



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

## Press Release

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FOR IMMEDIATE RELEASE

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

NEW YORK, December 5, 2007 (PRIME NEWSWIRE) – On November 28, 2007 The Korea Fund, Inc. (the “Fund”) (NYSE: KF) paid a capital gains distribution of \$15.94 per share (\$386,873,635) as announced to shareholders on October 16, 2007.

Holders of 7,697,471 shares, representing 31.6% of the Fund’s outstanding shares on November 28, 2007, received the capital gain distribution in newly issued shares (“reinvestment”) at the reinvestment price of \$27.71, which represents the NYSE closing price on November 28, 2007 (\$43.65) less the dividend amount (\$15.94). Holders of 16,591,146 shares, representing 68.4% of the Fund’s outstanding shares on November 28, 2007, opted to receive the distribution in cash resulting in a total cash distribution of \$264,462,861.

The Fund issued 4,417,449 new shares in connection with the reinvestment, bringing the current number of the Fund’s outstanding shares to 28,688,066.

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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.