



新華富時指數
FTSE Xinhua Index

Media Information

FTSE/Xinhua China A 50 Index chosen by Hang Seng Investment for two new funds

Hong Kong, 13 July 2004 – FTSE Xinhua Index Limited, the joint venture China index company formed by FTSE Group and Xinhua Finance, today announced that Hang Seng Investment, one of Hong Kong's leading investment fund companies, has launched two 100% Capital Guaranteed funds based on the FTSE/Xinhua China A 50 Index. Both the 12% Dividend Capital Guaranteed fund and the 100% Capital Guaranteed fund use the FTSE/Xinhua China A 50 Index as the underlying index on which the returns are based.

The FTSE/Xinhua China A 50 Index is a real-time tradable index comprising the top 50 "A" Share companies listed on the Chinese exchanges. Designed to meet the needs of domestic investors and China Qualified Foreign Institutional Investors (QFIIs), it can be used as a basis for both on-exchange and OTC derivative products, mutual funds and Exchange Traded Funds (ETFs).

"FTSE Xinhua indices are becoming increasingly recognised by both domestic and international investors as the measurement of the Chinese market," said Mr Zhu Shan, Managing Director of FTSE Xinhua Index Limited, "The FTSE Xinhua Index Series is playing an important role in the investment process in China and the adoption of the FTSE/Xinhua China A 50 Index for the new Hang Seng 100% Capital Guaranteed Funds is a further endorsement of the growing demand for these indices."

"Utilizing our expertise and experience in the China markets, we believe our index, which is constructed in a precise and transparent manner, can truly represent the performance of the 50 largest "A" Share companies in this exciting market," added Mr. Zhu.



The successful partnership between FTSE and Xinhua Finance has brought international index expertise to the China equity market. The combination of FTSE's knowledge in international indexing with Xinhua Finance's strong presence and capabilities in the China equity market creates a level of expertise in the China market that has previously not existed. Looking forward, FTSE and Xinhua Finance will continue to expand the FTSE Xinhua index family to cope with the demand of domestic and international investors.

For more information about the FTSE Xinhua Index Series, please visit <http://www.ftsexinhua.com>, http://www.xinhuafinance.com/en/products/indices_ftse.html.

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Notes to Editors

About FTSE/Xinhua Index

Established in late 2000, FTSE/Xinhua Index (FXI), a joint venture between Xinhua Finance and FTSE Group, came into being to facilitate the creation of real-time indices for the Chinese market. The indices can be used as a basis for the trading of derivatives, index-tracking funds, Exchange Traded Funds and as performance benchmarks. The combination of FTSE's expertise in international indexing with Xinhua Finance's strong presence and capabilities in China creates a level of expertise in the Chinese market that is unprecedented. Providing the combined coverage for the Shanghai and Shenzhen exchanges, FXI is the only independent provider offering indices designed according to internationally proven index methodology to ensure products are transparent, clear and consistent. For daily data and further information, please visit www.ftsexinhua.com.

About FTSE Group

FTSE Group is a world-leader in the creation and management of indices. With offices in London, Frankfurt, Hong Kong, Madrid, Paris, New York, San Francisco and Tokyo, FTSE Group services clients in 77 countries worldwide. It calculates and manages the FTSE Global Equity Index series, which includes world-recognised indices ranging from the FTSE All-World Index, the FTSE4Good series and the recently launched FTSEurofirst Index series, as well as domestic indices such as the prestigious FTSE 100. The company has collaborative arrangements with the AMEX, Athens, Cyprus, Euronext, Johannesburg, London, Luxembourg, and Madrid exchanges, as well as with Nikkei of Japan (Nihon Keizai Shimbun, Inc), and Xinhua Financial Network of China. FTSE recently signed an agreement with Dow Jones Indexes to develop a single sector classification system for global investors, named the Industry Classification benchmark (ICB).

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FTSE indices are used extensively by investors world-wide for investment analysis, performance measurement, asset allocation, portfolio hedging and for creating a wide range of index tracking funds. Independent committees of senior fund managers, derivatives experts, actuaries and other experienced practitioners review all changes to the indices to ensure that they are made objectively and without bias. Real-time FTSE indices are calculated on systems managed by Reuters. Prices and FX rates used are supplied by Reuters.

About Xinhua Finance Limited

Xinhua Finance Limited is an independent financial services and media company providing financial news and information, as well as a broad array of financial products and services unique to the China markets. Xinhua Finance provides real time coverage of Chinese and Asian equity markets, delivering an integrated platform of China-specific indices, financial news feeds, credit ratings, and investor relations services to global financial institutions and re-distributors via leased line, internet, and satellite technology.

Founded in 1999, Xinhua Finance is owned by a group of international shareholders and managed by a team of experienced business professionals recognized for their industry knowledge and pioneering role in accelerating efficiencies and transparency within China's rapidly expanding capital markets. Headquartered in Hong Kong, Xinhua Finance has offices around the world, including Beijing, Shanghai, Shenzhen, Taipei, Tokyo, Seoul, Singapore, and New York, Washington D.C., Chicago, London. For more information, see www.xinhuafinance.com.