

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

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS OF DECEMBER 31, 2015 AND DECEMBER 31, 2014

	Dec. 31, 2015	Dec. 31, 2014
	(KRW in millions)	
EQUITY		
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
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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

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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

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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

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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:		
	(10,117,196)	(1,041,789)
Legal reserve		
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)