



The Korea Fund, Inc. (NYSE: KF)

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The Korea Fund, Inc. Announces Completion of Capital Gains Distribution

NEW YORK, January 30, 2009 (GLOBE NEWSWIRE) – The Korea Fund, Inc. (the "Fund") (NYSE: KF) announced today the results of its capital gains distribution of \$90.30 per share (after a recent 1-for-10 reverse stock split). As announced on December 22, 2008, on a post-split, per share basis, the distribution was comprised of long-term capital gains of \$85.60 and short-term capital gains of \$4.70.

The aggregate amount of the cash distribution to stockholders was limited to 20% of the aggregate dollar amount of the total distribution (excluding cash paid in lieu of fractional shares). The aggregate amount of cash requested exceeded the 20% limit. As a result, the Fund pro-rated the cash distribution among all stockholders who had made such requests. Those stockholders who requested cash received \$28.53 per share or 31.6% of the distribution in cash and the remaining \$61.77 per share or 68.4% in common stock.

The Fund issued 8,007,555 new shares (at the reinvestment price of \$21.99, which represents the NYSE closing price on January 26, 2009) bringing the current number of outstanding shares to 10,446,041.

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The Korea Fund, Inc. is a non-diversified, closed-end investment company that seeks long-term capital appreciation through investments in securities, primarily in equity securities, of Korean companies. 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 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.

This announcement is not an offer to purchase or the solicitation of an offer to sell shares of the Fund or a prospectus, circular or representation intended for use in the purchase or sale of Fund shares.

Fund shares are not FDIC-insured and are not deposits or other obligations of, or guaranteed by, any bank. Fund shares involve investment risk, including possible loss of principal.