



# The Korea Fund, Inc. (NYSE: KF)

## Press Release

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FOR IMMEDIATE RELEASE

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## The Korea Fund, Inc. Announces In-Kind Tender Offer for 15% of Shares

NEW YORK, January 14, 2008 (PRIME NEWSWIRE) – The Board of Directors of The Korea Fund, Inc. (the “Fund”) (NYSE: KF) today announced that the Fund will commence an in-kind tender offer to purchase 15% of its outstanding shares at a price per share equal to 98% of the Fund’s net asset value per share as of the day following the offer’s expiration. The tender offer is expected to commence in the first quarter of 2008, subject to the receipt of required regulatory authorization. Payment will be made in the form of delivery of portfolio securities valued in accordance with the Fund’s standard valuation policies. The offer is the last in a series of tender offers made in connection with the tender offer program and strategic plan previously announced by the Board. The tender offer was triggered based on the Fund’s shares trading at an average discount of more than 7.5% during the last quarter of 2007.

This announcement is not a recommendation, an offer to purchase or a solicitation of an offer to sell shares of the Fund. The Fund has not commenced the self-tender offer described in this press release. Upon commencement of the tender offer, the Fund will file with the Securities and Exchange Commission a tender offer statement on Schedule TO and related exhibits, including an offer to purchase, letter of transmittal, and other related documents. Shareholders of the Fund should read the offer to purchase and the tender offer statement on Schedule TO and related exhibits when such documents are filed and become available, as they will contain important information about the Fund’s tender offer. Shareholders can obtain these documents when they are filed and become available free of charge from the Securities and Exchange Commission’s website at [www.sec.gov](http://www.sec.gov), or from the Fund’s shareholder servicing agent at 1-800-331-1710. The offer to repurchase will not be valid in any jurisdiction in which making or accepting the offer to repurchase would violate the laws of that jurisdiction.

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The Korea Fund, Inc. is a non-diversified, closed-end investment company. The Fund seeks long-term capital appreciation through investing primarily in equity securities trading on the Korean stock exchanges. Its shares are listed on the New York Stock Exchange under the symbol “KF.”

RCM Capital Management LLC and RCM Asia Pacific Limited are the Fund’s investment manager and sub-adviser, respectively. Investment in closed-end funds involves risks.

Additional risks are associated with international investing, such as currency fluctuation, government regulations, economic changes and differences in liquidity, which may increase the volatility of your investment. Foreign security markets generally exhibit greater price volatility and are less liquid than the U.S. market. Additionally, this Fund focuses its investments in certain geographical regions, thereby increasing its vulnerability to developments in that region. All of these factors potentially subject the Fund's shares to greater price volatility. The net asset value of the Fund will fluctuate with the value of the underlying securities. Closed-end funds trade on their market value, not net asset value, and closed-end funds often trade at a discount to their net asset value.

The Fund's daily New York Stock Exchange closing price and net asset value per share, as well as other information, including updated portfolio statistics and performance are available at [www.thekoreafund.com](http://www.thekoreafund.com) or by calling the Fund's shareholder servicing agent at (800) 331-1710.

Statements made in this release that look forward in time involve risks and uncertainties and are forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such risks and uncertainties include, without limitation, the adverse effect from a decline in the securities markets or a decline in the Fund's performance, a general downturn in the economy, competition from other companies, changes in government policy or regulation, inability to attract or retain key employees, inability to implement its operating strategy and/or acquisition strategy, and unforeseen costs and other effects related to legal proceedings or investigations of governmental and self-regulatory organizations.