

KOREA ELECTRIC POWER CORP

Form 6-K

December 05, 2014

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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 December 2014

Commission File Number: 001-13372

KOREA ELECTRIC POWER CORPORATION

(Translation of registrant's name into English)

55 Jeollyeok-ro, Naju-si, Jeollanam-do, 520-350, Korea

(Address of principal executive offices)

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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):

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- .

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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.

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QUARTERLY BUSINESS REPORT

(For the period from January 1, 2014 to September 30, 2014)

THIS IS A SUMMARY IN ENGLISH OF THE QUARTERLY BUSINESS REPORT ORIGINALLY PREPARED IN KOREAN AND IS IN SUCH FORM AS REQUIRED BY THE FINANCIAL SERVICES COMMISSION OF KOREA.

IN THE TRANSLATION PROCESS, SOME PARTS OF THE REPORT WERE REFORMATTED, REARRANGED OR SUMMARIZED FOR THE CONVENIENCE OF READERS. NON-MATERIAL OR PREVIOUSLY DISCLOSED INFORMATION IS OMITTED OR ABRIDGED.

UNLESS EXPRESSLY STATED OTHERWISE, ALL INFORMATION CONTAINED HEREIN IS PRESENTED ON A CONSOLIDATED BASIS IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS ADOPTED FOR USE IN KOREA, OR K-IFRS, WHICH DIFFER IN CERTAIN RESPECTS FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN CERTAIN OTHER COUNTRIES, INCLUDING THE UNITED STATES. WE HAVE MADE NO ATTEMPT TO IDENTIFY OR QUANTIFY THE IMPACT OF THESE DIFFERENCES.

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I. Company Overview

1. Name of the company: Korea Electric Power Corporation (KEPCO)

2. Information of the company

(Address) 55 Jeollyeok-ro, Naju-si, Jeollanam-do, 520-350, Korea

(Phone number) 82-61-345-4217

(Website) <http://www.kepcoco.kr>

3. Major businesses

KEPCO, as the parent company, is engaged in the following activities:

development of electric power resources;

generation, transmission, transformation and distribution of electricity and other related activities;

research and development of technology related to the businesses mentioned above;

overseas business related to the businesses mentioned above;

investment or contributions related to the businesses mentioned above;

development and operation of certain real estate holdings; and

other businesses entrusted by the government.

Businesses operated by KEPCO's major subsidiaries are as follows: nuclear power generation by Korea Hydro & Nuclear Power (KHNP), thermal power generation by Korea South-East Power (KOSEP), Korea Midland Power (KOMIPO), Korea Western Power (KOWEPO), Korea Southern Power (KOSPO) and Korea East-West Power (EWP), other businesses including engineering service by KEPCO Engineering & Construction (KEPCO E&C), maintenance and repair of power plants by KEPCO Plant Service & Engineering (KEPCO KPS), nuclear fuel processing by KEPCO Nuclear Fuel (KEPCO NF), IT service by KEPCO KDN, and other overseas businesses and related investments.

4. Subsidiaries and affiliates of KEPCO

(As of Sep. 30, 2014)

Classification	Subsidiaries Associates and joint ventures		Total
Domestic	16	52	68
Overseas	62	38	100
Total	78	90	168

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5. Major changes in management

At the extraordinary general meeting of shareholders held on March 4, 2014, Mr. Koo, Bon-Woo was re-elected as a standing director of KEPCO, and Mr. Cho, Jeon-Hyeok and Mr. Choi, Gyo-IL were appointed as members of the audit committee.

On August 12, 2014, Mr. Choi, Ki-Ryun and Mr. Sung, Tae-Hyun were appointed as non-standing directors of KEPCO, while the terms of office of Mr. Nam, Dong-Kyoon and Mr. Shin, Il-Soon expired.

On September 2, 2014, Mr. Koo, Ja-Yoon was appointed as a non-standing director of KEPCO, while the term of office of Mr. Kim, Jung-Hyun expired.

6. Changes in major shareholders

No changes in major shareholders for the past three years.

7. Information regarding KEPCO shares

A. Issued share capital: Won 3.2 trillion (Authorized capital: Won 6 trillion)

B. Total number of issued shares: 641,964,077
(Total number of shares authorized for issuance: 1,200,000,000)

C. Dividends: Dividend payment of Won 90 per share for fiscal year 2013 (Won 56 billion in aggregate). No dividend payments for fiscal years 2012 and 2011.

II. Business Overview

1. Segment results

(In billions of Won)

	Jan. - Sep. 2014		Jan. - Sep. 2013	
	Sales	Operating income(loss)	Sales	Operating income(loss)
Electricity sales	42,670	1,158	39,578	-1,038
Nuclear generation	7,188	2,403	5,402	917
Thermal generation	18,955	1,233	21,558	1,123
Others*	2,176	280	1,940	235

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Subtotal	70,989	5,074	68,477	1,237
Adjustment of related-party transactions	-28,420	-156	-28,714	-125
Total	42,569	4,918	39,763	1,112

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- The figures may not add up to the relevant total numbers due to rounding.

* Others relate to 72 subsidiaries including KEPCO E&C, KEPCO KPS, KEPCO NF and KEPCO KDN.

Sales and operating income (loss) reflects amendments to Korean IFRS 1001 Presentation of Financial Statements.
2. Changes in unit prices of major products

(In Won per kWh)

Business sector		Company	2014	2013
			Jan. - Sep.	Jan. - Sep.
Electricity sold	Residential	KEPCO	126.33	129.10
	Commercial		130.29	120.99
	Educational		115.61	115.50
	Industrial		106.50	99.18
	Agricultural		47.55	45.44
	Street lighting		115.93	109.10
	Overnight usage		66.79	62.40
Electricity from nuclear generation	Nuclear Generation	KHNP	60.95	51.75
Electricity from thermal generation	Thermal generation	KOSEP	68.28	70.66
		KOMIPO	99.89	104.26
		KOWEPO	99.17	106.11
		KOSPO	111.04	110.41
		EWP	92.66	99.08

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3. Revenues per business sector

(In billions of Won)

Business sector		Company	2014	2013
			Jan. - Sep.	Jan. - Sep.
Electricity sold	Residential		6,143	6,474
	Commercial		9,977	9,508
	Educational		638	700
	Industrial	KEPCO	21,684	19,573
	Agricultural		509	470
	Street lighting		270	250
	Overnight usage		737	791
Electricity from nuclear generation	Nuclear Generation	KHNP	7,121	5,334
Electricity from thermal generation	Thermal generation	KOSEP	3,213	3,275
		KOMIPO	3,726	4,408
		KOWEPO	3,634	4,402
		KOSPO	4,809	5,393
		EWP	3,425	4,049

4. Intellectual property as of Sep. 30, 2014

	Patents		Utility	Designs	Trademarks	
	Domestic	Overseas	models		Domestic	Overseas
Number of registrations	4,813	613	806	171	368	60

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1. Condensed consolidated financial results for the first nine months ended Sep. 30, 2014

(In billions of Won)

Consolidated statements of comprehensive income				Consolidated statements of financial position			
	Jan.- Sep. 2013	Jan.- Sep. 2014	Change (%)		As of Dec. 31, 2013	As of Sep. 30, 2014	Change (%)
Sales	39,763	42,569	7.1	Total assets	155,527	161,189	3.6
Operating income	1,112	4,918	342.3	Total liabilities	104,077	107,665	3.4
Net income	-451	2,322	n/m	Total equity	51,451	53,524	4.0

n/m means not meaningful.

2. Condensed separate financial results for the first nine months ended Sep. 30, 2014

(In billions of Won)

Separate statements of comprehensive income				Separate statements of financial position			
	Jan.- Sep. 2013	Jan.- Sep. 2014	Change (%)		As of Dec. 31, 2013	As of Sep. 30, 2014	Change (%)
Sales	39,578	42,670	7.8	Total assets	98,250	99,223	1.0
Operating income	-1,038	1,158	n/m	Total liabilities	56,590	56,993	0.7
Net income	-927	647	n/m	Total equity	41,660	42,230	1.4

n/m means not meaningful.

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IV. Independent Auditor's Opinion

1. Independent auditor's opinion on consolidated financial statements for the first nine months ended September 30, 2014: **Unqualified**

KPMG Samjong Accounting Corp. has been engaged as KEPCO's independent auditor from 2013 for a term of three years until 2015.

Jan. 1, 2014	Sep. 30, 2014	Jan. 1, 2013	Dec. 31, 2013	Jan. 1, 2012	Dec. 31, 2012
KPMG Samjong Accounting Corp.		KPMG Samjong Accounting Corp.		Deloitte Anjin LLC	

V. Board of Directors

1. Composition of the Board of Directors: not more than 15 directors (with standing directors comprising less than the majority of the directors)

The Audit Committee consists of one standing director and two non-standing directors

2. Board meetings and agendas

Number of	Number of	Classification			
meetings	agendas	Resolutions	Status	Reports	Status
11	34	27	Approved as proposed	7	Accepted as reported

Audit Committee: 6 meetings held where 27 agendas were discussed (of which, 19 were resolved as proposed and 8 were approved as reported).

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3. Major activities of the Board of Directors

Date	Agenda	Status	Type
2014. 1. 14	Approval to close the shareholders registry Research and development plans for 2014	Approved as proposed Accepted as reported	Resolution Report
2014. 2. 20	Recommendation of candidates to become new members of the Audit Committee Approval to call for the 54th extraordinary general meeting of shareholders Approval of consolidated and separate financial statements for fiscal year 2013 Approval of aggregate ceiling on remuneration for directors in 2014 Approval to call for the 53rd annual general meeting of shareholders Development plans for the next-generation Electricity Sales Information System Auditor s report to the Board of Directors for fiscal year 2013	Approved as proposed Approved as proposed Approved as proposed Approved as proposed Approved as proposed Approved as proposed Accepted as reported	Resolution Resolution Resolution Resolution Resolution Resolution Report
2014. 3. 20	Approval of ceilings on the issue amounts of commercial papers and electronic short-term bonds in 2014 Annual report on internal control over financial reporting for fiscal year 2013 Annual evaluation report on internal control over financial reporting for fiscal year 2013	Approved as proposed Accepted as reported Accepted as reported	Resolution Report Report
2014. 4.17	Composition of the director nomination committee to recommend candidates for non-standing directors and its evaluation criteria Plans for the sales of equity interest in affiliates Amendments to the regulation for remuneration and welfare	Approved as proposed Approved as proposed Approved as proposed	Resolution Resolution Resolution
2014. 5.15	Amendments to the regulation for electricity service including special tariff for educational usage Auditor s report to the Board of Directors for the first quarter of the fiscal year 2014	Approved as proposed Accepted as reported	Resolution Report
2014. 5.23	Amendments to the special tariff for educational usage	Approved as proposed	Resolution
2014. 6.19	Composition of the director nomination committee to recommend candidates for non-standing directors and its evaluation criteria Mid-to-long term financial management planning for years from 2014 to 2018 Amendments to the Articles of Incorporation of KEPCO Guarantee on a put option related to a joint venture in Gemeng International Energy Co., Ltd.	Approved as proposed Approved as proposed Approved as proposed Approved as proposed	Resolution Resolution Resolution Resolution
2014. 7.17	Amendments to the consignment sales conditions related to the sales of equity interest in LG U+ Disposal of existing properties	Approved as proposed Approved as proposed	Resolution Resolution

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2014. 8.21	Approval to close the shareholders registry	Approved as proposed	Resolution
	Amendments to the employment regulation	Approved as proposed	Resolution
	Amendments to the regulation for remuneration and welfare	Approved as proposed	Resolution
	Auditor's report to the Board of Directors for the second quarter of fiscal year 2014	Accepted as reported	Report
	Report on the earnings results for the first half of 2014	Accepted as reported	Report
2014. 8.29	Amendments to the employment regulation	Approved as proposed	Resolution
	Amendments to the regulation for remuneration and welfare	Approved as proposed	Resolution
2014. 9.18	Amendments to the employment regulation	Approved as proposed	Resolution
	Mid-to-long term management target (2015-2019)	Approved as proposed	Resolution
	Plans for the sales of equity interest in overseas resources development business	Approved as proposed	Resolution

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4. Major activities of the Audit Committee

Date	Agenda	Status	Type
2014. 1. 29	Auditor's report on the agendas for the extraordinary meeting of shareholders	Approved as proposed	Resolution
	Audit plans for fiscal year 2014	Approved as proposed	Resolution
	Approval of selection of independent auditors of subsidiaries (KOSEP Material Co., Ltd. and KEPCO KPS Philippines Corp.)	Approved as proposed	Resolution
	Independent auditor's report on audit plans for fiscal year 2013	Accepted as reported	Report
	Education plans for auditors for 2014	Accepted as reported	Report
	Auditor's report for fiscal year 2013	Accepted as reported	Report
2014. 3. 20	Election of the chairman of the Audit Committee	Approved as proposed	Resolution
	Auditor's report on the agendas for the annual general meeting of shareholders	Approved as proposed	Resolution
	Approval of selection of independent auditors of subsidiaries	Approved as proposed	Resolution
	Independent auditor's report on the auditing results for the consolidated and separate financial statements for fiscal year 2013	Accepted as reported	Report
	Annual report on internal control over financial reporting for fiscal year 2013	Accepted as reported	Report
	Annual evaluation report on internal control over financial reporting for fiscal year 2013	Accepted as reported	Report
2014. 4.17	Prior approval for non-audit services of independent auditors	Approved as proposed	Resolution
	Auditor's report for fiscal year 2013 in accordance with U.S. accounting principles	Approved as proposed	Resolution
	Report on the Form 20-F for the fiscal year 2013 to be filed with the U.S. SEC	Approved as proposed	Resolution
2014. 5.15	Amendments to code of conduct for employees	Approved as proposed	Resolution
	Amendments to the guidelines for voluntary property registration	Approved as proposed	Resolution
	Amendments to the guidelines for disciplinary actions	Approved as proposed	Resolution
	Auditor's report to the Board of Directors for the first quarter of fiscal year 2014	Approved as proposed	Resolution
	Independent auditor's report for the auditing plans for fiscal year 2014	Approved as proposed	Resolution
2014. 8.21	Amendments to code of conduct for employees	Approved as proposed	Resolution
	Approval of selection of independent auditors of subsidiaries	Approved as proposed	Resolution
	Amendments to the contracts with independent auditors for fiscal year 2014	Approved as proposed	Resolution
	Auditor's report to the Board of Directors for the second quarter of fiscal year 2014	Approved as reported	Report
	Independent auditor's report on the auditing results for the consolidated financial statements for the first half of fiscal year 2014	Approved as reported	Report
2014. 9.18	Amendments to the guidelines for disciplinary actions and to the	Approved as proposed	Resolution

regulations for prosecution and complaint regarding job affairs
Approval of selection and change of independent auditors of
subsidiaries

Approved as proposed Resolution

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An audit team, organized under the supervision of the Audit Committee, conducts internal audit with respect to the entire company and takes administrative measures as appropriate in accordance with relevant internal regulations. KEPCO's District Divisions and Branch Offices also have separate audit teams which conduct internal inspection with respect to the relevant division or office.

VI. Shareholders

1. List of shareholders as of September 5, 2014

		Number of shareholders	Shares owned	Percentage (%)
Korean Government		1	135,917,118	21.17
Korea Finance Corporation		1	192,159,940	29.94
Subtotal		2	328,077,058	51.11
National Pension Service		1	39,845,923	6.21
KEPCO (held in the form of treasury stock)*		1	18,929,995	2.95
Public	Common shares	1,237	145,416,016	22.65
(non-Koreans)	American depositary shares	1	32,430,949	5.05
Public	Corporate	1,449	50,670,940	7.89
(Koreans)	Individual	368,606	26,593,196	4.14
Total		371,297	641,964,077	100.0

* Treasury stocks do not have voting rights. Number of shares with voting rights: 623,034,082

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1. Status

Directors	Employees	Professionals	Labor Union
7*	19,895	Lawyer: 12	Members: 14,693
	- Male: 19,555	CPA: 14	Exclusive duty on labor union: 12
	- Female: 340	Tax Accountant: 13	Affiliated group:
		LL.D.: 4	Federation of Korean Trade Unions

* Indicates the number of standing directors

2. Remuneration

Type	Average remuneration per person	Total remuneration (Jan. 1, 2014 Sep. 30, 2014)	
Directors*	56,607	Won	849 million
Employees	54,446	Won	1,083 billion

* Indicates both standing and non-standing directors

VIII. Other Information Relating to the Protection of Investors

1. Number of shareholders meetings held in 2014: twice

(One annual general meeting of shareholders held on March 28, 2014 / one extraordinary general meeting of shareholders held on March 14, 2014)

2. Pending legal proceedings