

For Immediate Release

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**Korea Equity Fund, Inc.
Declares \$0.01017 Ordinary Income Distribution**

NEW YORK, December 17, 2008: Korea Equity Fund, Inc. (NYSE: KEF) (the "Fund") announced that it would make an ordinary income distribution of \$0.01017 per share to shareholders of record on December 22, 2008. The ex-dividend date is December 18, 2008.

The distribution is payable on December 29, 2008.

The Fund invests primarily in the securities of companies domiciled in Korea and is designed for investors seeking long-term capital appreciation. The Manager of the Fund is Nomura Asset Management U.S.A. Inc., which is based in New York. Nomura Asset Management U.S.A. Inc. is a subsidiary of Nomura Asset Management Co., Ltd., which is one of the largest investment advisory companies in Japan in terms of assets under management and which serves as the Investment Adviser to the Fund.

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