

KOREA FUND INC  
Form N-Q  
May 27, 2008

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549**

OMB APPROVAL

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**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT  
INVESTMENT COMPANY**

Investment Company Act File Number: 811-04058

Registrant Name: The Korea Fund, Inc.

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Address of Principal Executive Offices: 4 Embarcadero Center, 30th Floor, San Francisco, CA 94111

Name and Address of Agent for Service: Brian S. Shlissel 1345 Avenue of the Americas, New York, New York 10105

Registrant's telephone number, including area code: 212-739-3369

Date of Fiscal Year End: June 30, 2008

Date of Reporting Period: March 31, 2008

Form N-Q is to be used by the registered management investment company, other than a small business investment company registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b 1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

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**Item 1. Schedule of Investments**

**The Korea Fund, Inc. Schedule of Investments**

March 31, 2008 (unaudited)

Shares

Value\*

**COMMON STOCK 95.5%**

**Capital Markets 1.5%**

225,692

Korea Investment Holdings Co., Ltd. (a)

\$10,648,058

**Chemicals 2.4%**

35,918

KCC Corp. (a)

16,659,756

**Commercial Banks 10.9%**

263,990

Hana Financial Group, Inc.

	10,820,162
205,061	
Kookmin Bank	
	11,509,561
1,470,340	
Korea Exchange Bank	
	19,655,300
674,181	
Shinhan Financial Group Co., Ltd.	
	35,616,268
77,601,291	

**Commercial Services & Supplies 1.7%**

224,668

S1 Corp.

11,681,914

**Construction & Engineering 10.1%**

146,829

GS Engineering & Construction Corp.

21,667,769

351,076

Hyundai Development Co.

24,138,999

299,020

Hyundai Engineering & Construction Co., Ltd. (a)

26,056,943

71,863,711

**Consumer Finance 2.3%**

342,426

Samsung Card Co., Ltd.

16,229,361

**Diversified Consumer Services 1.1%**

22,292

MegaStudy Co., Ltd.

7,435,067

**Diversified Industrials 2.0%**

191,635

LG Corp.

14,476,882



**Electrical Equipment 1.8%**

284,371

LG.Philips LCD Co., Ltd. (a)

12,697,905

**Electronic Equipment & Instruments 1.9%**

202,404

SFA Engineering Corp.

13,408,637

**Food & Staples Retailing 3.1%**

34,680

Shinsegae Co., Ltd.

21,902,578

**Hotels, Restaurants & Leisure 1.1%**

157,313

Hana Tour Service, Inc. (a)

7,990,880

**Insurance 2.0%**

69,805

Samsung Fire & Marine Insurance Co., Ltd.

14,471,761

**Internet Software & Services 4.2%**

523,783

LG Dacom Corp.

9,923,789

85,496

NHN Corp. (b)

20,076,738

30,000,527

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**The Korea Fund, Inc. Schedule of Investments**

March 31, 2008 (unaudited)

Shares

Value\*

**Machinery 1.7%**

87,704

Doosan Heavy Industries and Construction Co., Ltd. (a)

\$11,832,966

**Media 2.2%**

50,172

Cheil Communications, Inc.

12,103,027

1,024,140

ON\*Media Corp. (a)(b)

3,837,810

15,940,837

**Metals & Mining 7.7%**

263,105

Dongkuk Steel Mill Co., Ltd.

10,329,530

93,282

POSCO

44,653,890

54,983,420

**Oil & Gas 1.6%**

110,190

SK Energy Co., Ltd.

11,407,310

**Pharmaceuticals 2.2%**

84,414

Yuhan Corp. (a)

15,877,126

**Road & Rail 2.0%**

127,604

Korea Express Co., Ltd. (b)

14,322,805



**Semi-conductors 12.5%**

513,930

Hynix Semiconductor, Inc. (a)(b)

14,491,900

104,700

Samsung Electronics Co., Ltd.

66,207,295

150,240

Samsung Techwin Co., Ltd. (a)

8,215,590

88,914,785

**Shipbuilding 7.8%**

438,453

Daewoo Shipbuilding & Marine Engineering Co., Ltd.

16,838,945

102,531

Hyundai Heavy Industries Co., Ltd. (a)

38,579,291

55,418,236

**Tobacco 3.8%**

343,794

KT&G Corp.

27,002,160

**Wholesale 6.0%**

525,230

Daewoo International Corp.

19,027,293

338,869

Samsung Corp.

23,830,134

42,857,427

**Wireless Telecommunications Services 1.9%**

70,612

SK Telecom Co., Ltd.

13,366,499

Total Common Stock (cost \$424,137,832)

678,991,899

**SHORT-TERM INVESTMENT 11.5%**

**Collateral Invested for Securities on Loan (c) 11.5%**

82,160,747

BNY Institutional Cash Reserves Fund, 2.90% (cost \$82,160,747)

82,160,747

**Total Investments** (cost \$506,298,579) (d) **107.0%**

**761,152,646**

Liabilities in excess of other assets (7.0)%

(49,974,351)

**Net Assets 100.0%**

**\$711,178,295**

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**Notes to Schedule of Investments:**

\*Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Portfolio securities and other financial instruments, for which market quotations are not readily available or if a development/event occurs that may significantly impact the value of a security, are fair-valued, in good faith, pursuant to guidelines established by the Board of Directors or persons acting at their discretion pursuant to guidelines established by the Board of Directors. The Fund's investments are valued daily and the net asset value ( NAV ) is calculated as of the close of regular trading (normally 4:00 p.m. Eastern time) on the New York Stock Exchange ( NYSE ) on each day the NYSE is open for business using prices supplied by dealer quotations, or by using the last sale price on the exchange that is the primary market for such securities, or the last quoted mean price for those securities for which the over-the-counter market is the primary market or for listed securities in which there were no sales. With respect to Korean equity securities, the Fund fair values its securities daily using modeling tools provided by a statistical research service. This service utilizes statistics and programs based on historical performance of markets and other economic data (which may include changes in the value of U.S. securities or security indices). Fair value estimates used by the Fund for Korean equity securities may differ from the value realized from the sale of those securities. Short-term securities maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days or less, or by amortizing their value on the 61st day prior to maturity, if the original term to maturity exceeded 60 days. The prices used by the Fund to value securities may differ from the value that would be realized if the securities were sold.

(a) All or portion of security on loan with an aggregate market value of \$77,789,153; cash collateral of \$82,160,747 was received with which the Fund purchased short-term investments.

(b) Non-income producing.

(c) Security purchased with the cash proceeds from securities on loan.

(d) Securities with an aggregate value of \$678,991,899, representing 95.5% of net assets, were valued utilizing modeling tools provided by a third-party vendor.

**Item 2. Controls and Procedures**

(a) The registrant's President and Chief Executive Officer and Principal Financial Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-2(c) under the Act (17CFR270.30a-3(c)), as amended are effective based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this document.

(b) There were no significant changes in the registrant's internal controls over financial reporting (as defined in Rule 30a-3 (d)) under the Act (17 CFR270.30a-3(d)) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

**Item 3. Exhibits**

(a) Exhibit 99.302 Cert. Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant: The Korea Fund, Inc.

By:/s/ Robert Goldstein     Robert Goldstein  
President and Chief Executive Officer

Date: May 27, 2008

By:/s/ Brian S. Shlissel     Brian S. Shlissel  
Treasurer, Principal Financial & Accounting Officer

Date: May 27, 2008

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dated indicated.

By:/s/ Robert Goldstein     Robert Goldstein  
President and Chief Executive Officer

Date: May 27, 2008

By:/s/ Brian S. Shlissel    Brian S. Shlissel  
Treasurer, Principal Financial & Accounting Officer

Date: May 27, 2008

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