



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

## Press Release

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FOR IMMEDIATE RELEASE

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### **The Korea Fund, Inc. Announces Change to Portfolio Management Team; Expects to Provide in Early July an Update on Portfolio Transition and an Estimate of Capital Gains Distribution**

NEW YORK, June 22, 2007 (PRIME NEWSWIRE) – The Board of The Korea Fund, Inc. (NYSE:KF) (the “Fund”) today announced a change to the portfolio management team of the Fund. Matthew Lee, principal portfolio manager of the Fund, has decided to leave RCM Asia Pacific Limited (“RCM”) subject to three months notice.

Raymond Chan, CFA, whilst retaining overall responsibility for the team, has now assumed principal management responsibility for the Fund whilst continuing to be assisted by Sang Won Kim.

Mr. Chan is the Chief Investment Officer at RCM and has been with the company for over nine years. He has over eighteen years of investment experience in Asia-Pacific. Raymond is a CFA charter holder and graduated with an M.A. in Finance and Investment from the University of Exeter and a B.A. (Hons) in Economics from the University of Durham, UK. Mr. Kim has over ten years experience in researching and analyzing companies in South Korea. Sang Won graduated with an MBA in Finance and Accounting from Kellogg School of Management at Northwestern University and a Bachelor's degree in Business Administration from Yonsei University.

Julian Reid, Chairman of the Fund's Board, commenting on this change emphasized that “the Board's selection of RCM had been based on its robust process in investment analysis, portfolio construction and risk management” adding that “the Fund's consultant has been requested to confirm that this process remains firmly in place”.

The Board further announced that it expects to issue a press release in the week of July 2, 2007 providing an update on the status of the transition of the Fund's portfolio management to RCM, the related restructuring of the Fund's portfolio, an estimate of the net realized gains distributable for the fiscal year ended June 30, 2007 and the anticipated timing of the distribution of those gains.

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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.