.

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

Respectfully submitted,

/s/ Cromer

The Rt. Hon. The Earl of Cromer
Chairman

August 17, 2006

For more information refer to the website www.jfchinaregion.com

- 3 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

TOP TEN HOLDINGS

AT JUNE 30, 2006 (UNAUDITED)

TAIWAN SEMICONDUCTOR MANUFACTURING CO., LTD.

Taiwan Semiconductor Manufacturing Company Limited manufactures and markets integrated circuits. The Company provides the following services: wafer manufacturing, wafer probing, assembly and testing, mask production, and design services. The Company's integrated circuits are used in computer, communication, consumer electronics, automotive and industrial equipment industries.

CHINA MOBILE (HONG KONG), LTD.

China Mobile (Hong Kong) Limited provides cellular telecommunication services in the People's Republic of China.

HON HAI PRECISION INDUSTRY CO., LTD.

Hon Hai Precision Industry Company, Limited manufactures and markets personal computer ('PC') connectors and cable assemblies used in desktop PCs and PC servers.

CHEUNG KONG HOLDINGS, LTD.

Cheung Kong Holdings Limited develops and invests in real estate. The Company also provides real estate agency and management services, operates hotels and invests in securities.

CATHAY FINANCIAL HOLDING CO., LTD.

Cathay Financial Holding Company, Limited is a holding company. Through its subsidiaries, the Company provides traditional life, health care and accident insurances, as well as banking, security underwriting and brokerage

% O
AS

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

services.

CHINA LIFE INSURANCE CO. LTD. 'H'

China Life Insurance Company, Limited offers a wide range of life, accident and health insurance products and services.

PETROCHINA COMPANY LIMITED 'H'

PetroChina Company Limited explores, develops and produces crude oil and natural gas. The Company also refines, transports and distributes crude oil and petroleum products, produces and sells chemicals, and markets and sells natural gas.

- 4 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

TOP TEN HOLDINGS (CONTINUED)

AT JUNE 30, 2006 (UNAUDITED)

SUN HUNG KAI PROPERTIES, LTD.

Sun Hung Kai Properties Limited develops and invests in properties. The Company also operates hotels, manages properties, car parking and transportation infrastructure. In addition, the Company operates logistics business, construction, financial services, telecommunication Internet infrastructure and enabling services.

CHINA PETROLEUM AND CHEMICAL CORP. (SINOPEC) 'H'

China Petroleum and Chemical Corporation explores for and produces crude oil and natural gas in China. The Company also owns refineries that make petroleum and petrochemical products such as gasoline, diesel, jet fuel, kerosene, ethylene, synthetic fibers, synthetic rubber, synthetic resins and chemical fertilizers. In addition, the Company trades petrochemical products.

CHINA CONSTRUCTION BANK 'H'

China Construction Bank provides a complete range of banking services and other financial services to individual and corporate customers. The bank's services include retail banking, international settlement, project finance and credit card services.

TOTAL TOP TEN HOLDINGS

% O
AS

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

- 5 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

INVESTMENT PORTFOLIO

AT JUNE 30, 2006 (UNAUDITED)

DESCRIPTION	HOLDINGS (IN SHARES)	MA VA (IN
COMMON STOCKS (UNLESS OTHERWISE NOTED)		
CHINA (15.8%)		
COMMERCIAL BANKS (3.7%)		
Bank of Communications Co. 'H'	2,010,000	1,30
* China Construction Bank 'H'	3,682,000	1,68
		2,98
INSURANCE (2.7%)		
China Life Insurance Co., Ltd. 'H'	1,353,000	2,13
METALS & MINING (2.3%)		
Angang New Steel Co., Ltd. 'H'	1,370,000	1,29
Zijin Mining Group Co., Ltd. 'H'	1,088,000	54
		1,83
OIL & GAS (5.1%)		
China Petroleum and Chemical Corp. (Sinopec) 'H'	3,518,000	2,01
PetroChina Company Limited 'H'	1,934,000	2,06
		4,08
PAPER & FOREST PRODUCTS (0.7%)		
Shandong Chenming Paper Holdings, Ltd., 'B'	1,102,612	57
TRANSPORTATION INFRASTRUCTURE (1.3%)		
* Dongfeng Motors Group Corp., Ltd. 'H'	2,266,000	1,05
TOTAL CHINA		12,67
HONG KONG (48.9%)		

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

 AIRLINES (1.2%)
 * Air China, Ltd. 'H' 2,302,000 96

 BUILDING MATERIALS (0.7%)
 * China National Building Material Co., Ltd. 'H' 1,782,000 59

- 6 -

[GRAPHIC OMITTED]
 JF CHINA REGION FUND, INC.

INVESTMENT PORTFOLIO (CONTINUED)

 AT JUNE 30, 2006 (UNAUDITED)

DESCRIPTION	HOLDINGS (IN SHARES)	M (I

CHEMICALS (0.9%)		
Sinochem Hong Kong Holdings, Ltd.	1,876,000	73

COMMERCIAL BANKS (3.9%)		
BOC Hong Kong (Holdings), Ltd.	527,500	1,03
Dah Sing Financial Group	141,200	1,03
Standard Chartered, Plc.	44,325	1,09
		3,15

DISTRIBUTION/WHOLESALE (2.6%)		
Esprit Holdings, Ltd.	162,500	1,32
Li & Fung, Ltd.	388,600	78
		2,11

DIVERSIFIED FINANCIAL SERVICES (2.3%)		
Hong Kong Exchanges & Clearing, Ltd.	90,000	57
Shin Kong Financial Holding	1,167,246	1,29
		1,87

DIVERSIFIED OPERATIONS (6.7%)		
China Merchants Holdings International Co., Ltd.	250,000	76
China Resources Enterprise, Ltd.	260,000	53
Guangdong Investment, Ltd.	1,088,000	41
Hutchison Whampoa, Ltd.	84,000	76

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

Jardine Strategic Holdings, Ltd.	101,500	1,09
Melco International Development, Ltd.	83,000	20
Swire Pacific, Ltd., Class A	150,500	1,55
		5,33

ELECTRIC UTILITIES (1.1%)		
China Resources Power Holdings	1,040,000	87

HOTELS, RESTAURANTS & LEISURE (1.7%)		
Cafe de Coral Holdings, Ltd.	342,000	48
Shangri-La Asia, Ltd.	438,000	84
		1,32

- 7 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

INVESTMENT PORTFOLIO (CONTINUED)

AT JUNE 30, 2006 (UNAUDITED)

DESCRIPTION	HOLDINGS (IN SHARES)	M (I

MACHINERY (1.0%)		
Techtronic Industries Co., Ltd.	582,500	78

MARINE (1.2%)		
Pacific Basin Shipping, Ltd.	2,022,000	91

METALS & MINING (1.7%)		
China Shenhua Energy Co. Ltd. 'H'	723,500	1,33

MISCELLANEOUS (0.0%)		
* Health Asia MediCentres Beijing++	1,000,000	

MULTILINE RETAIL (1.4%)		
Lifestyle International Holdings, Ltd.	628,000	1,14

OIL & GAS (2.4%)		
CNPC Hong Kong, Ltd.	2,370,000	1,33
Xiniao Gas Holdings, Ltd.	582,000	55

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

		1,88
REAL ESTATE (9.4%)		
Cheung Kong Holdings, Ltd.	257,000	2,78
Guangzhou R&F Prop Co., Ltd. 'H'	203,400	94
Henderson Land Development Co. Ltd.	76,000	39
Hysan Development Co., Ltd.	256,419	72
New World Development Co., Ltd.	382,000	62
Sun Hung Kai Properties, Ltd.	199,000	2,02
Wheelock and Co., Ltd.	25,000	4
		7,54
REITS - DIVERSIFIED (0.9%)		
* Champion Real Estate Investment Trust	1,524,000	75
RETAIL (1.8%)		
* Golden Eagle Retail Group, Ltd.	1,690,000	88
Parkson Retail Group, Ltd.	209,000	59
		1,47

- 8 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

INVESTMENT PORTFOLIO (CONTINUED)

AT JUNE 30, 2006 (UNAUDITED)

DESCRIPTION	HOLDINGS (IN SHARES)	M (I
TRANSPORTATION INFRASTRUCTURE (1.4%)		
Cosco Pacific, Ltd.	500,000	1,10
WIRELESS TELECOMMUNICATION SERVICES (6.6%)		
China Mobile (Hong Kong), Ltd.	725,500	4,14
China Unicom, Ltd.	1,238,000	1,10
		5,25
TOTAL HONG KONG		39,18

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

TAIWAN (32.0%)

CIRCUIT BOARDS (1.0%)

Nan Ya Printed Circuit Board Corp. 104,000 80

COMMERCIAL BANKS (1.6%)

Chang Hwa Commercial Bank 1,840,000 1,30

COMPUTERS & PERIPHERALS (2.1%)

High Tech Computer 30,000 82

* Innolux Display Corp. 621,000 88

1,71

DIVERSIFIED FINANCIAL SERVICES (1.6%)

First Financial Holding Co., Ltd. 1,632,000 1,23

Shin Kong Financial Holding Co., Ltd. 758

1,23

ELECTRONIC EQUIPMENT & INSTRUMENTS (8.3%)

AU Optronics Corp Warrants 19 Oct 2006 (UBS AG) 576,819 82

* AU Optronics Corp. 232,820 32

Delta Electronics, Inc. 151,000 42

Hon Hai Precision Industry Co., Ltd. 503,487 3,11

Silitech Technology Corp. 176,000 93

Tripod Technology Corp. 309,000 1,04

6,67

- 9 -

[GRAPHIC OMITTED]

JF CHINA REGION FUND, INC.

INVESTMENT PORTFOLIO (CONTINUED)

AT JUNE 30, 2006 (UNAUDITED)

DESCRIPTION	HOLDINGS (IN SHARES OR PAR)	MA VA (IN
INSURANCE (2.8%)		
Cathay Financial Holding Co., Ltd.	1,011,000	2,21
METALS & MINING (1.6%)		
Catcher Technology Co., Ltd.	121,000	1,28

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT (13.0%)		
Advanced Semiconductor Engineering, Inc.	1,591,000	1,57
MediaTek, Inc.	142,800	1,32
Novatek Microelectronics Corp., Ltd.	336,000	1,62
PromOS Technologies, Inc.	3,183,000	1,15
* Taiwan Semiconductor Manufacturing Co., Ltd.	2,648,786	4,77
		10,45

TOTAL TAIWAN		25,68

TOTAL INVESTMENTS IN COMMON STOCK		
(96.7% of Net Assets) (Cost \$73,253,991)		77,54
=====		
SHORT TERM INVESTMENTS		

UNITED STATES (1.6%)		

Citibank Time Deposit, 5.02%, 07/03/2006	1,303,668	1,30

TOTAL UNITED STATES		1,30

TOTAL SHORT TERM INVESTMENTS		
(1.6% of Net Assets) (Cost \$1,303,668)		1,30
=====		

- 10 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

INVESTMENT PORTFOLIO (CONTINUED)

AT JUNE 30, 2006 (UNAUDITED)

DESCRIPTION		MAR VAL (IN

TOTAL INVESTMENTS		
(98.3% of Net Assets) (Cost \$74,557,659)		78,84
=====		
Other assets in excess of liabilities (1.7% of Net Assets)		1,38
=====		

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

NET ASSETS (100.0%) 80,23

As of June 30, 2006, aggregate cost for Federal income tax purposes was \$75,291,136.
 The aggregate unrealized gain for all securities is as follows:

Excess of market value over cost	6,20
Excess of cost over market value	(2,64)

Net unrealized gain	3,55
---------------------	------

- B Chinese security traded on Shenzhen Stock Exchange or Shanghai Stock Exchange.
- H Chinese security traded on Hong Kong Stock Exchange.
- * Non-income producing.
- ++ At fair value as determined under the supervision of the Board of Directors.

See accompanying notes to financial statements.

- 11 -

[GRAPHIC OMITTED]
 JF CHINA REGION FUND, INC.

STATEMENT OF ASSETS AND LIABILITIES

AT JUNE 30, 2006 (UNAUDITED)

(IN U

ASSETS

Investments at value (cost \$74,557,659)	78,845
Cash (including foreign currencies with a cost of \$2,634,422 and value of \$2,659,012)	2,738
Receivable for securities sold	554
Dividends receivable	360
Interest receivable	
Prepaid expenses	24

TOTAL ASSETS	82,523
--------------	--------

LIABILITIES

Payable for securities purchased	1,796
Due to Investment Adviser	138
Accrued expenses payable	355

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

TOTAL LIABILITIES	2,290

NET ASSETS	80,232
=====	
NET ASSETS CONSIST OF:	
Common stock, \$0.01 par value	
(100,000,000 shares authorized;	
4,585,160 shares issued and outstanding)	
Paid-in capital	45
Undistributed net investment income	83,971
Accumulated realized loss on investments	648
and foreign currency transactions	(8,746)
Accumulated net unrealized appreciation on investments,	
and foreign currency holdings, and other assets	
and liabilities denominated in foreign currencies	4,313

NET ASSETS	80,232
=====	
NET ASSET VALUE PER SHARE (\$80,232,748 / 4,585,160)	1
=====	

See accompanying notes to financial statements.

- 12 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

STATEMENT OF OPERATIONS

FOR THE SIX MONTHS ENDED JUNE 30, 2006 (UNAUDITED)

	(IN U

INVESTMENT INCOME	

Dividends (net of foreign withholding tax of \$40,082)	1,052
Interest (net of foreign withholding tax of \$129)	11

TOTAL INVESTMENT INCOME	1,064

EXPENSES	

Investment advisory fees	403
Custodian fees	116
Directors' fees and expenses	90

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

Administration and accounting fees	68
Legal fees	39
Shareholder service fees	23
Shareholder report and expenses	21
Insurance	18
Audit fees	16
NYSE listing fee	12
Other expenses	23

TOTAL EXPENSES	834

NET INVESTMENT INCOME	229
=====	
REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS, FOREIGN CURRENCY HOLDINGS AND OTHER ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES	

NET REALIZED GAIN	
Investments	10,412
Foreign currency transactions	1
NET CHANGE IN UNREALIZED DEPRECIATION	
Investments and foreign currency holdings and other assets and liabilities denominated in foreign currencies	(3,969)

NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS, FOREIGN CURRENCY HOLDINGS AND OTHER ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES	6,444

INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	6,674
=====	

See accompanying notes to financial statements.

- 13 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

STATEMENT OF CHANGES IN NET ASSETS

		FOR THE SIX MONTHS ENDED JUNE 30, 2006 (IN US\$) (UNAUDITED)	DEC

INCREASE IN NET ASSETS			
Operations			
Net investment income		229,548	

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

Net realized gain on investment transactions	10,412,544
Net realized gain (loss) on foreign currency transactions	1,497
Net change in unrealized appreciation (depreciation) on investments, foreign currency holdings and other assets and liabilities denominated in foreign currencies	(3,969,490)

Net increase in net assets resulting from operations	6,674,099
=====	
DISTRIBUTIONS TO STOCKHOLDERS	
Net investment income (\$0.00 and \$0.06 per share, respectively)	--
=====	
TOTAL INCREASE IN NET ASSETS	6,674,099
Net Assets:	
Beginning of period	73,558,649

End of period (including undistributed net investment income of \$648,681 and \$419,133, respectively)	80,232,748
=====	

See accompanying notes to financial statements.

- 14 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

FINANCIAL HIGHLIGHTS

	FOR THE SIX MONTHS ENDED JUNE 30, 2006 (IN US\$) (UNAUDITED)	FOR THE YEAR ENDED DECEMBER 31, 2005 (IN US\$)	FOR THE YEAR ENDED DECEMBER 31, 2004 (IN US\$)	FOR THE YEAR ENDED DECEMBER 2003 (IN US\$)

FOR A SHARE OUTSTANDING THROUGHOUT EACH PERIOD:				

Net asset value, beginning of period	16.04	14.06	13.93	7.4
=====				
Net investment income (loss)	0.05	0.13	0.04	(0.0)
Net realized and unrealized gain (loss) on investment and foreign currency- related transactions	1.41	1.91	0.09	6.4

Total from investment operations	1.46	2.04	0.13	6.4

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

Dividends from net investment income	--	(0.06)	--	--
Dilutive Effect of Capital shares repurchased	--	--	--	--
NET ASSET VALUE, END OF PERIOD	17.50	16.04	14.06	13.9
Market value, end of period	15.89	13.71	12.80	18.0
TOTAL INVESTMENT RETURN				
Per share market value	15.9%	7.6%	(29.2%)	178.
Per share net asset value	9.1%	14.5%	0.9%	86.
RATIOS/SUPPLEMENTAL DATA				
Net assets, end of period	80,232,748	73,558,649	64,487,971	63,882,63
Ratios of total expenses to average net assets	2.08% +	2.08%	2.22%	2.5
Ratios of net investment income (loss) to average net assets	0.57% +	0.90%	0.31%	(0.1
Portfolio turnover rate	142.8%	121.8%	168.6%	162.
Number of shares outstanding at end of period (in thousands)	4,585	4,585	4,585	4,58

* Less than \$0.01 per share.

+ Annualized.

See accompanying notes to financial statements.

- 15 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

JUNE 30, 2006

1. ORGANIZATION AND CAPITAL

JF China Region Fund, Inc. (the "Fund") was incorporated in the State of Maryland on May 22, 1992, and is registered as a non-diversified, closed-end management investment company under the Investment Company Act of 1940. The Fund commenced operations on July 16, 1992.

2. SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies, which are in conformity with accounting principles generally accepted in the United States of America ("GAAP") and are consistently followed by the Fund in the

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

preparation of its financial statements.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reported period. Actual results could differ from these estimates.

I) SECURITY VALUATION

All securities for which market quotations are readily available are valued at the last sales price prior to the time of determination or, if no sales price is available at that time, at the mean between the last current bid and asked prices. Securities that are traded over-the-counter are valued, if bid and asked quotations are available, at the mean between the current bid and asked prices. All other securities and assets are valued at fair value as determined in good faith by the Board of Directors. In valuing the Fund's assets, quotations of foreign securities in a foreign currency are translated to United States ("U.S.") dollar equivalents at the exchange rate in effect on the valuation date.

II) FOREIGN CURRENCY TRANSLATION

The books and records of the Fund are maintained in U.S. dollars. Foreign currency amounts are translated into U.S. dollars at the mid-market price of such currencies against U.S. dollars as follows:

- o investments, other assets, and liabilities at the prevailing rates of exchange on the valuation date;
- o investment transactions and investment income at the prevailing rates of exchange on the dates of such transactions.

Although the net assets of the Fund are presented at the foreign exchange rates and market values at the close of the period, the Fund does not isolate that portion of the results of operations arising as a result of changes in the foreign exchange rates from the fluctuations arising from changes in the market prices of the securities held at period-end. Similarly, the Fund does not isolate the effect of changes in foreign exchange rates from the fluctuations arising from changes in the market prices of securities sold during the period. Accordingly,

- 16 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

realized and unrealized foreign currency gains (losses) are included in the reported net realized and unrealized gains (losses) on investments.

Unrealized currency gains (losses) resulting from valuing foreign currency denominated assets and liabilities at period-end exchange

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

rates are reflected as a component of accumulated net unrealized gain (loss) on investments, foreign currency holdings, and other assets and liabilities denominated in foreign currencies.

III) DISTRIBUTION OF INCOME AND GAINS

The Fund intends to distribute to stockholders, at least annually, substantially all of its net investment income and expects to distribute annually any net long-term capital gains in excess of net short-term capital losses. An additional distribution may be made to the extent necessary to avoid the payment of a 4% federal excise tax. Income and capital gain distributions are determined in accordance with federal income tax regulations and may differ from those determined in accordance with GAAP.

IV) OTHER

Security transactions are accounted for on trade date. Realized gains and losses on the sale of investment securities are determined on the identified cost basis. Interest income is recognized on the accrual basis. Dividend income and distributions to shareholders are recorded on the ex-dividend date.

3. INVESTMENT TRANSACTIONS

The investment objective, policies, program, and risk factors of the Fund are described fully in the Fund's Prospectus.

During the six months ended June 30, 2006, the Fund made purchases of \$112,461,673 and sales of \$114,756,648 of investment securities other than short-term investments. There were no purchases or sales of U.S. government securities.

4. RELATED PARTY, OTHER SERVICE PROVIDER TRANSACTIONS AND DIRECTORS

I) JF International Management Inc. (the "Adviser"), an indirect wholly-owned subsidiary of J.P. Morgan Chase & Co., provides investment advisory services to the Fund under the terms of an investment advisory agreement. The Adviser is paid a fee, computed weekly and payable monthly, at the annual rate of 1.00% of the Fund's weekly net assets.

II) During the six months ended June 30, 2006, the Fund did not pay any brokerage commissions to J.P. Morgan Chase Group companies or affiliated brokers/dealers.

- 17 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

III) OTHER SERVICE PROVIDERS

PFPC Inc. (the "Administrator") provides administrative and accounting services to the Fund under an Administrative and Accounting Services Agreement. The Administrator receives a fee, payable monthly, at an annual rate of 0.135% of the first \$100

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

million, 0.095% of the next \$50 million, 0.08% of the next \$50 million and 0.065% of the excess over \$200 million of the Fund's average weekly net assets, subject to a minimum annual fee of \$138,000, plus reimbursement for certain out-of-pocket expenses.

IV) DIRECTORS

The Fund pays each of its Directors who is not a director, officer or employee of the Adviser, Administrator or any affiliate thereof an annual fee of \$16,000 and the Chairman \$19,000 plus \$1,400 attendance fee for each Board and committee meeting attended. In addition, the Fund reimburses all directors for travel and out-of-pocket expenses incurred in connection with Board of Directors meetings.

5. CAPITAL SHARE TRANSACTIONS

On September 8, 2005 the Board of Directors renewed an authority for the Fund to purchase shares of its common stock from Fund stockholders, as described below. When shares trade at a discount to net asset value, any purchase of shares by the Fund has the effect of increasing the net asset value per share of the Fund's remaining shares outstanding. All shares purchased by the Fund are thereafter considered authorized and unissued.

I) SHARE REPURCHASE PROGRAM

The Fund is authorized to repurchase up to 458,516 shares (10% of its issued and outstanding shares) in the open market through September 7, 2006. Repurchases can be made only when the Fund's shares are trading at less than net asset value and at such times and amounts as it is believed to be in the best interest of the Fund's stockholders.

During the six months ended June 30, 2006 and the year ended December 31, 2005, the Fund did not repurchase any shares under the share repurchase program.

6. RISKS AND UNCERTAINTIES

I) FOREIGN TRANSACTIONS

Foreign security and currency transactions may involve certain considerations and risks not typically associated with those of U.S. dollar denominated transactions as a result of, among other factors, the level of governmental supervision and regulation of foreign securities markets and the possibility of political or economic instability.

II) OTHER

In the normal course of business, the Fund may enter into contracts that provide general indemnifications. The maximum exposure under these arrangements is dependent on future claims that may be made against the Fund and, therefore, cannot be estimated; however, based on experience, the risk of any loss from such claims is considered remote.

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

JF CHINA REGION FUND, INC.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

7. TAX STATUS

I) U.S. FEDERAL INCOME TAXES

No provision for federal income taxes is required since the Fund intends to continue to qualify as a regulated investment company under subchapter M of the Internal Revenue Code and distribute substantially all of its taxable income.

At December 31, 2005, the components of net assets (excluding paid-in capital) on a tax basis were as follows:

Tax basis Ordinary Income		\$	4

Tax basis capital loss carryforward	\$ (19,066,798)		
Plus/Less: cumulative timing differences --			
wash sales	(93,583)		

Accumulated capital loss			(19,1

Book unrealized foreign exchange gain			

Book unrealized appreciation on foreign currencies			

Tax unrealized appreciation	\$ 8,182,091		
Plus/Less: cumulative timing differences --			
wash sales	93,583		

Unrealized appreciation			8,2

Net assets (excluding paid-in capital)		\$	(10,4
		=====	

The difference between book and tax basis unrealized appreciation is primarily attributable to wash sales. The cumulative timing difference for the capital loss carryover is due to wash sales.

Net Asset Value		\$	73,5
Paid-in Capital			(84,0

Net assets (excluding paid-in capital)		\$	(10,4
		=====	

As of December 31, 2005, the Fund had capital loss carryforwards for federal income tax purposes of \$19,066,798, of which \$11,676,567 expires in 2006, \$3,780,058 expires in 2008 and \$3,610,173 expires in 2009. The Fund intends to retain gains realized in future periods that may be offset by available capital loss carryforward.

During the year ended December 31, 2005, the Fund reclassified \$179,850 and \$12,170,495 from undistributed net investment income

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

and paid in capital, respectively, to accumulated realized loss on investments as a result of permanent book and tax differences relating to realized foreign currency losses and carryforward loss expirations. Net assets were not affected by the reclassifications.

- 19 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONCLUDED)

8. RECENT ACCOUNTING PRONOUNCEMENTS

In July 2006, the Financial Accounting Standards Board issued Interpretation No. 48, "Accounting for Uncertainty in Income Taxes - an Interpretation of FASB Statement No. 109" (the "Interpretation"). The Interpretation establishes for all entities, including pass-through entities such as the Fund, a minimum threshold for financial statement recognition of the benefit of positions taken in filing tax returns (including whether an entity is taxable in a particular jurisdiction), and requires certain expanded tax disclosures. The Interpretation is effective for fiscal years beginning after December 15, 2006, and is to be applied to all open years as of the date of effectiveness. Management has recently begun to evaluate the tax application of the Interpretation to the Fund, and is not in a position at this time to estimate the significance of its impact, if any, on the Fund's financial statements.

- 20 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

RESULTS OF THE ANNUAL STOCKHOLDERS MEETING (UNAUDITED)

The Fund held its annual stockholders meeting on May 11, 2006. At this meeting, stockholders elected the following nominees to the Fund's Board of Directors.

I) ELECTION OF DIRECTORS

NOMINEE	VOTES FOR	VOTES WITHHELD	NON-VOTING SHARES	TOTAL VOTING
-----	-----	-----	-----	-----
The Rt. Hon.				
The Earl of Cromer	3,482,739	164,641	937,780	4,585,160
Alexander Reid Hamilton	3,483,898	163,482	937,780	4,585,160

OTHER INFORMATION

TREASURER AND CHIEF FINANCIAL OFFICER

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

Michael J. James replaced A. Douglas Eu as Fund Treasurer and Chief Financial Officer effective August 10, 2006.

DEFICIENCY DIVIDEND

On July 26, 2006, the Board of Directors of the Fund declared a deficiency dividend of \$0.05822 per share to shareholders of record as of August 1, 2006 and ordered the payment of a related compliance fee of approximately \$50,000 to the Internal Revenue Service to satisfy a spillback dividend election taken by the Fund for the tax year ended December 31, 2004 and maintain the Fund's status as a regulated investment company under subchapter M of the Internal Revenue Code. The Fund filed the forms necessary to claim the deficiency dividend as a dividend paid deduction with the IRS on August 8, 2006. The related compliance fee was paid to the IRS on August 21, 2006.

INFORMATION ABOUT PORTFOLIO HOLDINGS

The Fund files its complete schedule of portfolio holdings with the U.S. Securities and Exchange Commission (the "Commission") for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the Commission's website at <http://www.sec.gov> and may be reviewed and copied at the Commission's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

PROXY VOTING POLICIES AND PROCEDURES AND PROXY VOTING RECORD

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available without charge, upon request, by calling 202-942-8008, and on the Commission's website at <http://www.sec.gov>.

Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, upon request, by calling 202-942-8088, and on the Commission's website at <http://www.sec.gov>.

CERTIFICATIONS

Simon J. Crinage, as the Fund's President, has certified to the New York Stock Exchange that, as of June 9, 2006, he was not aware of any violation by the Fund of applicable NYSE corporate governance listing standards. The Fund's reports to the Commission on Forms N-CSR and N-CSRS contain certifications by the Fund's principal executive officer and principal financial officer that relate to the Fund's disclosure in such reports and that are required by Rule 30a-2(a) under the 1940 Act.

- 21 -

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN

THE FUND OPERATES AN OPTIONAL DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN (THE "PLAN") WHEREBY:

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

- a) shareholders may elect to receive dividend and capital gain distributions in the form of additional shares of the Fund (the Share Distribution Plan).
- b) shareholders may make optional payments (any amount between \$100 and \$3,000) which will be used to purchase additional shares in the open market (the Share Purchase Plan).

FOR A COPY OF THE PLAN BROCHURE, AS WELL AS A DIVIDEND REINVESTMENT AUTHORIZATION CARD, PLEASE CONTACT THE PLAN AGENT:

Computershare Trust Company, N.A.
P. O. Box 43010
Providence, RI 02940-3010
Telephone No: 800-426-5523 (toll-free)

The following should be noted with respect to the Plan:

If you participate in the Share Distribution Plan, whenever the Board of Directors of the Fund declares an income dividend or net capital gain distribution, you will automatically receive your distribution in newly issued shares (cash will be paid in lieu of fractional shares) if the market price of the shares on the date of the distribution is at or above the net asset value of the shares. The number of shares to be issued to you by the Fund will be determined by dividing the amount of the cash distribution to which you are entitled (net of any applicable withholding taxes) by the greater of the net asset value (NAV) per share on such date or 95% of the market price of a share on such date. If the market price of the shares on such a distribution date is below the NAV, the Plan Agent will, as agent for the participants, buy shares on the open market, on the New York Stock Exchange or elsewhere, for the participant's account on, or after, the payment date. There is no service charge for purchases under this Plan.

For U.S. federal income tax purposes, shareholders receiving newly issued shares pursuant to the Share Distribution Plan will be treated as receiving income or capital gains in an amount equal to the fair market value (determined as of the distribution date) of the shares received and will have a cost basis equal to such fair market value. Shareholders receiving a distribution in the form of shares purchased in the open market pursuant to the Plan will be treated as receiving a distribution of the cash distribution that such shareholder would have received had the shareholder not elected to have such distribution reinvested and will have a cost basis in such shares equal to the amount of the distribution.

There will be no brokerage charge to participants for shares issued directly by the Fund under the Plan. Each participant will pay a pro rata share of brokerage commissions incurred with respect to the Plan Agent's open market purchases of shares in connection with the Plan. The Fund will pay the fees of the Plan Agent for handling the Plan.

You may terminate your account under the Share Distribution Plan by notifying the Plan Agent in writing. The Plan may be terminated by the Plan Agent or the Fund with notice to you at least 30 days prior to any record date for the payment of any distribution by the Fund. Upon any termination, the Plan Agent will deliver a certificate or certificates for the full shares held for you under the Plan and a cash adjustment for any fractional shares.

You also have the option of instructing the Plan Agent to make semiannual cash purchases of shares in the open market. There is a service charge of \$1.25 for each purchase under this Share Purchase Plan.

(This Page Intentionally Left Blank)

(This Page Intentionally Left Blank)

(This Page Intentionally Left Blank)

[GRAPHIC OMITTED]
JF CHINA REGION FUND, INC.

DIRECTORS AND ADMINISTRATION

OFFICERS AND DIRECTORS

THE RT. HON. THE EARL OF CROMER - DIRECTOR AND
CHAIRMAN OF THE BOARD
Alexander R. Hamilton - Director
Julian M. I. Reid - Director
Simon J. Crinage - President
Michael J. James - Treasurer*
Hilary A. Lowe - Secretary

INVESTMENT ADVISER

JF INTERNATIONAL MANAGEMENT INC.
P.O. Box 3151
Road Town, Tortola
British Virgin Islands

ADMINISTRATOR

PFPC INC.
301 Bellevue Parkway
Wilmington, Delaware 19809
U.S.A.

CUSTODIAN

CITIBANK N.A.
NEW YORK:
111 Wall Street, 16th Floor
New York, New York 10005
U.S.A.

HONG KONG:
Citibank Tower
Citibank Plaza
3 Garden Road
Hong Kong

INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM

PRICEWATERHOUSECOOPERS LLP
Two Commerce Square
2001 MARKET STREET
Philadelphia, Pennsylvania 19103
U.S.A.

LEGAL COUNSEL

CLEARY GOTTlieb STEEN & HAMILTON LLP
NEW YORK:
1 Liberty Plaza

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

New York, New York 10006
U.S.A.

HONG KONG:
Bank of China Tower
1 Garden Road
Hong Kong

REGISTRAR, TRANSFER AGENT, AND DIVIDEND PAYING AGENT
COMPUTERSHARE TRUST COMPANY, N.A.
P. O. Box 43010
Providence, RI 02940-3010
U.S.A.

* MICHAEL J. JAMES REPLACED A. DOUGLAS EU AS FUND TREASURER AND CHIEF FINANCIAL OFFICER EFFECTIVE AUGUST 10, 2006.

NOTICE IS HEREBY GIVEN IN ACCORDANCE WITH SECTION 23(C) OF THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED, THAT FROM TIME TO TIME THE FUND MAY PURCHASE SHARES OF ITS COMMON STOCK IN THE OPEN MARKET.

WWW.JFCHINAREGION.COM

- 26 -

ITEM 2. CODE OF ETHICS.

Not applicable.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable.

ITEM 6. SCHEDULE OF INVESTMENTS.

Schedule of Investments in securities of unaffiliated issuers as of the close of the reporting period is included as part of the report to shareholders filed under Item 1 of this form.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable.

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

There has been no change, as of the date of this filing, in any of the portfolio managers identified in response to paragraph (a)(1) of this Item in the registrant's most recently filed annual report on Form N-CSR.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Not applicable.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

There have been no material changes to the procedures by which the shareholders may recommend nominees to the registrant's board of directors, where those changes were implemented after the registrant last provided disclosure in response to the requirements of Item 7(d)(2)(ii)(G) of Schedule 14A (17 CFR 240.14a-101), or this Item.

ITEM 11. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d))) that occurred during the registrant's second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 12. EXHIBITS.

- (a) (1) Not applicable.
- (a) (2) Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.
- (a) (3) Not applicable.
- (b) Certifications pursuant to Rule 30a-2(b) under the 1940 Act and Section 906 of the Sarbanes-Oxley Act of 2002 are attached hereto.

SIGNATURES

Edgar Filing: JF CHINA REGION FUND INC - Form N-CSRS

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(registrant) JF China Region Fund, Inc.

By (Signature and Title) /s/ Simon Crinage

Simon Crinage, President
(principal executive officer)

Date August 30, 2006

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title) /s/ Simon Crinage

Simon Crinage, President
(principal executive officer)

Date August 30, 2006

By (Signature and Title) /s/ Michael J. James

Michael J. James, Treasurer
(principal financial officer)

Date August 30, 2006
