

KOREA FUND INC  
Form DEFA14A  
March 14, 2007

(RULE 14A-101)  
INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION  
Proxy Statement Pursuant to Section 14(A) of the Securities  
Exchange Act of 1934 (Amendment No.\_\_\_\_ )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive additional materials
- Soliciting material pursuant to Rule 14a-11(c) or Rule 14a-12

THE KOREA FUND, INC.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement,  
if other than the Registrant)

Payment of filing fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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- Fee paid previously with preliminary materials:
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement no.:

(3) Filing Party:

(4) Date Filed:

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The following is the text of slides that may be shown to shareholders of The Korea Fund, Inc.:

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The Korea Fund Inc  
Proxy Solicitation, April 2007

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**Background & Manager Identification Process**

Oct 05 Investment Committee Formed & Mercer Investment Consultants engaged

Sep 06 Detailed report commissioned on DeAM leading to an Initial report covering 19 Managers of Korean equities Oct 06 Manager Long List researched & evaluated on Mercer's quality assessment

Nov 06 In person beauty parades for 5 managers Dec 06 Single unanimous choice selected from 3 finalists

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RCM

- Founded in 1970: offices in San Francisco, London, Frankfurt, Hong Kong, Tokyo & Sydney
- Member of Allianz Global Investors but operating as an independent meritocracy managing US\$128.2bn including US\$8.8bn from HK
- Over 200 investment professionals including 52 career analysts supported by Grassroots<sup>SM</sup> analysts
- Strong team-oriented culture, driven by innovative research

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**RCM IN ASIA**

- 23 years Asian experience: based in HK, Tokyo & Sydney
  - 41 investment professionals including 26 analysts & Grassroots<sup>SM</sup> research
  - AUM US\$12 bn
  - AGI Korea office AUM US\$9bn. With 15 investment professionals
- Korea Fund Proxy Solicitation April 2007
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**RCM Korean Resources**

Korean investment team based in Hong Kong consisting: CIO

Chief Portfolio Manager Portfolio Manager Korean Analyst domestic sectors Regional Analyst regional  
small cap. & 5 regional sector analysts

Grassroots Analysts

AGI Korea Team

Investment Style grounded in bottom-up so therefore growth oriented

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**Why RCM?**

Your board's in depth analysis identified ROM's:

- 1. Idea Generation:** deep, sector focussed, proprietary research at both top down and bottom up levels
- 2. Portfolio Construction:** driven by a strong research conviction, portfolios tend to be concentrated in some 35-45 stocks
- 3. Implementation:** RCM's boutique niche will not hinder dealing
- 4. Business Management:** clear and observable support is provided the Asian div. which continues to grow both in terms of human resources and AUM

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**RCM s Team**

- **Dr Mark Konyn** CEO Asia Pacific
- **Raymond Chan** CFA CIO Asia Pacific Head of Investment Process and Performance.
- **Matthew Lee** Senior Portfolio Manager 20 years experience pan Asia with Schrodgers, Credit Suisse & AXA.

**Brian Shlissel** Head of Administration at AGI NY

**Christoph Hofmann** Head of Marketing Investment Companies at AGI, USA

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**Historic Performance**

RCM seeks to consistently deliver superior investment results using its innovative and proprietary fundamental and Grassroots research

RCM's Asian office has provided historically successful results

Excess Return over the KOSPI 5 years to Dec 31 2006 (Rank 1)

RCM Korean Equity\* 30.4% (2) Korean i-share 23.6% (8)

*Source: Mercer*

\* *Gross of fees (1.5% PA)*

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**Investment Management Summary**

1. Impressive & focussed research
2. Concentrated portfolio construction methodology, driven by research
3. Risk management separate from the PM
4. Strong and expanding Asian presence
5. A boutique asset management culture under the strong Allianz umbrella
6. Historically successful performance in Korea and other markets
7. Strong and integrated US & local compliance oversight
8. Infrastructure and US/global marketing support from affiliate AGI particularly in the Investment companies sector

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**Stock Dividend Proposal**

- Investment Manager clearly hampered by the very high proportion of capital gains
- Cash pay backs induce the Cascade affect
- Stock dividends are appropriate for both institutional and retail stockholders if combined with a cash alternative

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**Contact Details**

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