

Korea Equity Fund, Inc.

November 30, 2015

Fund Facts (as of 11/30/2015)

NYSE Ticker	KEF
CUSIP	50063B104
NYSE Market Price Close	\$7.41
Net Asset Value	\$8.44
Net Assets	\$82,181,502
Portfolio Holdings	47
Inception Date	December 3, 1993
Premium/Discount	-12.20%
Shares Outstanding	9,740,623
Benchmark	
Korea Composite Stock Price Index ("KOSPI") in U.S. dollars adjusted for distributions.	
Portfolio Managers	
Shigeto Kasahara, CFA, CMA, Lead Portfolio Manager Justin Jeongho Park, Portfolio Manager	

Fund Objectives

Korea Equity Fund, Inc. ("KEF" or the "Fund") seeks long-term capital appreciation through investments primarily in equity securities of Korean companies. Under normal circumstances, the Fund will invest at least 80% of its total assets in such securities. KEF is a non-diversified, closed-end management investment company listed on the New York Stock

Exchange. Nomura Asset Management U.S.A. Inc. has served as the Fund's Manager since the Fund's inception in 1993. Nomura Asset Management Co., Ltd. has served as the Fund's Investment Adviser since the Fund's inception. The Manager and Investment Adviser are subsidiaries of Nomura Holdings, Inc. and affiliates of Nomura Securities Co., Ltd., Tokyo, Japan.

Performance Overview (as of 11/30/2015)

	KEF NAV ²	KEF NYSE Price ³	KOSPI ⁴
Calendar YTD	-1.40%	-3.77%	-2.63%
1 Year	-1.30%	-4.03%	-3.22%
3 Year	0.81%	-0.10%	-1.17%
5 Year	3.67%	2.48%	0.95%
10 Year	4.76%	4.30%	4.14%
Since Inception¹	1.43%	0.59%	3.45%

¹ Inception date: December 3, 1993.

² Based on NAV price, adjusted for reinvestment of income dividends and capital gain distributions as per the dividend reinvestment policy of the Fund.

³ Based on the New York Stock Exchange's closing market price, adjusted for reinvestment of income dividends and capital gain distributions as per the dividend reinvestment policy of the Fund. KEF's performance does not represent sales commissions.

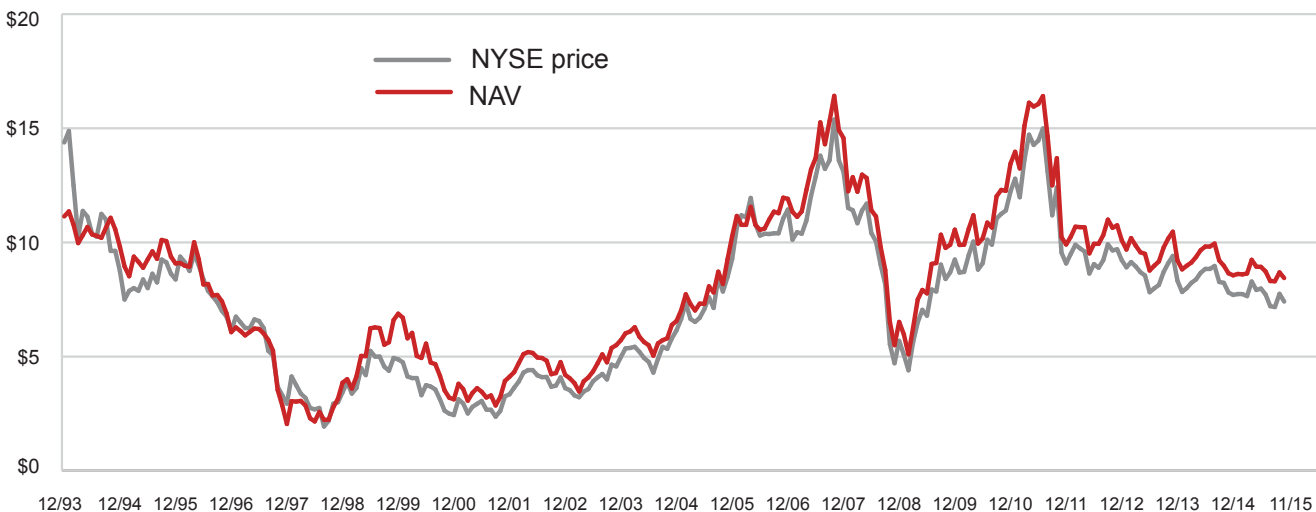
⁴ Korea Composite Stock Price Index ("KOSPI") in U.S. dollars adjusted for distributions.

Performance in excess of one year is annualized.

Sources: Nomura Asset Management U.S.A. Inc. and Bloomberg L.P.

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

Net Asset Value Since Inception¹ vs. NYSE Closing Price (as of 11/30/2015)



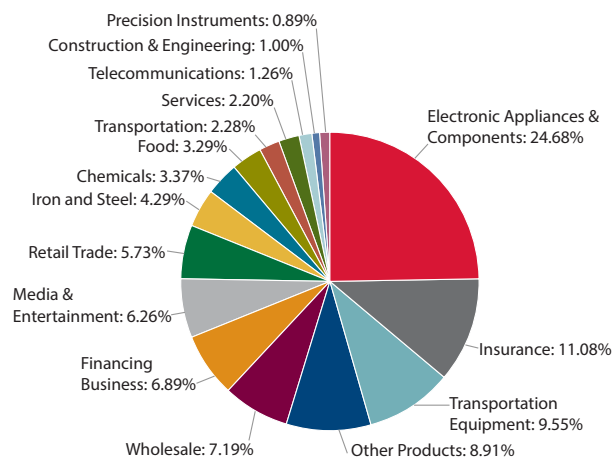
Top Ten Holdings (as of 11/30/2015) Holdings may vary over time.

Security	% of Net Assets	% of Benchmark ¹
Samsung Electronics Co., Ltd.	11.64%	15.59%
Dongbu Insurance Co., Ltd.	6.55%	0.36%
SK Hynix Inc.	5.71%	1.89%
Hyundai Mobis Co., Ltd.	5.39%	2.00%
NCsoft Corporation	5.04%	0.40%
Coway Co., Ltd.	4.44%	0.53%
Korea Zinc Co., Ltd.	4.29%	0.70%
Shinhan Financial Group Co., Ltd.	4.16%	1.62%
Interjo Co., Ltd.	3.22%	0.00%
Samsung Life Insurance Co., Ltd.	3.18%	1.69%

The ten largest equity holdings by market value reflect the Fund's investments on the date indicated and may not be representative of the Fund's current or future holdings.

¹ Korea Composite Stock Price Index ("KOSPI") in U.S. dollars adjusted for distributions.

Sector Weightings (as of 11/30/2015) Weightings may vary over time.



The industry diversification reflects the Fund's investments on the date indicated and may not be representative of the Fund's current or future holdings.

Manager's Commentary

Korea's Kospi index fell by -1.8% (mom) to 1991.97 points in November 2015. The Medical Supplies sector outperformed during the review period given expectations of higher earnings growth, backed by successful new contracts. The Machinery sector, especially defense-related names, also outperformed as the market expected stable new order inflows from government projects to lead further earnings growth in the medium-term. The Food & Beverage sector outperformed due to stable earnings in 3Q15 and margin improvements. On the other hand, The Transport & Storage sector continued to underperform as the market became increasingly concerned about weaker earnings of shipping companies.

Construction names also lagged behind the market due to weak new order momentum.

Korean exports declined by -4.7% (yoy) in November, compared with the consensus expectation of -9.0% (yoy). Exports to the US declined by -9.2% while exports to EU increased by +9.3%. Exports to China declined by -2.7% while exports to Hong Kong increased by +14.1% (yoy). Exports to ASEAN increased by +8.5% (yoy). The Bank of Korea (BOK) maintained the policy rate at 1.50%.

We may maintain the current position in the technology sector, mainly focusing on a memory manufacturer given stable

earnings momentum. We have maintained our positive view of the automobile parts names considering their ability to generate stable earnings and attractive valuations. We have a positive view of selective bank/ insurance names as we believe they could be beneficiaries of a domestic economic recovery. We also maintained our view of the Petrochemical sector, expecting a profit recovery backed by the stabilization of oil prices.

Additional Information

Comparisons between changes in the Fund's net asset value per share and changes in the Korea Composite Stock Price Index should be considered in light of the Fund's investment policy and objective, the characteristics and quality of the Fund's investments, the size of the Fund, and variations in the Korean won/U.S. dollar exchange rate.

This report is for informational purposes only. The financial information is taken from the records of the Fund without examination by independent accountants.

This report is not a prospectus, circular or representation intended for use in the sale of shares of the Fund or of any securities mentioned in this report. Past performance is not indicative of future results. There is a risk of loss. Current performance may be lower or higher than the performance presented. Investment products offered are not FDIC insured, may lose value, and are not bank guaranteed. The Korea Composite Stock Price Index is

a market capitalization-weighted index. The index was developed with a base value of 100 as of January 4, 1980. One cannot invest directly in an index.

This material contains the current opinions of the Fund's manager, which are subject to change without notice. It should not be considered investment advice. Statements concerning financial market trends are based on current market conditions, which will fluctuate. There is no guarantee that these investment strategies will work under all market conditions, and each investor should evaluate their ability to invest for the long term.

Forward Looking Statements. Certain information discussed in this factsheet may constitute forward-looking statements within the meaning of the U.S. federal securities laws. Although the Investment Manager of the Fund believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, it 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.

The Fund may participate in new issuances of securities ("New Issues"), and a portion of the Fund's returns consequently may be attributable to its investment in New Issues. The market value of New Issues may fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, and the limited availability for trading and limited information about the issuer. When a composite's asset base is small, New Issues may have a magnified impact on the Fund's performance. As a fund's assets grow, it is probable that the effect of the composite's investment in New Issues on its total returns may not be as significant, which could reduce the Fund's performance. There is no guarantee that the availability or economic attractiveness of New Issues will be consistent from year to year.