

SECURITIES AND EXCHANGE COMMISSION

FORM N-30D

Initial annual and semi-annual reports mailed to investment company shareholders pursuant to Rule 30e-1 (other than those required to be submitted as part of Form NCSR)

Filing Date: **1996-01-11** | Period of Report: **1995-10-31**
SEC Accession No. **0000936772-96-000015**

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FILER

KOREAN INVESTMENT FUND INC

CIK: **881304** | State of Incorporation: **MD** | Fiscal Year End: **1231**
Type: **N-30D** | Act: **40** | File No.: **811-06467** | Film No.: **96502665**

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December 15, 1995

Dear Shareholder:

With higher-than-expected corporate earnings growth and falling interest rates—from a peak of 15.7% in March to 12.2% in October—the Seoul stock market showed positive movement during the last three months. Local institutional investors' active market participation amid improving liquidity conditions was a major force behind this rebound. Buying was focused on non-life insurance companies with improved loss ratios resulting from a decline in auto accidents. Semiconductor, electronic parts and construction sectors attracted investors, while the chemical and short-term finance sectors suffered due to domestic investors' perception of hitting the peak of the business cycle.

While the Korean Composite Stock Price Index (KOSPI) posted a 1995 high of 1,016.8 points on October 14, sentiment turned bearish suddenly on the news of a slush fund scandal involving former president Roh Tae Woo. While he was in office Roh was reportedly amassing funds illegally for personal use, and it appears that nearly every business group in Korea was involved as well. The market ended October at 990.3 points.

STRONG GDP GROWTH IN THIRD QUARTER

Due to the decline in the value of the Japanese yen (by approximately 20% from its peak in June) and increasing industrial production capacity, export growth continued to accelerate despite the yen's weakness. According to data supplied by the Bank of Korea, commodity exports in the third quarter grew 31.3% year-on-year compared with gains of 25% and 24.3% the second and first quarters, respectively. Though overall facility growth slowed quite a bit, it remained an active 21.1%. With exports and facility investments both robust, heavy industrial production led the growth. Additionally, unexpectedly strong construction spending also fueled gross domestic product growth of 9.9% during the third quarter. As a result, GDP grew 9.8% for the first three quarters of 1995.

Household consumption growth has been lagging GDP growth in the last few years, largely because wealth created from Korea's recent economic expansion has gone mainly toward facility investment rather than individuals' disposable income. Facility investment is now slowing down and interest rates are declining. Thus there should be more liquidity in the market and saving will be less attractive due to lower interest rates. These positive factors have already affected household spending—durable and semi-durable goods consumption grew 11.6% and 10.9% year-on-year in the third quarter, compared with less than 10% growth for the previous quarter. Substantial cuts in income taxes starting in 1996 will be another factor spurring household consumption next year.

We expect the nation's consolidated budget for 1996 to rise by 14.9% year-on-year to \$81.9 billion in U.S. dollar terms, lower than this year's 15.1% gain over 1994. The government plans to reduce the consolidated budget deficit to \$927.8 billion, or 0.2% of gross national product next year, from this year's deficit of about 0.3% of GNP. The higher growth rate of the budget bill for next year seems to reflect the slowdown in overall economic activity. The government's main objective is to implement a soft landing for the economy.

LOWER RATES SHOULD BOOST MARKET

We anticipate corporate bond yields, currently at the 12% level, will remain stable in the fourth quarter given sufficient liquidity in the money market. Liquidity conditions should be good given decreased demand for credit by corporations and the flexible monetary stance of the Bank of Korea. The implementation of a global income tax on January 1, 1996, will favor bonds with maturities beyond five years as interest payments on such obligations will be

exempt from taxes. The shift of assets into bond investments should lower interest rates in 1996. Faced with low interest rates, local institutional investors such as insurance companies, banks, and investment and trust companies should seek to raise equity allocations as a percentage of their assets. This should be a major factor supporting the market.

The value of Korea's currency, the won, against the U.S. dollar has fluctuated within a very limited range. At the end of this quarter, the rate was 765.15 won to the dollar, a 2.9% appreciation year-to-date. Our forecast is that the won will appreciate modestly against the dollar in 1995, backed by the improving current account balance and strong desire of the government to subdue inflation.

Relative to the KOSPI, The Korean Investment Fund's (KIF) portfolio is overweight bank stocks, which appear

1

THE KOREAN INVESTMENT FUND

to be some of the most undervalued stocks in the market. We continue to add to companies that are trading at a discount to our estimate of intrinsic value. During the reporting period, we added to holdings in POSCO ADR, Korea Exchange Bank and Shinhan Bank. We reduced positions in Kunsul Chemical, Yukong GDS, Doosan Glass, Kumho Electric and Han Wha Chemical. As of October 31, the Fund's cash position was about 25% of total net assets. The higher cash position is mainly due to the recent rights offering; we expect to be fully invested soon.

INVESTMENT RESULTS

For the quarter ended October 31, 1995, The Korean Investment Fund had a total return of -3.32% on a net asset value basis, which compares with the Korean Composite Stock Price Index return of +6.07% for the period. On October 31, your Fund's net asset value was \$12.24 and the market price closed at \$10.75 per share, representing a 12.17% discount to net asset value.

The Fund's recent performance versus the Index was held back by the 6.1% dilution of the Fund's net asset value as a result of the rights offering in October; taking the dilution into consideration would bring the Fund's return into positive territory. The proceeds of the rights offering, which was substantially oversubscribed, will allow greater participation at this time by your Fund in the Korean equity market, which we believe will prove to be very much to the advantage of KIF shareholders.

Thank you for your continued interest in The Korean Investment Fund. We look forward to reporting to you again in the coming period.

Sincerely,

John D. Carifa
Chairman and Chief Executive Officer

A. Rama Krishna
Vice President

Inkee Oh
Vice President

2

TEN LARGEST HOLDINGS
OCTOBER 31, 1995 (UNAUDITED)

THE KOREAN INVESTMENT FUND

COMPANY	U.S. \$VALUE	PERCENT OF NET ASSETS
Korea Electric Power Corp.	\$ 6,504,607	6.3%

Pohang Iron & Steel Co. (ADR)	4,017,000	3.9
Korea Mobile Telecom Corp. (GDS)	3,278,100	3.2
Samsung Electronics (common & new shares)	2,879,900	2.8
Samsung Securities	2,583,493	2.5
Korea Exchange Bank (common & new shares)	2,525,675	2.4
Cho Hung Bank	2,513,153	2.4
Dongkuk Steel Mill	2,500,928	2.4
Kookmin Bank (common & new shares)	2,449,385	2.4
Seoul Bank	2,404,757	2.3
	\$31,656,998	30.6%

3

PORTFOLIO OF INVESTMENTS
OCTOBER 31, 1995 (UNAUDITED)

THE KOREAN INVESTMENT FUND

COMPANY	SHARES	U.S. \$VALUE

COMMON & PREFERRED STOCKS-79.6%		
FINANCIAL SERVICES-22.8%		
BANKING-13.5%		
Cho Hung Bank	190,390	\$ 2,513,153
Daegu Bank, Ltd.	16,000	257,204
new # 1	3,490	51,998
Hana Bank	102,800	2,149,644
Kookmin Bank	100,000	1,921,192
new # 1	27,493	528,193
Korea Exchange Bank	100,000	1,135,725
new # 1	125,120	1,389,950
Seoul Bank	250,000	2,404,757
Shinhan Bank	70,430	1,454,348
new # 1	7,344	147,811
		13,953,975
BROKERAGE & MONEY MANAGEMENT-4.5%		
Daewoo Securities	63,258	2,050,315
Samsung Securities	61,200	2,583,493
		4,633,808
INSURANCE-2.9%		
Korea Reinsurance Co.	24,789	1,211,669
Samsung Fire & Marine Insurance Co.	3,700	1,760,178
		2,971,847
OTHER-1.9%		
Hyundai International Merchant Bank	20,000	747,566
Korea Industrial Leasing Co., Ltd.	20,000	470,496
Shinhan Investment & Finance	32,027	661,343
Pfd	10,553	119,991
		1,999,396
		23,559,026
CONSUMER MANUFACTURING-14.2%		
AUTO & RELATED-6.7%		
Hanil E Wha Corp., Ltd.	27,770	896,450
Hyundai Motor Co., Ltd.	20,000	1,116,121
Sam Lip Industrial Co.	39,310	2,019,059
Sam Sung Radiator Industries	24,000	2,101,549
Yoosung Enterprise	15,000	842,972
		6,976,151
BUILDING & RELATED-3.9%		
Hanil Cement Manufacturing	30,132	1,752,433
Keum Kang, Ltd.	29,000	2,236,163
		3,988,596
TEXTILE PRODUCTS-3.6%		

Baikyang Co.	2,880	406,509
Cheil Industries	50,000	1,404,953
Korea Moolsan Co., Ltd.	30,000	548,912
new # 1	7,721	130,171
Sunkyong Industrial	38,254	1,214,889
		3,705,434
		14,670,181

CAPITAL GOODS-12.9%

ELECTRICAL EQUIPMENT-9.3%

Kumho Electric	25,404	1,593,664
new # 1	3,658	229,477
Orion Electric	70,000	1,665,033
Saehan Precision	26,750	1,143,207
new # 1	14,951	566,659
Samsung Electro-Mechanics	15,765	871,541
new # 1	2,895	158,153
Samsung Electronics	10,561	2,318,824
new # 3	2,594	561,076
Sunny-Emi Co., Ltd.	16,346	523,397
		9,631,031

4

THE KOREAN INVESTMENT FUND

COMPANY	SHARES	U.S. \$VALUE

ENGINEERING & CONSTRUCTION-2.4%		
Dong-Ah Construction	25,000	\$ 1,003,071
new # 1	3,425	137,421
Hanshin Construction Co.	52,473	465,649
Sungwon Construction Co.	32,100	809,684
new # 1	4,892	116,363
		2,532,188
MACHINERY-1.2%		
Daewoo Heavy Industries	65,586	852,879
Tong Yang Mool San	20,005	334,659
		1,187,538
		13,350,757
BASIC INDUSTRIES-11.9%		
CHEMICALS-1.6%		
Hannong	13,000	815,526
Korea Chemical	6,000	588,120
Korea Kumho Petrochemical	20,000	257,466
		1,661,112
CONTAINERS-0.8%		
Hyundai Precision	36,050	852,781
MINING & METALS-7.5%		
Dongkuk Steel Mill	85,811	2,500,928
Inchon Iron & Steel	10,400	452,617
Moon Bae Steel Co. Ltd.	13,700	716,199
Pohang Iron & Steel Co. (ADR)	156,000	4,017,000
Pohang Iron & Steel Mill	510	44,391
		7,731,135
PAPER & FOREST PRODUCT-2.0%		
Donghae Pulp Co.	11,300	292,413
Hansol Paper		
Manufacturing Co.	41,408	1,839,995
		2,132,408
		12,377,436

UTILITY-6.3%		
Korea Electric Power Corp.	158,000	6,504,607
TRANSPORTATION-4.5%		
SHIPPING-3.0%		
Hanjin Shipping	40,000	2,132,915
Korea Line Co.	33,330	1,001,882
		3,134,797
OTHER-1.5%		
Global Enterprise	10,000	810,299
Korean Air Lines	20,000	703,130
		1,513,429
		4,648,226
MULTI-INDUSTRY-3.2%		
Korea Mobile Telecom Corp. (GDS)	89,200	3,278,100
CONSUMER SERVICES - 2.1%		
RETAIL-1.0%		
Hwasung Industries	18,415	774,963
new # 1	5,889	226,278
		1,001,241
OTHER-1.1%		
Hyundai Motor Service Co.	22,626	1,188,741
		2,189,982
CONSUMER STAPLES-0.9%		
FOOD-0.9%		
Dongwon Industries, Co.	25,000	640,397
Woo Sung Feedmill	8,950	287,748
		928,145
HEALTHCARE-0.6%		
DRUGS-0.6%		
Dong Sung Pharmaceuticals	10,602	277,122
Shin Poong Pharmaceuticals	7,000	322,943
		600,065

5

PORTFOLIO OF INVESTMENTS (CONTINUED)

THE KOREAN INVESTMENT FUND

COMPANY	SHARES OR PRINCIPAL AMOUNT (000)	U.S. \$VALUE
ENERGY-0.2%		
OIL SERVICE-0.2%		
Yukong Ltd. (GDR) (a)	10,238	\$ 185,987
Total Common & Preferred Stocks (cost \$71,411,851)		82,292,512
TIME DEPOSIT-25.2%		
WestDeutsche Landesbank 5.94%, 11/01/95 (cost \$26,100,000)	US\$ 26,100	26,100,000
TOTAL INVESTMENTS-104.8% (cost \$97,511,851)		\$108,392,512

Other assets less liabilities-(4.8%) (4,961,389)

NET ASSETS-100% \$103,431,123

a) Securities are exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At October 31, 1995, these securities were valued at \$185,987 representing 0.2% of net assets.

Glossary of Terms:

ADR - American Depository Receipt.

GDR - Global Depository Receipt.

GDS - Global Depository Share.

See notes to financial statements.

6

STATEMENT OF ASSETS AND LIABILITIES
OCTOBER 31, 1995 (UNAUDITED)

THE KOREAN INVESTMENT FUND

ASSETS

Investments in securities, at value (cost \$97,511,851)	\$108,392,512
Cash, at value (cost \$185,834)	186,458
Receivable for investment securities sold	26,104,169
Dividends and interest receivable	21,943
Deferred organization expense and other assets	36,779
Total assets	134,741,861

LIABILITIES

Payable for investment securities purchased	30,500,334
Rights offering payable	499,135
Management fee payable	61,017
Sub-advisory fee payable	28,785
Accrued expenses and other liabilities	221,467
Total liabilities	31,310,738

NET ASSETS

(equivalent to \$12.24 per share, based on 8,447,458 shares outstanding)	\$103,431,123
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COMPOSITION OF NET ASSETS

Capital stock, at par	\$ 84,475
Additional paid-in capital	91,211,855
Accumulated net investment loss	(812,193)
Accumulated net realized gain on investments and foreign currency transactions	2,066,408
Net unrealized appreciation of investments and foreign currency denominated assets and liabilities	10,880,578
	\$103,431,123

NET ASSET VALUE PER SHARE	\$12.24
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See notes to financial statements.

7

STATEMENT OF OPERATIONS

SIX MONTHS ENDED OCTOBER 31, 1995 (UNAUDITED)

THE KOREAN INVESTMENT FUND

INVESTMENT INCOME

Interest	\$57,895
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Dividends(net of foreign taxes withheld of \$9,363) 12,202 \$ 70,097

EXPENSES

Management fee	330,080	
Sub-advisory fee	155,400	
Custodian	160,084	
Directors' fees and expenses	95,502	
Audit and legal	34,481	
Transfer agency	29,983	
Printing	22,717	
Registration	12,164	
Amortization of organization expenses	11,655	
Miscellaneous	30,224	
Total expenses		882,290
Net investment loss		(812,193)

REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND FOREIGN CURRENCY

Net realized loss on investment transactions		(439,186)
Net realized gain on foreign currency transactions		52,153
Net change in unrealized appreciation(depreciation) of:		
Investments		3,888,985
Foreign currency denominated assets and liabilities		(72,131)
Net gain on investments and foreign currency denominated assets and liabilities		3,429,821

NET INCREASE IN NET ASSETS FROM OPERATIONS \$2,617,628

See notes to financial statements.

8

STATEMENT OF CHANGES IN NET ASSETS THE KOREAN INVESTMENT FUND

	SIX MONTHS ENDED	
	OCTOBER 31, 1995 (UNAUDITED)	YEAR ENDED APRIL 30, 1995
	-----	-----
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Net investment loss	\$ (812,193)	\$ (640,830)
Net realized gain (loss) on investments and foreign currency transactions	(387,033)	4,656,429
Net change in unrealized appreciation (depreciation) of investments and foreign currency denominated assets and liabilities	3,816,854	(4,826,816)
Net increase (decrease) in net assets from operations	2,617,628	(811,217)
CAPITAL STOCK TRANSACTIONS		
Proceeds from sale of shares of common stock in rights offering	25,898,597	21,809,342
Offering costs charged to additional paid-in-capital	(546,000)	(615,279)
Total increase	27,970,225	20,382,846
NET ASSETS		
Beginning of period	75,460,898	55,078,052
End of period	\$103,431,123	\$75,460,898

See notes to financial statements.

9

NOTE A: SIGNIFICANT ACCOUNTING POLICIES

The Korean Investment Fund, Inc. (the "Fund") was incorporated in the State of Maryland on November 1, 1991 as a non-diversified, closed-end management investment company. The following is a summary of significant accounting policies followed by the Fund.

1. SECURITY VALUATION

Investments are stated at value. Investments for which market quotations are readily available are valued at the closing price on the Korea Stock Exchange on the day of valuation or if no such closing price is available, at the last bid price quoted on such day. Securities for which market quotations are not readily available and restricted securities are valued in good faith at fair value using methods determined by the Board of Directors. In determining fair value, consideration is given to cost, operating and other financial data. Securities that mature in 60 days or less are valued at amortized cost, which approximates market value, unless this method does not represent fair value.

2. CURRENCY TRANSLATION

Assets and liabilities denominated in foreign currencies are translated into U.S. dollars at the mean of the quoted bid and asked price of the respective currency against the U.S. dollar on the valuation date. Purchases and sales of portfolio securities are translated at the rates of exchange prevailing when such securities were acquired or sold. Income and expenses are translated at rates of exchange prevailing when earned or accrued.

Net realized gain on foreign currency transactions of \$52,153 represents net foreign exchange gains and losses from holding of foreign currencies, currency gains or losses realized between the trade and settlement dates on security transactions, and the difference between the amounts of dividends and foreign taxes recorded on the Fund's books and the U.S. dollar equivalent amounts actually received or paid. Net unrealized currency gains and losses from valuing foreign currency denominated assets and liabilities at period end exchange rates are reflected as a component of net unrealized appreciation of investments and foreign currency denominated assets and liabilities. The Fund does not isolate that portion of the results of operations arising as a result of changes in the foreign exchange rates from the fluctuations arising from changes in the market prices of securities during the period.

The exchange rate for the Korean Won at October 31, 1995 was Won 765.15 to U.S. \$1.00.

3. ORGANIZATION EXPENSES

Organization expenses of approximately \$115,000 have been deferred and are being amortized on a straight-line basis through February, 1997.

4. TAXES

It is the Fund's policy to meet the requirements of the U.S. Internal Revenue Code applicable to regulated investment companies and to distribute all of its investment company taxable income and net realized gains, if any, to its shareholders. Therefore, no provision for U.S. income or excise taxes is required. Withholding taxes on foreign interest and dividends have been provided for in accordance with the applicable tax requirements.

5. INVESTMENT INCOME AND INVESTMENT TRANSACTIONS

Dividend income is recorded on the ex-dividend date. Interest income is accrued daily. Investment transactions are accounted for on the date securities are purchased or sold. Realized and unrealized gains and losses from investment and currency transactions are calculated on the identified cost basis.

6. DIVIDENDS AND DISTRIBUTIONS

Dividends and distributions to shareholders are recorded on the ex-dividend date and are determined in accordance with income tax regulations.

NOTE B: MANAGEMENT FEE, SUB-ADVISORY FEE AND OTHER TRANSACTIONS WITH AFFILIATES
 Under the terms of the Management and Administration Agreement, the Fund paid Alliance Capital Management L.P. ("Alliance") a fee at an annualized rate of .85 of 1% of the Fund's average weekly net assets. Such fee is calculated weekly and paid monthly.

Under the terms of the Management Agreement, the Fund pays Orion Asset Management Co., Ltd. (the "Co-Manager") a fee at an annualized rate of .40 of 1% of the Funds average weekly net assets. Such fee is calculated weekly and paid monthly.

Brokerage commissions paid on securities transactions for the period ended October 31, 1995 amounted to \$162,555, of which \$21,573 was paid to Tong Yang Securities Co., Ltd., an affiliate of the Co-Manager and \$14,959 was paid to Baring Securities, a broker utilizing the services of the Pershing Division of Donaldson, Lufkin & Jenrette Securities Corp., an affiliate of the Alliance.

NOTE C: INVESTMENT TRANSACTIONS

Purchases and sales of investment securities (excluding short-term investments) aggregated \$23,363,667 and \$19,251,215, respectively, for the period ending October 31, 1995. At October 31, 1995, the cost of securities for federal income tax purposes was \$97,511,851. Accordingly, gross unrealized appreciation of investments was \$14,624,439 and gross unrealized depreciation of investments was \$3,743,778 resulting in net unrealized appreciation of \$10,880,661 (excluding foreign currency translations).

NOTE D: CAPITAL STOCK

There are 100,000,000 shares of \$.01 par value common stock authorized. Of the 8,447,458 shares outstanding at October 31, 1995, the Investment Manager owned 9,000 shares.

NOTE E: RIGHTS OFFERING

During the period ended October 31, 1995, the Fund issued 2,484,546 shares in connection with a rights offering of the Fund's shares. Shareholders of record on June 10, 1995, were issued one non-transferable right foreach share of common stock owned, entitling shareholders the opportunity to acquire one newly issued share of common stock for every three rights held at a subscription price of \$10.83 per share. Offering costs of \$546,000 attributed to the rights offering were charged to additional paid-in-capital. Dealer management and soliciting fees of \$1,009,036 were netted against the proceeds of the subscription.

NOTE F: QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)

<TABLE>
 <CAPTION>

QUARTER ENDED	NET INVESTMENT INCOME (LOSS)		NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND FOREIGN CURRENCY TRANSACTIONS		NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS		MARKET PRICE ON NYSE	
	TOTAL (000)	PER SHARE	TOTAL (000)	PER SHARE	TOTAL (000)	PER SHARE	HIGH	LOW
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
October 31, 1995	\$(325)	\$(.06)	\$ 2,338	\$.39	\$ 2,013	\$.33	\$12.875	\$11.25
July 31, 1995	(487)	(.08)	1,092	.22	605	.14	12.75	10.75
	\$(812)	\$(.14)	\$ 3,430	\$.61	\$ 2,618	\$.47		

April 30, 1995	\$ (341)	\$ (.06)	\$ (4,179)	\$ (.69)	\$ (4,520)	\$ (.75)	\$13.500	\$11.750
January 31, 1995	258	.04	(7,838)	(1.31)	(7,580)	(1.27)	14.375	11.625
October 31, 1994	(272)	(.05)	7,915	1.33	7,643	1.28	15.125	13.500
July 31, 1994	(286)	(.06)	3,931	.95	3,645	.89	16.375	13.125
	\$ (641)	\$ (.13)	\$ (171)	\$.28	\$ (812)	\$.15		

</TABLE>

12

FINANCIAL HIGHLIGHTS

THE KOREAN INVESTMENT FUND

SELECTED DATA FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

	SIX MONTHS	YEAR ENDED APRIL 30,			FEBRUARY 24,
	ENDED	YEAR ENDED APRIL 30,			1992 (A)
	OCTOBER 31,	YEAR ENDED APRIL 30,			THROUGH
	1995	1995	1994	1993	APRIL 30, 1992
	(UNAUDITED)	1995	1994	1993	APRIL 30, 1992
	<C>	<C>	<C>	<C>	<C>
Net asset value, beginning of period	\$12.66	\$13.09	\$10.37	\$11.00	\$10.90 (b)
INCOME FROM INVESTMENT OPERATIONS					
Net investment loss	(.14) *	(.13) *	(.09)	(.03)	(.01)
Net realized and unrealized gain (loss) on investment and foreign currency transactions	.61	.28	2.81	(.59)	.11
Net increase (decrease) in net asset value	.47	.15	2.72	(.62)	.10
LESS: DISTRIBUTIONS					
Distributions from net realized gains on investments and foreign currency transactions	-0-	-0-	-0-	(.01)	-0-
CAPITAL SHARE TRANSACTIONS					
Dilutive effect of rights offering	(.80)	(.48)	-0-	-0-	-0-
Offering costs charged to additional paid-in-capital	(.09)	(.10)	-0-	-0-	-0-
Total capital share transactions	(.89)	(.58)	-0-	-0-	-0-
Net asset value, end of period	\$12.24	\$12.66	\$13.09	\$10.37	\$11.00
Market value, end of period	\$10.75	\$12.375	\$13.375**	\$12.125	\$10.00
TOTAL RETURN					
Total investment return based on: (c)					
Market value	(11.74)%	(5.88)%	10.31%**	21.39%	(10.39)%
Net asset value	(3.32)%	(3.28)%	26.23%	(5.62)%	(1.43)%
Net assets, end of period (000's omitted)	\$103,431	\$75,461	\$55,078	\$43,663	\$46,278
RATIOS/SUPPLEMENTAL DATA					
Ratio of expenses to average net assets	2.26%	2.00%	2.26%	2.55%	2.37% (d)
Ratio of net investment loss to average net assets	(2.08)%	(.83)%	(.82)%	(.27)%	(.49)% (d)
Portfolio turnover rate	26%	34%	14%	43%	8%

* Based on average shares outstanding.

** Restated.

(a) Commencement of operations.

(b) Net of offering costs of \$.26.

(c) Total investment return is calculated assuming a purchase of common stock on the opening of the first day and a sale on the closing of the last day of each period reported. Dividends and distributions, if any, are assumed for purposes of this calculation, to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Rights offerings, if any, are assumed for purposes of this calculation, to be fully subscribed under the terms of the rights offering. Generally, total investment return based on net asset value will be higher than total investment return based on market value in periods

where there is an increase in the discount or a decrease in the premium of the market value to the net asset value from the beginning to the end of such periods. Conversely, total investment return based on the net asset value will be lower than total investment return based on market value in periods where there is a decrease in the discount or an increase in the premium of the market value to the net asset value from the beginning to the end of such periods. Total investment return for a period of less than one year is not annualized.

(d) Annualized.

The per share amounts reported herein are not necessarily consistent with the corresponding amounts reported on the Statement of Operations due to the change in capital stock caused by the rights offering.

13

THE KOREAN INVESTMENT FUND

BOARD OF DIRECTORS

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ADMINISTRATOR

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TRANSFER AGENT, DIVIDEND PAYING
AGENT, AND REGISTRAR

STATE STREET BANK AND TRUST COMPANY
225 Franklin Street

(1) Member of the Audit Committee.

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940 that the Fund may purchase at market prices from time to time shares of its common stock in the open market.

This report, including the financial statement herein is transmitted to the shareholders of The Korean Investment Fund, Inc. for their information. This is not a prospectus, circular or representation intended for use in the purchase of shares of the Fund or any securities mentioned in this report.

The financial information included herein is taken from the records of the Fund without audit by independent accountants who do not express an opinion thereon.

14

THE KOREAN INVESTMENT FUND, INC.
Summary of General Information

SHAREHOLDER INFORMATION

Daily market prices for the Fund's shares are published in the New York Stock Exchange Composite Transaction section of newspapers under the designation KoreanInvFd. The Fund's NYSE trading symbol is "KIF". Weekly comparative net asset value (NAV) and market price information about the Fund is published each Monday in THE WALL STREET JOURNAL and each Saturday in THE NEW YORKTIMES and BARRON'S, and other newspapers in a table called "Closed-End Funds". Additional information about the Fund is available by calling 1-800-221-5672.

DIVIDEND REINVESTMENT PLAN

Under the Fund's Dividend Reinvestment Plan, all shareholders will automatically have their dividends and other distributions from the Fund invested in additional shares of the Fund unless a shareholder elects to receive cash. A brochure describing the Plan is available from the Plan Agent, State Street Bank and Trust Company, by calling 1-800-219-4218.

THE KOREAN INVESTMENT FUND, INC.
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