

KOREA ELECTRIC POWER CORP
Form 6-K
March 07, 2016

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

Pursuant to Rule 13a-16 or 15d-16

of the Securities Exchange Act of 1934

For the Month of March 2016

KOREA ELECTRIC POWER CORPORATION

(Translation of registrant's name into English)

55 Jeollyeok-ro, Naju-si, Jeollanam-do, 58217, Korea

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

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Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):
82- .

This Report of Foreign Private Issuer on Form 6-K is deemed filed for all purposes under the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended.

Korea Electric Power Corporation (KEPCO) hereby calls the annual ordinary general meeting of shareholders (AGM) and seeks the attendance of its shareholders.

The following is an English translation of the notice given to the shareholders in connection with the AGM:

To: Shareholders

From: Cho, Hwan-Eik, President & CEO of KEPCO

We hereby call the fiscal year 2015 AGM pursuant to Article 18 of the Articles of Incorporation of Korea Electric Power Corporation as follows and seek your attendance. Pursuant to Article 542-4 of the Commercial Code, this notice shall be in lieu of notices to be given to the shareholders.

1. **Date / Time:** March 22, 2016 / 10:00 a.m. (Seoul Time)

2. **Location:** 55 Jeollyeok-ro, Naju-si, Jeollanam-do, 58217
Korea Electric Power Corporation

3. **Items to be Reported:**
 - Audit report

 - Management report on KEPCO s operation

4. **Agenda for Shareholder Approval:**
 - 1) Approval of financial statements for the fiscal year 2015

 - 2) Approval of the ceiling amount of remuneration for directors in 2016

Details on the proposed agenda for the AGM are attached hereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

By: /s/ Kim, Jong-soo
Name: Kim, Jong-soo

Attachment

Agenda 1. Approval of Financial Statements for the Fiscal Year 2015

Disclaimer: The financial statements for the fiscal year 2015 as presented below is in accordance with the International Financial Reporting Standard adopted in Korea (K-IFRS), and are subject to change based on the audit of KEPCO's independent accountants.

KOREA ELECTRIC POWER CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2015 AND DECEMBER 31, 2014

| | Dec. 31, 2015 | Dec. 31, 2014 |
|--|--------------------|--------------------|
| | (KRW in millions) | |
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | 3,783,065 | 1,796,300 |
| Current financial assets, net | 5,335,621 | 176,428 |
| Trade and other receivables, net | 7,473,548 | 7,697,862 |
| Inventories, net | 4,946,413 | 4,537,469 |
| Income tax refund receivables | 9,081 | 18,475 |
| Current non-financial assets | 397,950 | 502,511 |
| Assets held-for-sale | 79,647 | 2,090,810 |
| | 22,025,325 | 16,819,855 |
| NON-CURRENT ASSETS: | | |
| Non-current financial assets, net | 2,495,554 | 2,040,921 |
| Non-current trade and other receivables, net | 1,798,419 | 1,724,357 |
| Property, plant and equipment, net | 141,361,351 | 135,812,499 |
| Investment properties, net | 269,910 | 317,264 |
| Goodwill | 2,582 | 2,582 |
| Intangible assets other than goodwill, net | 855,832 | 821,060 |
| Investments in associates | 4,405,668 | 4,341,830 |
| Investments in joint ventures | 1,287,862 | 1,166,894 |
| Deferred tax assets | 623,623 | 526,934 |
| Non-current non-financial assets | 131,233 | 134,093 |
| | 153,232,034 | 146,888,434 |
| Total Assets | 175,257,359 | 163,708,289 |
| LIABILITIES | | |
| CURRENT LIABILITIES: | | |
| Trade and other payables, net | 4,735,697 | 6,128,604 |
| Current financial liabilities, net | 7,857,198 | 7,162,372 |
| Income tax payables | 2,218,060 | 570,550 |
| Current non-financial liabilities | 6,320,711 | 6,464,356 |
| Current provisions | 1,579,176 | 1,274,186 |
| | 22,710,842 | 21,600,068 |

NON-CURRENT LIABILITIES:

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| | | |
|---|-------------|-------------|
| Non-current trade and other payables, net | 3,718,435 | 3,806,735 |
| Non-current financial liabilities, net | 51,062,811 | 55,999,761 |
| Non-current non-financial liabilities | 7,092,252 | 6,946,410 |
| Employee benefits obligations, net | 1,503,107 | 1,277,415 |
| Deferred tax liabilities, net | 8,362,683 | 5,723,880 |
| Non-current provisions | 12,864,754 | 13,529,010 |
| | 84,604,042 | 87,283,211 |
| Total Liabilities | 107,314,884 | 108,883,279 |

(Continued)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS OF DECEMBER 31, 2015 AND DECEMBER 31, 2014

| | Dec. 31, 2015 | Dec. 31, 2014 |
|---|--------------------|--------------------|
| | (KRW in millions) | |
| <u>EQUITY</u> | | |
| CONTRIBUTED CAPITAL: | | |
| Share capital | 3,209,820 | 3,209,820 |
| Share premium | 843,758 | 843,758 |
| | 4,053,578 | 4,053,578 |
| RETAINED EARNINGS: | | |
| Legal reserves | 1,604,910 | 1,604,910 |
| Voluntary reserves | 23,720,167 | 22,999,359 |
| Unappropriated retained earnings | 22,862,164 | 10,699,378 |
| | 48,187,241 | 35,303,647 |
| OTHER COMPONENTS OF EQUITY: | | |
| Other capital surpluses | 1,197,388 | 1,151,402 |
| Accumulated other comprehensive loss | (98,713) | (202,269) |
| Other equity | 13,294,973 | 13,294,973 |
| | 14,393,648 | 14,244,106 |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY | 66,634,467 | 53,601,331 |
| NON-CONTROLLING INTERESTS | 1,308,008 | 1,223,679 |
| Total Equity | 67,942,475 | 54,825,010 |
| Total Liabilities and Equity | 175,257,359 | 163,708,289 |

KOREA ELECTRIC POWER CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2015 AND DECEMBER 31, 2014

| | 2015 | 2014 |
|--|--|--------------|
| | (KRW in millions except per share amounts) | |
| SALES | | |
| Sales of goods | 54,367,036 | 53,706,828 |
| Sales of service | 453,487 | 451,013 |
| Sales of construction contracts | 3,761,204 | 2,965,185 |
| Revenue related to transfer of assets from customers | 375,995 | 351,857 |
| | 58,957,722 | 57,474,883 |
| COST OF SALES | | |
| Cost of sales of goods | (41,348,917) | (46,509,555) |
| Cost of sales of service | (545,692) | (500,787) |
| Cost of sales of construction contracts | (3,563,120) | (2,752,610) |
| | (45,457,729) | (49,762,952) |
| GROSS PROFIT | 13,499,993 | 7,711,931 |
| SELLING AND ADMINISTRATIVE EXPENSES | (2,153,261) | (1,924,366) |
| OPERATING PROFIT | 11,346,732 | 5,787,565 |
| OTHER NON-OPERATING INCOME | 432,219 | 402,329 |
| OTHER NON-OPERATING EXPENSES | (108,848) | (88,220) |
| OTHER GAINS, NET | 8,610,773 | 107,396 |
| FINANCE INCOME | 1,182,988 | 885,290 |
| FINANCE EXPENSES | (3,015,457) | (3,140,038) |
| Profit related associates, joint ventures and subsidiaries | | |
| Share in income of associates and joint ventures | 280,794 | 319,506 |
| Gain on disposal of investments in associates and joint Ventures | 4,731 | 47,071 |
| Gain on disposal of subsidiaries | 8,376 | 40,449 |
| Share in loss of associates and joint ventures | (86,522) | (78,493) |
| Loss on disposal of investments in associates and joint ventures | | (1,253) |
| Impairment loss on investments in associates and joint ventures | | (52,279) |
| Loss on disposal of subsidiaries | | (17) |
| | 207,379 | 274,984 |
| PROFITS BEFORE INCOME TAX | 18,655,786 | 4,229,306 |
| INCOME TAX EXPENSE | (5,239,413) | (1,430,339) |

| | | |
|-----------------------|------------|-----------|
| PROFIT FOR THE PERIOD | 13,416,373 | 2,798,967 |
|-----------------------|------------|-----------|

(Continued)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2015 AND DECEMBER 31, 2014

| | 2015 | 2014 |
|--|--|------------------|
| | (KRW in millions except per share amounts) | |
| OTHER COMPREHENSIVE INCOME (LOSS) | | |
| Items that will not be reclassified subsequently to profit or loss | | |
| Remeasurements of defined benefit liability, net of tax | (87,861) | (108,430) |
| Share in other comprehensive loss of associates and joint ventures, net of tax | (283) | (1,899) |
| Items that are or may be reclassified subsequently to profit or loss: | | |
| Net change in the unrealized fair value of available-for-sale financial assets, net of tax | 9,648 | (97,251) |
| Net change in the unrealized fair derivatives using cash flow hedge accounting, net of tax | 4,409 | (84,793) |
| Foreign currency translation of foreign operations, net of tax | 18,535 | (70,576) |
| Share in other comprehensive income of associates and joint ventures, net of tax | 89,558 | 5,228 |
| | 34,006 | (357,721) |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | 13,450,379 | 2,441,246 |
| PROFIT OR LOSS ATTRIBUTABLE TO; | | |
| Owners of the Company | 13,289,127 | 2,686,873 |
| Non-controlling interests | 127,246 | 112,094 |
| | 13,416,373 | 2,798,967 |
| TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO; | | |
| Owners of the Company | 13,308,132 | 2,335,827 |
| Non-controlling interests | 142,247 | 105,419 |
| | 13,450,379 | 2,441,246 |
| EARNINGS PER SHARE; | | |
| Basic and diluted earnings per share | 20,701 | 4,290 |

(Continued)

KOREA ELECTRIC POWER CORPORATION

SEPARATE (NON-CONSOLIDATED) STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2015 AND DECEMBER 31, 2014

| | Dec. 31, 2015 | Dec. 31, 2014 |
|--|-------------------|------------------|
| | (KRW in millions) | |
| <u>ASSETS</u> | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | 2,013,223 | 614,514 |
| Current financial assets, net | 4,889,623 | 20,875 |
| Trade and other receivables, net | 6,802,450 | 6,995,697 |
| Inventories, net | 175,354 | 126,326 |
| Income tax refund receivables | | 12,493 |
| Current non-financial assets | 68,135 | 72,425 |
| Assets held-for-sale | | 2,056,207 |
| | 13,948,785 | 9,898,537 |
| NON-CURRENT ASSETS: | | |
| Non-current financial assets, net | 577,834 | 461,706 |
| Non-current trade and other receivables, net | 432,871 | 411,582 |
| Property, plant and equipment, net | 60,053,716 | 57,653,543 |
| Investment properties, net | 395,263 | 357,297 |
| Intangible assets, net | 64,675 | 56,277 |
| Investments in subsidiaries | 28,821,400 | 28,864,233 |
| Investments in associates | 1,966,164 | 1,956,568 |
| Investments in joint ventures | 13,371 | 20,642 |
| Non-current non-financial assets | 32,171 | 38,721 |
| | 92,357,465 | 89,820,569 |
| Total Assets | 106,306,250 | 99,719,106 |
| <u>LIABILITIES</u> | | |
| CURRENT LIABILITIES: | | |
| Trade and other payables, net | 5,597,518 | 5,614,840 |
| Current financial liabilities, net | 4,399,119 | 5,149,545 |
| Income tax payables | 1,212,093 | |
| Current non-financial liabilities | 7,106,571 | 7,446,189 |
| Current provisions | 656,372 | 298,160 |
| | 18,971,673 | 18,508,734 |
| NON-CURRENT LIABILITIES: | | |
| Non-current trade and other payables, net | 698,088 | 816,300 |

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| | | |
|--|-------------------|-------------------|
| Non-current financial liabilities, net | 22,190,714 | 27,807,868 |
| Non-current non-financial liabilities | 7,066,972 | 6,876,469 |
| Employee benefits liabilities, net | 642,043 | 558,295 |
| Deferred tax liabilities | 3,301,227 | 1,542,445 |
| Non-current provisions | 254,165 | 227,927 |
| | 34,153,209 | 37,829,304 |
| Total Liabilities | 53,124,882 | 56,338,038 |

(Continued)

SEPARATE STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS OF DECEMBER 31, 2015 AND DECEMBER 31, 2014

| | Dec. 31, 2015 | Dec. 31, 2014 |
|---|-------------------|------------------|
| | (KRW in millions) | |
| <u>EQUITY</u> | | |
| CONTRIBUTED CAPITAL: | | |
| Share capital | 3,209,820 | 3,209,820 |
| Share premium | 843,758 | 843,758 |
| | 4,053,578 | 4,053,578 |
| RETAINED EARNINGS: | | |
| Legal reserves | 1,604,910 | 1,604,910 |
| Voluntary reserves | 23,720,168 | 22,999,360 |
| Unappropriated retained earnings | 10,117,196 | 1,041,789 |
| | 35,442,274 | 25,646,059 |
| OTHER COMPONENTS OF EQUITY: | | |
| Other capital surpluses | 387,524 | 387,524 |
| Accumulated other comprehensive income (loss) | 2,894 | (1,191) |
| Other equity | 13,295,098 | 13,295,098 |
| | 13,685,516 | 13,681,431 |
| Total Equity | 53,181,368 | 43,381,068 |
| Total Liabilities and Equity | 106,306,250 | 99,719,106 |

(Continued)

KOREA ELECTRIC POWER CORPORATION
SEPARATE(NON-CONSOLIDATED) STATEMENTS OF COMPREHENSIVE INCOME
FOR YEARS ENDED DECEMBER 31, 2015 AND 2014

| | 2015 | 2014 |
|--|---|--------------|
| | (KRW in millions, except per share amounts) | |
| SALES | | |
| Sales of goods | 54,534,864 | 54,386,536 |
| Sales of services | 176,547 | 146,113 |
| Sales of construction services | 3,452,983 | 2,449,934 |
| Revenue related to transfer of assets from customers | 375,995 | 351,857 |
| | 58,540,389 | 57,334,440 |
| COST OF SALES | | |
| Costs of sales of goods | (49,128,398) | (51,871,640) |
| Costs of sales of services | (353,438) | (290,426) |
| Costs of sales of construction contracts | (3,281,529) | (2,276,213) |
| | (52,763,365) | (54,438,279) |
| GROSS PROFIT | 5,777,024 | 2,896,161 |
| SELLING AND ADMINISTRATIVE EXPENSES | (1,351,663) | (1,222,453) |
| OPERATING PROFIT | 4,425,361 | 1,673,708 |
| OTHER NON-OPERATING INCOME | 296,623 | 285,784 |
| OTHER NON-OPERATING EXPENSES | (48,975) | (47,861) |
| OTHER GAINS, NET | 8,646,301 | 139,095 |
| FINANCE INCOME | 1,210,669 | 698,485 |
| FINANCE EXPENSES | (1,397,979) | (1,695,640) |
| GAIN ON DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES | 44,969 | 208,192 |
| PROFIT BEFORE INCOME TAX | 13,176,969 | 1,261,763 |
| INCOME TAX EXPENSE | (3,011,316) | (221,876) |
| PROFIT FOR THE PERIOD | 10,165,653 | 1,039,887 |
| OTHER COMPREHENSIVE INCOME (LOSS) | | |
| Items that will not be reclassified subsequently to profit or loss: | | |
| Remeasurements of defined benefit liability, net of tax | (48,457) | 1,902 |
| Items that are or may be reclassified subsequently to profit or loss: | | |
| Net change in the unrealized fair value of available-for-sale financial assets, net of tax | 4,085 | (90,179) |
| | (44,372) | (88,277) |

| | | |
|---|------------|---------|
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | 10,121,281 | 951,610 |
| EARNINGS PER SHARE | | |
| Basic and diluted earnings per share | 15,835 | 1,660 |

(Continued)

STATEMENT OF APPROPRIATION OF RETAINED EARNINGS

FOR YEARS ENDED DECEMBER 31, 2015 AND DECEMBER 31, 2014

| | For years ended, | |
|---|--------------------|-------------|
| | 2015 | 2014 |
| | (KRW in millions) | |
| I. RETAINED EARNINGS BEFORE APPROPRIATIONS: | | |
| Unappropriated retained earnings carried over from prior years | | |
| Effect of transition to K-IFRS | | |
| Net income | 10,165,653 | 1,039,887 |
| Remeasurements of the defined benefit plan | (48,457) | 1,902 |
| | 10,117,196 | 1,041,789 |
| II. TRANSFER FROM VOLUNTARY RESERVES: | | |
| Reserve for business expansion | | |
| | | |
| III. I + II | 10,117,196 | 1,041,789 |
| IV. APPROPRIATIONS OF RETAINED EARNINGS: | | |
| Legal reserve | (10,117,196) | (1,041,789) |
| Dividends (government, individual) | (1,990,089) | (320,982) |
| Reserve for business expansion | (8,127,107) | (720,807) |
| V. UNAPPROPRIATED RETAINED EARNINGS TO BE CARRIED FORWARD TO SUBSEQUENT YEAR | | |

(Continued)

DIVIDEND PAYMENT

FOR THE FISCAL YEARS 2015 AND 2014

| Fiscal year | 2015 | 2014 |
|-----------------------------|-----------------------|---------------------|
| Dividend per share | KRW 3,100 | KRW 500 |
| Aggregate dividend amount | KRW 1,990,088,638,700 | KRW 320,982,038,500 |
| Market value dividend ratio | 6.2% | 1.1% |

Agenda 2. Approval of the ceiling amount of remuneration for directors

Proposed aggregate ceiling on remuneration for directors:

2,020,992 thousand won in fiscal year 2016 (total number of directors: 15; number of non-standing directors: 8)

2,012,072 thousand won in fiscal year 2015 (total number of directors: 15; number of non-standing directors: 8)