

For Immediate Release

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**Korea Equity Fund, Inc.
Board of Directors Determines to Adopt a Plan to Liquidate the Fund**

NEW YORK, January 24, 2017: Korea Equity Fund, Inc. (NYSE: KEF) (the “Fund”) announced that the Board of Directors of the Fund (the “Board”), after considering alternative options for the Fund, has determined to approve the liquidation of the Fund as being in the best interests of the Fund and its stockholders. The Board intends to adopt a plan of liquidation at the next quarterly meeting of the Board, which is currently scheduled for February 21, 2017, and thereafter to submit a proposal to liquidate the Fund to a vote of stockholders. The Board expects to provide additional information regarding the liquidation as soon as reasonably practicable after such quarterly meeting.

About the Fund

The Fund primarily invests in the securities of companies domiciled in Korea. Nomura Asset Management U.S.A. Inc. (“NAM USA”) acts as the Manager of the Fund pursuant to a management agreement. Pursuant to such management agreement, NAM USA has retained its parent company, Nomura Asset Management Co., Ltd., to act as investment adviser to the Fund, and Nomura Asset Management Hong Kong Limited and Nomura Asset Management Singapore Limited, as investment sub-advisers to the Fund.

Forward Looking Statements

Certain information discussed in this press release may constitute forward-looking statements within the meaning of the United States federal securities laws. Although the Fund and NAM USA believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, the Fund and NAM USA can give no assurance that its expectations will be achieved. Forward-looking information is subject to certain risks, trends and uncertainties that could cause actual results to differ materially from those projected.

Past performance is not indicative of future results. There is a risk of loss.

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