



# *Press Release*

October 30, 2007

## **LIBERTY ALL-STAR® EQUITY FUND ANNOUNCES RECORD DATE FOR RIGHTS OFFERING**

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**For Immediate Release**

**BOSTON, October 30, 2007** -- Liberty All-Star Equity Fund (NYSE: USA) today announced that it has set the record date for its previously announced rights offering.

Subject to the Fund's registration statement becoming effective under the Securities Act of 1933, as amended, each shareholder of record at the close of business on November 9, 2007 (ex-date of November 7, 2007) will receive one right for each share held and will be allowed to purchase one additional share of the Fund for each ten rights received. Shareholders who fully exercise their rights may subscribe for additional shares not subscribed for by other shareholders in the primary subscription. At its discretion, the Fund may increase the amount of shares offered in an amount of up to 25% of the primary offering to cover over-subscription requests. The rights will not be transferable. The rights offering is expected to commence on or about November 13, 2007 and to expire on or about December 19, 2007. The subscription price per share will be 95 percent of the lower of (i) the last reported sales price of the Fund's shares on the New York Stock Exchange on the business day following the expiration of the offer, or (ii) the net asset value of a share of the Fund on that date. The offering will be made only by means of a prospectus.

ALPS Advisers, Inc. is the fund manager of the Liberty All-Star Equity Fund, a multi-managed, closed-end investment company with more than \$1.4 billion in net assets. The Fund's shares are listed on the New York Stock Exchange under the symbol USA.

The Liberty All-Star Equity Fund is a closed-end fund and does not continuously offer shares.

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