



512 YEONGDONGDAERO, GANGNAM-GU, SEOUL
TEL. 02-3456-3114 www.kepco.co.kr



GLOBAL TOP GREEN & SMART ENERGY PIONEER | KEPCO 2012 ANNUAL REPORT

GLOBAL TOP GREEN & SMART ENERGY PIONEER

KEPCO

KEPCO 2012 ANNUAL REPORT



CONTENTS

04	PROLOGUE
10	CEO GREETING
12	KEPCO HIGHLIGHTS
14	KEPCO HISTORY
16	VISION / MANAGEMENT PRINCIPLES
17	ORGANIZATION CHART
20	DOMESTIC BUSINESS
26	OVERSEAS BUSINESS
32	TECHNOLOGY R&D
36	HUMAN RESOURCES DEVELOPMENT
38	SAFETY ENVIRONMENT
39	QUALITY CONTROL
40	SOCIAL RESPONSIBILITY
44	CORPORATE DATA
57	GLOBAL NETWORK

KEPCO is venturing into new markets and creating new value through bold decision making and creative innovation. We lead the global energy market with clean energy and smart technology, making the world a better place for everyone. A “Young KEPCO” for the future! KEPCO will help your dreams for the future come true.

ALL TOGETHER, CREATE FUTURE

This report describes the financial status, business performance, future prospects, and business strategy of KEPCO. While the report content is, to best of our knowledge, based on objective and factual data, all plans, estimations, predictions, and other information regarding the future may be slightly inconsistent in some respects with actual outcomes.



K
GREEN
PCO



GREEN

KEPCO's actions help make our future world a happy place.

We focus on "us" rather than "me".
We believe small acts of sacrifice and commitment enrich human life and help protect our Earth.
We have become the green management leader with a devotion to "our" world.

GREEN

KEPCO



GREEN

KEPCO's actions help make our future world a happy place.

We focus on "us" rather than "me".

We believe small acts of sacrifice and commitment enrich human life and help protect our Earth.

We have become the green management leader with a devotion to "our" world.



K
GREEN
P
C
GLOBAL



GLOBAL

“Young KEPCO!” We keep exploring the world and expanding our boundaries.

“NEW AREA, NEW CONTENTS” KEPCO flies high to a new world. Like a fledgling entering a new stage of life and preparing to take to the skies, KEPCO is spreading its wings and heading into the global market with strong determination. Our young passion will open the door to a world of unlimited possibilities.



G L O B A L

K
G R E E N
P
C
O

GLOBAL

“Young KEPCO!” We keep exploring the world and expanding our boundaries.

“NEW AREA, NEW CONTENTS” KEPCO flies high to a new world. Like a fledgling entering a new stage of life and preparing to take to the skies, KEPCO is spreading its wings and heading into the global market with strong determination. Our young passion will open the door to a world of unlimited possibilities.

PIONEER

KEPCO begins its bold challenge.

The “can do” spirit of a pioneer makes innovation possible.
We know there is no future if we stay in the present.
KEPCO’s intrepid spirit will open the doors to a new world.

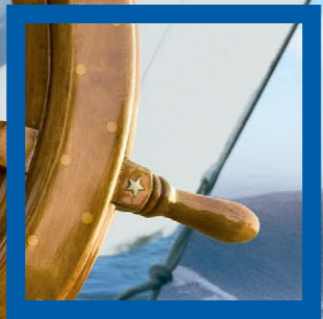


K
GREEN
PIONEER
C
GLOBAL

PIONEER

KEPCO begins its bold challenge.

The “can do” spirit of a pioneer makes innovation possible.
We know there is no future if we stay in the present.
KEPCO’s intrepid spirit will open the doors to a new world.



P I O N E E R

K
G R E E N
P
C
G L O B A L

CEO GREETING

OUR NEW AMBITION TOWARDS BECOMING A "GLOBAL TOP ENERGY PIONEER"

KEPCO will create new revenue source by diversifying its business structure through "new contents" identified in new overseas markets and new growth engine industries and pioneering "new area" in the international arena. Also, KEPCO will explore "new areas" in the global arena and create new revenue sources by diversifying its project structure with "new contents" identified in the new sectors and growth engine industries.



Greetings to KEPCO customers and shareholders!

Your support has always been the driving force for KEPCO's contribution to Korea's economic growth. With your help, we are able to fulfill our commitment as the enabler and facilitator of the Korean people, creating a better quality of life. Now KEPCO is continuously striving as a global power provider serving people around the world.

As a case in point, the company is performing various overseas business including nuclear power generation, thermal power generation, renewable energy development and, resource development in Southeast Asia, the Middle East, the Americas, and Africa. Recent notable achievements such as providing zero-defect power supply for the 2012 Nuclear Security Summit and the Pacific Basin Nuclear Conference, and organizing the 2013 World Energy Council Congress in Daegu have also helped boost our global presence. In order to position ourselves as a global-top energy pioneer, we are reorganizing the company as a "Young KEPCO," a young and ambitious organization that does not fear changes and embraces innovations. In early 2012, we implemented the largest-scale restructuring since our establishment.

The company also announced the new "2020 Vision" which clarifies the direction it will be headed and provides a blueprint for the future. KEPCO will continue to promote public interest and contribute to the nation's economic development by enhancing the stability and reliability of power supply. Simultaneously, we will try harder to improve profitability and financial soundness in order to improve shareholder value and sustainable growth of the company. To do so, the company plans to improve the electric power exchange system and electric power pricing system, in addition to thorough planning for increased management efficiency including cost reduction and innovations on procurement and finance to bring the budget back to surplus. Also, KEPCO will create new revenue source by diversifying its business structure through "new contents" identified in new overseas markets and new growth engine industries and pioneering "new area" in the international arena. Also, KEPCO will explore "new areas" in the global arena and create new revenue sources by diversifying its project structure with "new contents" identified in the new sectors and growth engine industries.

Additionally, we will increase our soft power capabilities such as organization, process, engineering, financial capacity, and brand value, as well as strengthen our R&D competence to develop new technologies needed throughout the overall power industry. As a result of these efforts, we target to increase overseas revenue to 50% of the total revenue (from the current 5%) and become a "global champion" with the power industry being a main export item. But KEPCO's ultimate goal is to enhance the happiness of mankind. We put "people" first in our businesses to develop the industry, economy and society.

We will fulfill our responsibility of providing a better quality of life to people of all nations in the world. As a "Global Top Green and Smart Energy Pioneer," we will grow with mankind. Again, I would like to thank all of our customers and shareholders who have always supported us and ask for your continued support for the "Young KEPCO."

Thank you.

Joong-Kyum Kim
President & CEO

KEPCO HIGHLIGHTS

KEPCO adds to a better quality of life for your future. Our green energy and smart technology help people all over the world enjoy clean and convenient lives. We make the world a better place for everyone with next generation energy technology and human-centered business principles.

MORE INSIDE



Comprising six generation companies and four subsidiary companies, KEPCO is one of the world's top ten power providers with a generation capacity of

67,006 MW

We maintain top-tier nuclear power plant technology with a capacity factor of

90.7 %

Korea is among the world's top five nuclear power players, with 21 plants currently in operation and an additional seven under construction.

21 units

We provide a stable supply of high quality electricity, keeping the power outage time per customer at

12.4 minutes

Our high-efficiency equipment and smart power grid enable us to claim the world's best power transmission and distribution efficiency, with a loss rate of

3.69 %

KEPCO is implementing 99 overseas projects in a wide range of areas, including nuclear power, hydro and thermoelectric power, transmission and distribution, renewable energy, and resource development.

99 projects

KEPCO'S HISTORY

KEPCO has gone through countless changes and innovations. Now, the company is expanding its scope beyond Korea's borders. At presents, KEPCO remains committed to nurturing overseas power projects and green growth with the goal of emerging as a global energy company.

KEPCO 114 YEARS



1898~1944

Hansung Electric Company, the predecessor of KEPCO, was established in January 1898. In May 1899, the first electric train was between Dongdaemun and Seodaemun, and Soopoong hydro power plant was built in the closing stages of World War II.

Establishment of Hansung Electric Company
January 1898



1945~1960

Despite North Korea cutting off the power supply in 1948, Korea made it through this difficult time and achieved exceptional growth. Electra, a power generating vessel (6,900kW), began operating in Incheon Harbor, and Dangin-ri Thermal Power Plant started generating electricity. In 1957, Korea joined The International Atomic Energy Agency (IAEA), marking a new beginning in the nation's history of power generation.

Dangin-ri Thermal Power Plant resumed operation
May 1948



1961~1981

Electricity became available to all and in sufficient amounts. This was due to the establishment of Korea Electric Company (1961), the beginning of the unlimited transmission of electricity (1964) and completion of power grid construction in rural areas across the nation (1979). Now electricity became the driving force for Korea's economic development.

Completion of Korea's first nuclear power plant
April 1978



1982~2000

KEPCO began its bold foray into the global market. In 1994, it was listed on the New York Stock Exchange. In 1995, the company was selected as the operator for The Malaya Power Plant in the Philippines. In 1998, KEPCO celebrated the centennial of electric power in Korea and the beginning of a new chapter in its remarkable story of growth.

Establishment of KEPCO
January 1982



2001~2007

KEPCO began focusing on sharing as well as growing. The company launched The KEPCO Social Service Team in 2004 and began community service programs that reflect its business characteristics. In addition, it resolved to put top priority on customer satisfaction and focused on customer services. As a result, KEPCO achieved first place in customer satisfaction evaluations of public corporations, the position it has maintained until the present.

Power supply to Gaeseong Industrial Complex
March 2005



2008~2012

KEPCO continued gaining recognition around the world, including the Edison Award and top-ranking (maintained for thirteen years) in customer satisfaction evaluations of public corporations. In 2009, the company won the contract for the UAE nuclear power plant, the largest-scale overseas project since the nation's foundation. In 2012, the company proved its global-scale capacity by completing zero-defect power supply for international conferences such as the Nuclear Security Summit.

Signing of the Overseas nuclear plant contract
December 2009

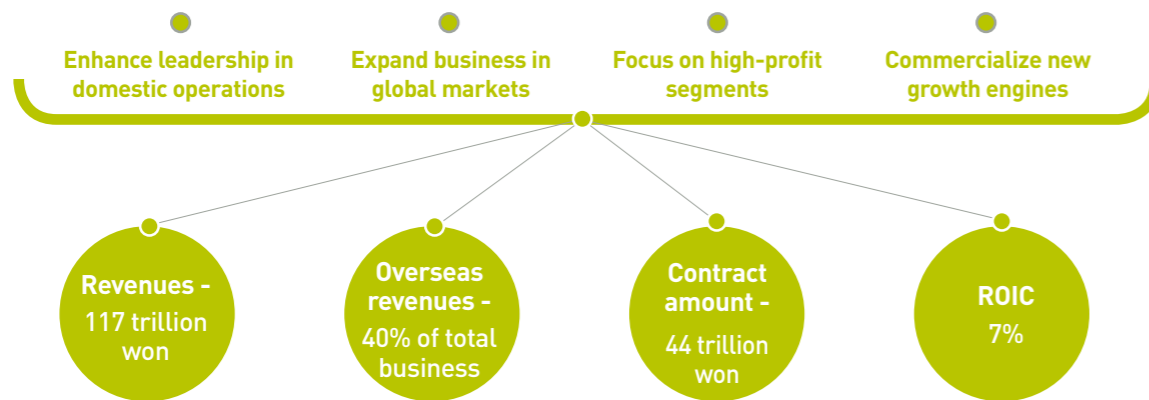


VISION

KEPCO 2020 NEW VISION

GLOBAL TOP GREEN & SMART ENERGY PIONEER

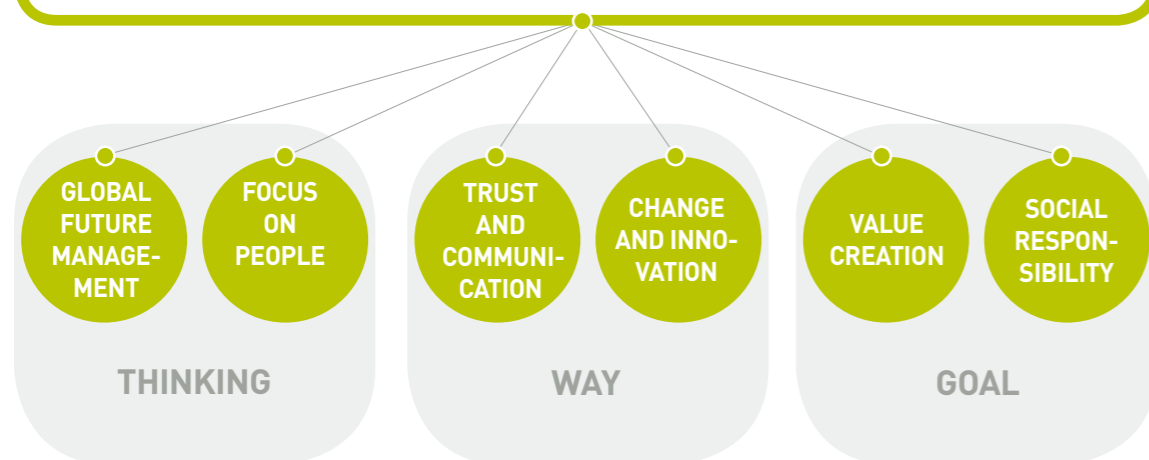
Global Top Energy Utility in 2020



MANAGEMENT PRINCIPLES

ALL TOGETHER, CREATE FUTURE

Sustainable growth as an esteemed corporation by creating future values for prosperity and happiness for all employees, all citizens in Korea, and all people in the world.



ORGANIZATION CHART





CREATE CHALLENGE COMMUNICATE

CREATIVE MINDS BRING "CHANGE AND GROWTH" TO THE WORLD.

WHEN WE OVERCOME THE FEAR OF FAILURE AND KEEP CHALLENGING FOR A BETTER FUTURE, THE WORLD BECOMES BRIGHT AND FULL OF LIFE.

NOW KEPCO IS TAKING ITS IDEAS BEYOND ITS BORDERS FOR A BETTER FUTURE.

REVIEW OF OPERATION

DOMESTIC BUSINESS
OVERSEAS BUSINESS

OUR FUTURE COMPETITIVENESS

TECHNOLOGY R&D
HUMAN RESOURCES DEVELOPMENT
SAFETY & ENVIRONMENT
QUALITY CONTROL
SOCIAL RESPONSIBILITY

DOMESTIC
BUSINESS

Domestic Business

KEPCO is committed to providing the best quality electricity to customers.

We fulfill our mission of delivering the best value to our customers through stable and reliable energy supply and contributing to enhancing the quality of life of the public. At the same time, we help improve national energy efficiency by focusing on demand-side management.

DOMESTIC BUSINESS
OVERSEAS BUSINESS
TECHNOLOGY R&D
HUMAN RESOURCE DEVELOPMENT
SAFETY & ENVIRONMENT
QUALITY CONTROL
SOCIAL RESPONSIBILITY
CORPORATE DATA





KEPCO's commitment to customer satisfaction and high quality service gained the company top ranking in customer surveys for 13 consecutive years.

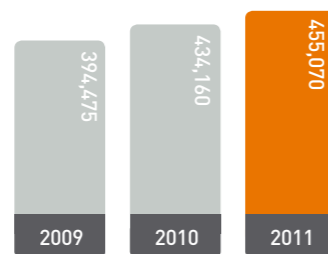
Enhance leadership in domestic operations

KEPCO's domestic operation strategy focuses on enhancing leadership by making power grids smart. We are focusing on strengthening the connectivity between power supply sources and transmission systems and optimizing the connection of renewable energy to the grid. Our plans include digital-based operation to improve system stability, while increasing transmission capacity and implementing automated maintenance and troubleshooting features. We will also enhance our market position with customized customer services and improve profitability and efficiency by diversifying mobile-based services. In addition, we will focus on power supply cost leadership by maintaining stable power transaction systems and innovating engineering and procurement processes, in order to maximize profit and develop competency for global marketing.

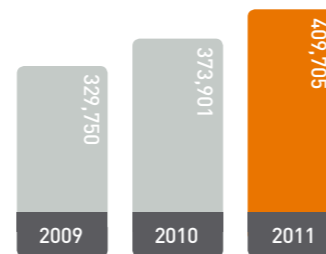
Top-Rank in Customer Satisfaction

As part of our effort to better serve our customers, we offer various types of convenient payment methods based on our advanced IT system. We upgraded our web and mobile payment system, developed a new smartphone application for billing and payment, introduced QR code payment with convenience store chains, and extended credit card payments to include all credit card types. We continue to improve and expand customer service features, including a mobile service for android phones, call reservation with customer contact centers, ARS self-service upgrades, and internet cyber customer center function expansion. In recognition of these efforts, we have maintained the top ranking for thirteen consecutive years in the Korean government's customer satisfaction evaluation for public corporations.

Electricity sales
(Unit: million kWh)



Revenues from electricity sales
(Unit: 100 million won)



Global Top Level High Quality Power Services

Our state-of-the-art diagnostic equipment and automatic troubleshooting and recovery ("Self-Healing") systems enable us to stably supply high quality electricity, keeping the power outage time at 12.4 minutes per household and the voltage consistency at over 99.97%. Our high-efficiency facilities and smart power network allow us to keep power loss during transmission and distribution down to 3.69%, an exceptional feat. We have an integrated control system over our 41 regional districts under fully-automated wide-coverage power distribution centers. Ninety percent of the electricity we provide is distributed automatically through a next-generation automatic power distribution system.

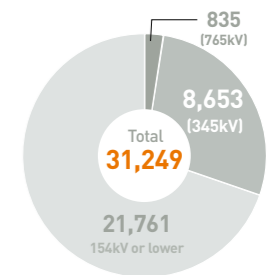
Power Transmission and Transformation System for Stable Supply

As part of our facility plans for the stable supply of high quality electricity, we have constructed power transmission and transformation facilities with optimum timing including Sinchungju (345kV) and 20 other substations, and an ultra high voltage system near Shin-Kori Nuclear Power Plant. In order to improve the efficiency of the transmission network and reliability of power systems, we installed a 50MVar STATCOM (FACTS equipment) at Shinjeju and Halla substations, and 550MVar power condensers and 555MVar shunt reactors at substations across the country. In addition, we are building the high-efficiency HVDC #2 extension between Jeju Island and the main land, helping to lower electricity costs and maintain stable services.

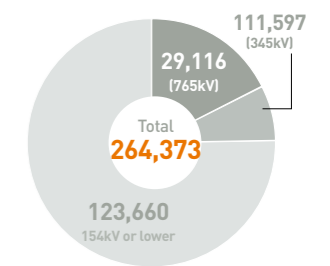
High-Efficiency Distribution Facilities

In order to optimize distribution facility construction, KEPCO has developed next generation environment-friendly equipment such as the compact distributor station, while building real-time operation systems for mobile design, equipment QR management, and GPS site management. Our efficient remote facility monitoring and intelligent diagnostic system have enabled us to reduce the distribution power outage time by 19%.

Transmission facilities (Unit: C-km)



Substations facilities (Unit: MVA)



Substation : 749 units

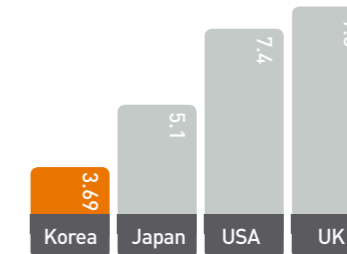
Distribution facilities

Line length	435,549c-km
Support structures	8,464,000 units
Transformers	2,005,000 units

Power outage time per household
(Unit: minutes)



Loss during power transmission
(Unit: %)





KEPCO operates a 24/7 emergency response system to maintain stable power supply.

Power Demand-side Management for Stable Supply and Improved Energy Efficiency

We conducted seasonal demand-side management and distributed load control devices to suppress the summer peak electricity demand to 2,618MW. Also last winter, in response to demand spikes due to the severest cold snap in 55 years, we enforced restrictions on large-scale electricity users and implemented a weekly-scheduled demand control campaign. As a result, we were able to suppress the maximum electricity demand to 1,400MW on the peak day of February 2, to maintain stable power supply services.

In order to maintain stable power supply, KEPCO reorganized the demand control system from seasonal (winter and summer peaks) to year-round, with 2,500 employees in charge of corporate accounts. Various load management programs are in place to maintain the power reserve at 5 million kW, including "Demand Adjustment program of Designated period control" and "Demand Adjustment program of Advance Notice." In addition, our facility support programs include high-efficiency LED lights and signboards and remote control devices for building heating and cooling systems.

Demand emergency response measures

Attention (Blue)

Power reserve under 4 million kW

- Operate non-central emergency generators (750,000 kW)
- Primary adjustment of substation tap (1 million kW)

Caution (Yellow)

Power reserve under 3 million kW

- Secondary adjustment of substation tap (400,000kW)
- Direct load control (1 million kW)

Alert (Orange)

Power reserve under 2 million kW

- Voluntary power conservation (1 million kW)

Emergency (Red)

Power reserve under 1 million kW

- Compulsory load shutdown based on priority

Load Management Programs

Campaign	Demand Adjustment Program of Designated period	Demand Adjustment Program of Advance Notice
Overview	Reduce maximum power consumption during peak hours by over 30% or 3,000kW	Reduce average power consumption by over 10%(20%) or 3,000kW during designated periods
Applicable dates	Dates presenting high possibility of peaks during July 1 - August 31	When power reserve falls below 5,000MW or excessive power consumption is expected
Announcement	Application and contract: June 1 - 30	Friday prior to the week of campaign implementation, secondary notice one day before campaign begins
Reward rate	640-780 won/kW-day	300-510 won/kW-session
Participants	Commercial and industrial usage customers with maximum power consumption of 300kW or more during weekdays/ evening hours in July-September of the previous year	Commercial, industrial, and educational usage customers with maximum power consumption of 300kW or more during the maximum load hours in the previous year
Target capacity	1,500MW	1,500MW-2,000MW
Incentives amount	10,260 million won	68,414 million won
Incentives calculation	Reward rate x reduction amount (A-B) - A: Customer's base load - B: Load during campaign period (average hourly power consumption)	Reward rate x reduction amount (A-B) - A: Customer's base load - B: Load during campaign period (average 30-minute power consumption)

Top Rating from Government Evaluation for Public Corporations

KEPCO received the highest rating ("A") in the 2011 Government Management Evaluation conducted on 100 public corporations. The rating is recognition of our achievements and efforts for excellence, including establishment of a new vision for 2020, top ranking among public corporations for ethical management, top rating in customer satisfaction surveys for 12 consecutive years, power demand control and supply stabilization, groundbreaking of the UAE nuclear power plant construction, three-fold growth of global revenue, and a 28% self-supply rate in power generation fuels.

The rating is based on quantitative evaluation and KEPCO received the highest score among all public corporations. Despite the impact of the global financial crisis and soaring fuel prices, we achieved consistent improvements in 16 evaluation indexes including load rate, customer satisfaction, labor productivity, and capital productivity. We will continue our efforts for innovation, by lowering electricity costs, expanding overseas business, restructuring as a young organization with higher value, and developing competency to survive in the global market.

Financial System for Maximum Corporate Value

We completed the establishment of a financial system compliant with the International Financial Reporting Standards by the International Accounting Standards Board, and conducted an asset re-evaluation (increase of 10.8 trillion won) to improve the financial structure of the company, putting in place an advanced financial system suitable for global business. The company is also undertaking development projects utilizing its real estate assets (22,330,000m²) to develop new cash cows.

Zero-Defect Power Supply for Major Events

KEPCO provided zero-defect power supply for major events including the 2010 G20 Summit, the 2011 Nuclear Security Summit and the 2012 Yeosu Expo. Especially, during the Nuclear Security Summit held in March 2012, our special patrol unit of 350 employees provided 24-hour real-time power supply control and monitoring services to provide zero-outage.

KEPCO's global-scale technical capacity was proven with its zero-defect power supply execution for the Seoul Nuclear Security Summit



GLOBAL
BUSINESS

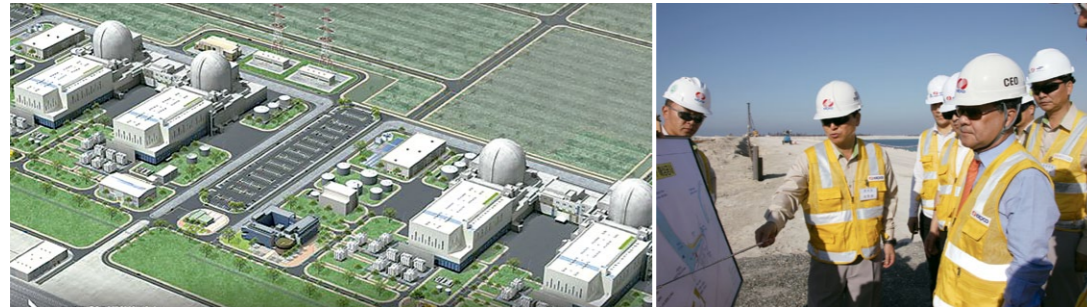
Overseas Business

Aggressively enter the global area to develop new markets

KEPCO is implementing overseas projects in a wide range of areas, including nuclear power, hydro and thermoelectric power, transmission and distribution, renewable energy, and resource development. We are expanding our boundaries to develop new markets and increase the company's future value, with the goal of securing 50% of total revenues from overseas.

DOMESTIC BUSINESS
OVERSEAS BUSINESS
TECHNOLOGY R&D
HUMAN RESOURCE DEVELOPMENT
SAFETY & ENVIRONMENT
QUALITY CONTROL
SOCIAL RESPONSIBILITY
CORPORATE DATA





KEPCO is to build four APR1400 Korean-standard nuclear reactors in the UAE by 2020.

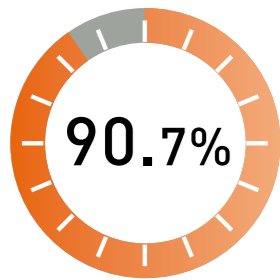
Nuclear Energy Industry Leader with Top Level Performance

Nuclear power is at the center of next generation growth opportunities as an environment-friendly and economical energy source. 430 new nuclear power plants are expected to be built around the world by 2030.

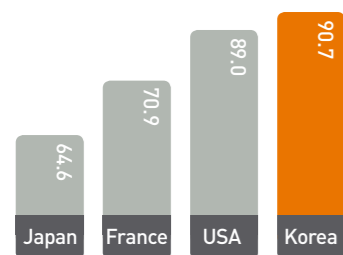
Korea is among the world's top five nuclear power players, with a total installed capacity of 18,716MW. As of 2011, the country has twenty-one nuclear plants in operation and seven under construction. Ten more will be built by 2030. The plants currently under construction are designed at the highest international standards to ensure stability and to withstand 7.0 scale earthquakes.

KEPCO's performance in operating nuclear power plants outstrips its competitors from around the world, with a capacity factor of 90.7% and the number of trips at 0.3 per reactor. The company also maintains global-scale capacity in nuclear power plant construction. We are a strong player with rich experience and a strong technical edge in the nuclear power industry. KEPCO and its nuclear subsidiaries work together to focus on global markets.

Nuclear power plant capacity factor
(Unit: %)



Nuclear power plant capacity factor by country
(Unit: %)



Source: IAEA (as of 2010)

UAE Nuclear Power Plant: KEPCO's First Overseas Nuclear Project

On December 27, 2009, KEPCO won its first overseas nuclear contract with the Emirates Nuclear Energy Corporation of UAE, with the contract amounting to 18.6 billion dollars. The project is for the delivery of 1,400MW Korean standard nuclear reactors(APR1400) and KEPCO is the turn-key provider of the design, purchase, construction and technical support. This contract earned Korea the position of the world's fifth largest exporter of nuclear power plants. The main facility construction will begin when FANR (UAE's nuclear regulator) issues the construction permit in the second half of 2012. The first plant is to be completed in 2017, followed by the remaining three by 2020.

OPR1000 and APR1400, Demonstrating "Korean" Quality

The OPR1000 is a 1,000MW Korean Standard nuclear reactor characterized by a short construction lead time (51 months) and low maintenance cost. It was first introduced in 1998 for Uljin Unit 3 and later for Shin-Kori Units 1 and 2. Its functionality and safety are proven against international standards. The APR1400 is an upgraded model of the OPR1000 (designed for export purposes), with enhanced safety and cost efficiency features. The APR1400 was selected for Shin-Kori Units 3 and 4, whose construction

began in 2007 and will be completed in 2013 and 2014, respectively. The same model will be used for the UAE project, where four units will be built.

Leading the Southeast Asian Energy Market

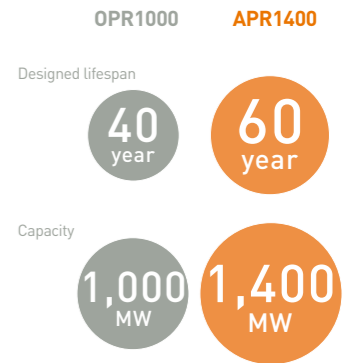
KEPCO maintained revenues of over 150 billion won for eight consecutive years generated from the Malaya, Ilijan, and Naga plants in the Philippines. The plants account for 10.1% of the total power generated in the Philippines, and KEPCO is the second largest foreign provider. We also completed a 200MW power plant in Cebu, expanding our business in the region.

In China, we are operating wind power plants in Shanxi (Gemeng international consortium), Gansu (99MW), and Inner Mongolia Liaoning (727MW). When the Inner Mongolia Liaoning plant (489MW, currently under construction) is complete, KEPCO will be the largest foreign wind power provider in China with a total capacity of 1,315MW.

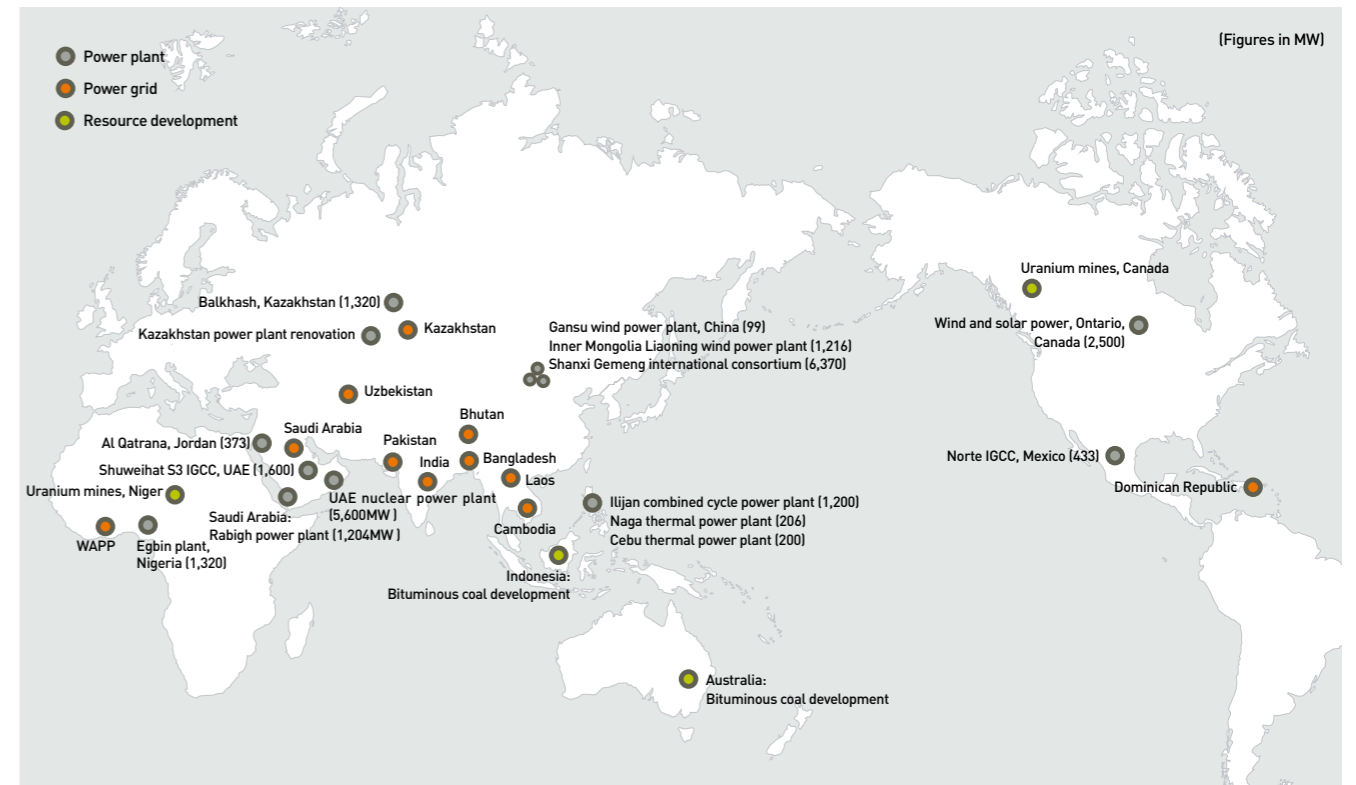
Serving the World from the Americas to Africa

In 2010, KEPCO won the contract for the 433MW Norte IGCC (integrated gas combined cycle) power plant in Mexico, making a successful entry into the Central America market. The company is also in the process of acquiring shares in the Egbin Plant (1,320MW) in Nigeria, Africa. Our efforts of diversification in the global market resulted in the company accumulating overseas revenues of 2.4 trillion won in 2011. We are now aggressively expanding our business overseas, with the goal of 26 trillion won in revenue by 2020.

KEPCO nuclear reactor export-model



Global business performance





KEPCO's first IPP project in the Middle East, Al Qatrana IGCC Power Plant (373MW), provides 12% of Jordan's electricity.

New Power Player in the Middle East

KEPCO occupies an advantageous position in the Middle East market, with large-scale power plant construction and operations in Saudi Arabia, Jordan, and the UAE. The company's first IPP project in the Middle East, Al Qatrana Power Plant (373MW, IGCC) provides 12% of Jordan's electricity. We are also currently constructing the Rabigh Power Plant (1,204MW, heavy oil thermal) in Saudi Arabia and expanding our business into the entire Middle East region, within contracts for the 1,600MW S3 IGCC plant in the UAE (Shuweihat) and the 600MW IPP-3 diesel power plant in Jordan.

Overseas Power Grid Projects

KEPCO's rapid growth and global-scale technical capacity have earned the company worldwide recognition. We have successfully completed consulting projects in Myanmar, the Philippines, Indonesia, Libya, Egypt, Azerbaijan, Ukraine, and Paraguay. Also, we are currently undertaking 19 projects in West Africa, Cambodia, Bangladesh, Pakistan, and Saudi Arabia. As the result of our efforts in market diversification, we won six EPC contracts with Kazakhstan and The Dominican Republic in 2011.

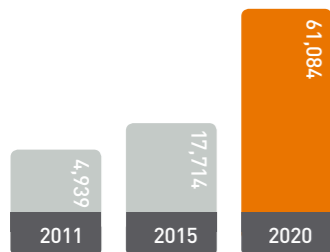
Enriching Korea through Overseas Resource Development

We are securing stable long-term fuel supplies and new revenue sources by purchasing overseas mines and resource development companies. We have acquired Bylong Mine (Australia) and shares in Adaro Energy and Bayan Resources (Indonesia) which produce bituminous coal, and acquired shares in some of the world's top 10 uranium producers, including Denison Mines (Canada), ANCE (France, Niger Imouraren uranium mine), and STM (Canada). We are also participating in exploration projects such as Waterbury Lake (Canada), where we discovered a large amount of high quality uranium. In addition, we are aggressively engaging in coal terminal development, resource trading, and CNG (Indonesia) projects, consolidating our reputation as a major resource developer. We will continue expanding our overseas resource development business, with the goal of securing 60% of power generation fuels by 2020.

2011 overseas revenues
(Unit: KRW)



Annual overseas capacity target
(Figures in MW)



Supporting the 2013 World Energy Congress in Daegu

Representing Korea's energy industry, KEPCO is playing a major role in preparing for the 2013 WEC (World Energy Council) congress in Daegu. As the largest scale international conference in the industry, the conference is expected to bring economic benefits totaling 1 trillion won. KEPCO's CEO, Kim Joong-kyum is serving as the organization committee chair and implementing proactive promotional activities, including visits to the London and Paris chapters to ensure the successful organization of the conference.



KEPCO is implementing promotional activities for the 2013 WEC conference in Daegu.

Giant Leap Towards becoming a "Global KEPCO"

KEPCO is focusing on global market development as a strategy to promote the national economy and create more jobs. Effective from March 4, 2012, the company operates as a restructured 10-overseas branch and 13-overseas subsidiary organization, with an enhanced "front log" for overseas sales and marketing. In addition, it works with strategic partners in Japan, Indonesia, Vietnam, Europe, China, Turkey, and the Philippines, to enhance information networks and improve efficiency.



Ilijan IGCC Power Plant (Philippines)

TECHNOLOGY
R&D

Technology R&D

KEPCO will lead the future energy market with new growth engine development.

KEPCO will develop new businesses with high prospects based on a thorough analysis of future trends in the energy industry. We will enter new high-growth markets such as green technologies including integrated gasification combined cycle (IGCC), carbon capture and storage (CCS), offshore wind power generation, and desalination, and smart technologies such as HVDC, superconductivity, smart grids, and micro grids.



Green & Smart Technology for New Growth Engine Development

In order to lead low-carbon green growth and New Growth Engine business development, KEPCO is focusing on green technologies of IGCC, CCS, superconductivity, and offshore wind power generation. We are also providing high quality electricity service and maximum energy efficiency with smart grid technology. A core green growth infrastructure facility, the smart grid is a smart power grid based on the latest electrical engineering and IT, featuring intelligent and advanced service capacities. To secure a technical edge in the industry, KEPCO is participating in all five projects of the Jeju Smart Grid Test-bed, including the electric vehicle charging system, where the company serves as the project lead and has built 20 charging stations. After completion of the Jeju Test-bed in 2013, KEPCO will apply the system nationwide by 2030. The company will subsequently expand the system with offshore wind power plants, large-capacity power storage systems, and integrated smart grid operation systems. KEPCO will enter the global market with a complete smart grid technology line-up.

Environment-Friendly Green Management

KEPCO's clean development mechanism (CDM) project for reducing SF6 emission is the first to be registered with the UN in the category of power distribution. It drastically reduces greenhouse gas emissions by recovering and recycling over 97% of SF6 gas, the entire amount of which was previously discharged into the atmosphere. The mechanism will be applied to KEPCO's overseas CDM projects in Southeast Asia and other areas. We are also actively involved in the development of renewable power generation technology, which is gaining attention as the ultimate solution to climate change issues. Our focus is on the core technologies of offshore wind power, photovoltaic power, bio-energy and fuel cells. We are currently implementing various projects including a 2.5GW offshore wind power plant in the West Sea of Korea, a 5MW bio gas turbine power system, a photovoltaic power pilot facility infrastructure, and solid oxide fuel cell development.

Core technology for new growth engine development



In order to lead low-carbon green growth and New Growth Engine business development, KEPCO is focusing on green technologies of IGCC, CCS, superconductivity, and offshore wind power generation.

Environment-Friendly Energy Technology for Climate Change Protocol Compliance

In response to the issue of global warming, KEPCO is implementing proactive measures to develop CO2 reduction technology and power strategies compliant with climate change protocols. With the world competing in the development of carbon reduction technology, our CCS development team is focusing on effective absorbents of CO2 and participating in international joint projects to build an integrated management system for carbon reduction technology development in the energy industry. We are also working on IGCC, which is a convergent environment-friendly power generation technology combining coal gasification and gas turbine combined cycle technology. Our current projects focus on core technologies of coal gasification, gas turbine combustion, combined cycle system thermal performance analysis, and a KEPCO IGCC standard model design.

Superconductivity Technology Development for Improved Power Grid Efficiency

We are developing a superconducting fault current limiter and cable to enhance the efficiency and reliability of the power grid. Our focus is on practical applications based on our experience in global-top scale development and operations. We completed development of a 22.9kV superconducting fault current limiter and cable, and constructed a superconductivity pilot test facility in the Icheon Substation. The facility is equipped with 500m-long 22.9kV superconducting cable and a 630A superconducting fault current limiter and is ready for main grid application. In this process, we developed a superconductivity equipment monitoring and control system and gained knowledge on its maintenance and operation techniques, and established a standard performance test that is equivalent to the one for conventional power equipment. Expanding on this success, we also began a new project for developing a 154kV superconducting fault current limiter and cable, which will be applied to systems on Jeju Island.

Large-Scale Offshore Wind Power Pilot Facility in the Southwest Sea

The project for a 2.5GW offshore wind power plant in the southwest sea is being sponsored by the Korean government with the goal of fostering the nation as a "world top 3 offshore wind power player in 2020." The site is located in the sea of Anmado, Yeonggwang, Jeollanam-do. Construction of the pilot facility is the first phase of the project (2.5GW capacity constructed by 2019), an 80MW facility to be built during 2013-2014 with a budget of 425.7 billion won. KEPCO and six power generation companies are to form a consortium (tentatively named Korea Wind Power Corporation) to participate in the project as the main developer. KEPCO is to provide 53.2 billion won (25% of the capital) and the six power generation companies 159.6 billion won (75% of the capital). With this project, KEPCO plans to accumulate EPC management techniques and gain experience in offshore wind power in order to target the global market.

OUR FUTURE COMPETITIVENESS

Human Resources Development

Human Resources Development



KEPCO will open the doors to sustainable growth in the global market.

KEPCO's human resource development goal is to foster global talent capable of identifying and developing "new areas and new contents." Our training programs focus on the core competencies for stable power supply service and efficient business operation.

New HRD System for Global Talent Development

In February 2012, KEPCO implemented a major-scale restructuring with a focus on sustainable growth in the global market. The restructuring concentrated on enhancing the capacities of the engineering division and overseas sales, in order to change the previously hierarchical organization that was heavily dependent on domestic sales lacking focus in business capacity and to create a new organization with the domestic division focusing on public service and the overseas division aiming for high profits and job creation. The company also restructured its HRD system in 2012, shifting the focus from tasks of domestic operation to overseas business, offshore outsourcing, global future business, and specialized domestic business divisions. The priority is to foster global talent and business competency. Specific training programs include foreign language courses, overseas business core task training, and customized activity programs. We also added a mind innovation course focusing on overcoming crises and enhanced the curricula on renewable energy and green technology for New Growth business development.

Junior Board to Promote Communication and Change

The company launched the "Junior Board," a new "dream maker" group consisting of young employees, to promote open communication and flexible decision making. Consisting of 200 members selected from employees in their 3rd-13th year of service, the board complements decisions made by the Senior Board and generates innovative ideas regarding how to enhance global competence, execute changes and innovations, and implement creative alternatives and open communication. We also established the KEPCO International Nuclear Graduate School which provides studies for manager-level engineers to become practicing nuclear professionals.

Customized Training Programs for Global Talent Development

KEPCO provides training programs focusing on global business capacity required to generate profit in the global market. The programs include customized courses on specific business activities in each area of nuclear power, thermal power, renewable energy, international contracts, finance, budgeting, accounting, and legal and labor affairs.

- 1. Mind Innovation Training**
Training for employees of all levels, focusing on crisis management and awareness of challenges as a global energy provider
- 2. Global Business Language**
An immersion course for English language training, focusing on business language and global communication skills
- 3. Overseas Business Support Training**
Courses in specific areas of accounting, budgeting, labor management, and legal affairs, focusing on fostering human resources for overseas business development
- 4. Engineering, Nuclear Power, and Thermal Power Training Programs**
Training courses designed to re-educate employees in domestic operations to open their perspectives to find "new areas and new contents" in areas of nuclear power and thermal power and others
- 5. Renewable Energy Training**
Designed to foster human resources specializing in renewable energy (wind and photovoltaic power), to diversify the overseas business portfolio
- 6. Core Activity Training**
Training for human resources specialized in QC (quality control over entire processes of a project), HSE (analyze and evaluate risk regarding health, safety and environment), and process management

Junior Board Functions and Activities

Functions	Activities
Management Strategy Think Tank	Discuss strategies to accomplish vision
Changes Innovations Early Adapter	Elicit topics on innovation and derive direct improvement action plans
Open Communication Messenger	Deliver employees' opinions to the management; communicate management directions with employees
Next-Generation Top Talent	Enhance competency of next-generation global leaders

OUR FUTURE COMPETITIVENESS

Safety & Environment

SAFETY & ENVIRONMENT



KEPCO is committed to establishing an effective safety and health management system.

In order to fulfill our social responsibility of sustainable management, we newly created the HSSE Office which manages the company's health, safety, security and environment affairs. The office will help enhance KEPCO's HSSE standards to meet the global level, promote employees' awareness of safety and security issues, and establish a strong environment and health management system.

Enhanced Control Tower Function for Safety and Security

KEPCO is implementing various measures to minimize accidents, including a safety consulting program for partner companies. Independent safety consultants visit the field to conduct inspections and provide consulting, to ensure a safe work environment and prevent accidents. As the company expands overseas business, we are also focusing on safety issues at overseas project sites. We establish integrated management plans for overseas construction sites and conduct periodic reporting sessions and HSE audits, while enhancing the control tower function of the company headquarters. On the other hand, we are prepared for possible threats posed by hacking and cyber terror that may cause serious loss to the company and the country. In order to prevent financial loss and negative publicity resulting from the mishandling of customers' personal information, KEPCO preempted cyber terror at source by separating its internet network and business network. We are also operating our infrastructure of SCADA and DAS as an isolated network to ensure stable service of power supply.

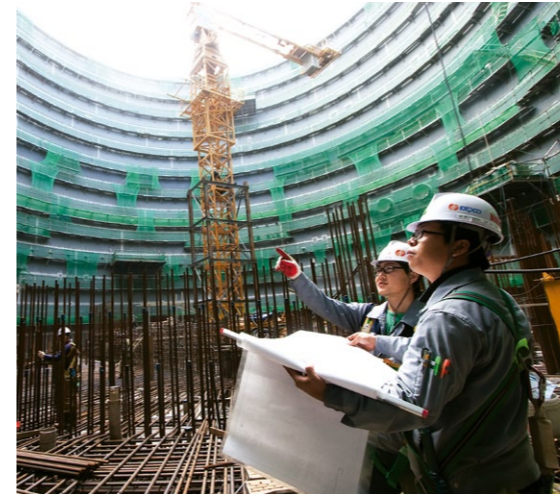
Efficient Environment Management System and Enhanced Healthcare Programs

In line with the world's attention on the issues of global warming and climate change, KEPCO is focusing on the efficient operation of environment management system to identify environment-related issues at work sites in Korea and overseas, establish improvement plans, and implement consistent activities for improvement. Especially, the Overseas Project Environment Management System provides integrated management over environment-related matters at overseas project sites, such as compliance issues in each country and contract requirements of specific projects. The system helps us to protect the environment while promote our corporate image. In addition, we provide annual health checkups and bi-annual full blood work for all employees to help prevent health problems and improve the quality of life. Employees are provided additional healthcare options based on the health checkup result. In particular, we plan to expand the clinic center at the UAE Barakah site and introduce the Safety Guard System to ensure a safe working environment for our employees at overseas project sites. The company will continue to enhance its healthcare management system in Korea and overseas.

OUR FUTURE COMPETITIVENESS

Quality Control

QUALITY CONTROL



KEPCO will open the doors to sustainable growth in the global market.

KEPCO will establish a global-top scale quality management system by enhancing "watch & warn" functions to improve quality and eliminate risk.

Overall Quality Management of EPCM

In order to ensure management quality throughout the entire EPC cycle of design, purchasing, construction, and operation, KEPCO is enforcing an "individual signature" policy for all processes. To clarify the scope of major tasks, we established a lateral process for each individual job activity and included workflow in job descriptions with clearly specified responsibility and authority. We also use the SOP system to manage tasks requiring lateral workflow between multiple departments.

Global Quality Warranty System for Overseas Nuclear Power Plants

We are implementing preventive measures to ensure global-scale quality with zero-defects at the UAE nuclear power plant. For this, we enforce self-assessment and corrective action program, and collaborate with our partners to detect quality issues in advance and take adequate measures to correct them. Our preventive programs include analysis of internal quality evaluation results and benchmarking quality management programs of other nuclear power plants.

Standard Process System Based on Scientific Process Management

We newly established the Project Schedule Management Office to analyze the schedule, predict risks, and prevent problems accordingly. The office is also in charge of schedule manuals for all teams in the company and developing a standard schedule for construction projects. In addition, the company provides specialized courses to train schedule managers.

KEPCO's standardization strategy

Standardize development technology

- Develop smart grid standards Develop EMC specification Establish/revise standard period

Establish foundation for international standards

- Reestablish the KEPCO International Standard Committee, Participate in IEC international working group expert sessions

Enhance standard collaboration and competency

- Participate in the Korean government project for SG technology standardization, Establish collaboration system with related organizations, Foster specialized human resources

SOCIAL
RESPONSIBILITY

Social Responsibility

KEPCO dreams of a better world for all

As the energy industry leader, KEPCO is committed to sustainable growth on the foundation of trust. We build win-win relationships with our partner companies and implement various ethical management measures to enhance transparency of business operations. We believe our efforts will guide our society, nation, and the world with the light of hope to obtain a better quality of life.

DOMESTIC BUSINESS
OVERSEAS BUSINESS
TECHNOLOGY R&D
HUMAN RESOURCE DEVELOPMENT
SAFETY & ENVIRONMENT
QUALITY CONTROL
SOCIAL RESPONSIBILITY
CORPORATE DATA





The KEPCO 119 Disaster Rescue Team helps places that have suffered from disasters to recover. We also support 270 local child care centers. Our Eye Love Hope Project (co-organized with Korea Foundation for the Prevention of Blindness) gave the gift of eyesight to children around the world.

Community Service and Mecenat Activities to Fulfill Social Responsibility

KEPCO implements a wide range of activities to fulfill its responsibility to society. We support 270 local child care centers with learning programs, cultural field trips, and mentoring. We also form mutually beneficial relationships with the communities involved in our projects, such as construction sites for our power grids. We provide practical support to communities including electrical repairs, free medical clinics and purchase of local specialty goods, which also helps strengthen the foundation of our business. In particular, we have supported traditional marketplaces by purchasing gift certificates amounting to 3,220 million won, and provided electrical safety repairs for senior citizens living alone with limited access to such services.

Labor and management joined together in the Hanbit Cornea Donation Campaign, in which 8,138 employees participated (the largest number of participants among Korean companies). The company and the Korea Foundation for the Prevention of Blindness jointly organized the Eye Love Hope Project, which donated the points and mileage from corporate credit card use that amounted to 100 million won. The money was used to provide the gift of eyesight to 50 children, including 40 from Korea and 10 from China, the Philippines, Vietnam, Mexico, and Jordan (two from each country).

Furthermore, the KEPCO 119 Disaster Rescue Team helps fulfill the company's social responsibility by participating in recovery activities after disasters such as the Yeonpyeong-do military attack and snow damage in winter.

We are also actively involved in mecenat activities to promote the arts and culture. We operate KEPCO Art Center, a space dedicated to cultural performances, and organize Hope, Love and Sharing Concerts in small towns to help more people enjoy and benefit from the arts and culture.

Ethical Management System towards becoming a Global Top Company

KEPCO reorganized its ethical management guideline system into a simplified structure of charter, code of conduct, guidelines, and enhanced the ethical management infrastructure by introducing the Ethical Management Portal and Ethical Mileage System (the first among public corporations). We introduced a reward program for reports of violations to promote ethical business practices among employees, and appointed 282 Ethical Business Practice Leaders to lead the companywide campaign of "Clean KEPCO." In recognition of these efforts and achievements in ethical management, KEPCO received the top grade among 21 participants and was selected as the best performer in the Anti-Corruption and Civil Rights Committee's evaluation of public corporations.

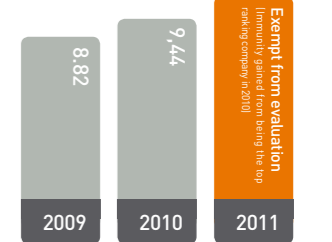
Win-Win Growth Strategy with SMB Partners

KEPCO helps create a healthy environment in the energy industry, by implementing a win-win growth strategy with SMBs. In April 2012, we hosted a seminar session with 500 companies to discuss strategies for win-win partnerships and mutual growth, and derived three strategy focus areas and 32 action plan items from this. This is a part of KEPCO's proactive support for its SMB partners, to help them to grow into Global Small Giants.

Our SMB support programs include: financial support of 97 billion won (as of 2011) in four types of loans including Power Energy Loan, operation of four models including supply chain improvement through shared incentive for delivery schedule requirement, support for quality certification and innovation, and package-type comprehensive management consulting.

In order to foster technology development for our SMB partners, we provided R&D support of 100 billion won for 554 projects from 2009 to 2011. We are also operating an escrow system for technology transfer and intellectual property protection.

Score of anti-corruption evaluation for public corporations (Points, on the scale of 10)



FINANCIAL
STATEMENTS

Corporate Data

- 46 | CONSOLIDATED FINANCIAL STATEMENT
- 47 | CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
- 48 | CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
- 49 | CONSOLIDATED STATEMENTS OF CASH FLOWS
- 51 | MAJOR STATISTICS

- 52 | ELECTRIC POWER GRID
- 53 | SUBSIDIARY POWER GENERATION COMPANIES
- 56 | SUBSIDIARY COMPANIES
- 57 | GLOBAL NETWORK

DOMESTIC BUSINESS
OVERSEAS BUSINESS
TECHNOLOGY R&D
HUMAN RESOURCE DEVELOPMENT
SAFETY & ENVIRONMENT
QUALITY CONTROL
SOCIAL RESPONSIBILITY
CORPORATE GOVERNANCE



CONSOLIDATED FINANCIAL STATEMENT

AS OF DECEMBER 31, 2011, DECEMBER 31, 2010 AND JANUARY 1, 2010

(KRW in millions)

Items	Dec. 31, 2011	Dec. 31, 2010	Jan. 1, 2010
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	1,387,921	2,090,051	1,475,684
Current financial assets, net	770,539	723,422	763,751
Accounts and other receivables, net	7,632,497	6,612,377	5,982,542
Inventories, net	3,851,751	3,483,415	3,461,429
Income tax receivables	35,801	3,007	6,841
Current non-financial assets	447,393	244,130	159,448
	<u>14,125,902</u>	<u>13,156,402</u>	<u>11,849,695</u>
NON-CURRENT ASSETS:			
Non-current financial assets, net	2,199,032	2,457,432	1,806,109
Non-current accounts and other receivables, net	1,284,532	846,318	1,026,130
Property, plant and equipment, net	112,384,881	107,406,466	102,751,572
Investment properties, net	517,149	533,166	507,959
Intangible assets, net	848,709	923,136	501,136
Investments in joint ventures	767,202	275,321	195,595
Investments in associates	3,718,154	3,490,510	3,284,215
Deferred tax assets	372,478	151,870	399,822
Non-current non-financial assets	249,811	277,173	295,800
	<u>122,341,948</u>	<u>116,361,392</u>	<u>110,768,338</u>
Total Assets	136,467,850	129,517,794	122,618,033
LIABILITIES			
CURRENT LIABILITIES:			
Accounts and other payables, net	6,576,158	4,571,145	4,166,228
Short-term borrowings	1,173,568	457,931	592,875
Current financial liabilities, net	5,852,342	6,324,952	5,631,972
Income tax payables	505,154	257,563	83,487
Current non-financial liabilities	3,541,562	2,383,303	1,828,701
Current provisions	92,383	77,279	65,758
	<u>17,741,167</u>	<u>14,072,173</u>	<u>12,369,021</u>
NON-CURRENT LIABILITIES:			
Non-current accounts and other payables, net	4,178,137	5,280,924	5,245,490
Non-current financial liabilities, net	39,403,578	33,052,466	28,034,241
Non-current non-financial liabilities	5,611,010	5,221,856	5,251,182
Employee benefits obligations, net	1,942,994	1,964,155	1,985,131
Deferred tax liabilities, net	6,786,779	6,307,322	6,463,994
Non-current provisions	7,000,235	6,342,361	5,981,636
	<u>64,922,733</u>	<u>58,169,084</u>	<u>52,961,674</u>
Total Liabilities	82,663,900	72,241,257	65,330,695
EQUITY			
CONTRIBUTED CAPITAL:			
Shares issued	3,209,820	3,207,839	3,207,839
Share premium	843,758	835,140	835,140
	<u>4,053,578</u>	<u>4,042,979</u>	<u>4,042,979</u>
RETAINED EARNINGS:			
Legal reserves	1,603,919	1,603,919	1,603,919
Voluntary reserves	21,766,678	21,828,100	21,905,812
Retained earnings before appropriations	12,398,497	15,864,213	15,987,364
	<u>35,769,094</u>	<u>39,296,232</u>	<u>39,497,095</u>
OTHER COMPONENTS OF EQUITY:			
Other capital surpluses	639,028	569,630	471,708
Cumulative other comprehensive income	255,095	355,626	306,235
Treasury stocks	(741,489)	(741,489)	(741,489)
Other equity	13,294,990	13,295,000	13,295,000
	<u>13,447,624</u>	<u>13,478,767</u>	<u>13,331,454</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	53,270,296	56,817,978	56,871,528
NON-CONTROLLING INTERESTS	533,654	458,559	415,810
Total Equity	53,803,950	57,276,537	57,287,238
Total Liabilities and Equity	136,467,850	129,517,794	122,618,033

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

(KRW in millions except per share amounts)

Items	2011	2010
SALES		
Sales of goods	41,754,554	38,004,325
Sales of service	322,616	747,044
Sales of construction contracts	1,455,132	755,213
	<u>43,532,302</u>	<u>39,506,582</u>
COST OF SALES		
Cost of sales of goods	41,283,628	35,021,668
Cost of sales of service	393,049	414,672
Cost of sales of construction contracts	1,405,302	750,897
	<u>43,081,979</u>	<u>36,187,237</u>
GROSS PROFIT	450,323	3,319,345
OTHER OPERATING INCOME	598,303	536,915
SELLING AND ADMINISTRATIVE EXPENSES	1,751,697	1,644,760
OTHER OPERATING EXPENSES	147,595	69,787
OTHER INCOME(LOSS)	165,703	118,207
OPERATING INCOME(LOSS)	(684,963)	2,259,920
FINANCE INCOME	607,592	591,491
FINANCE EXPENSES	2,518,850	2,558,425
PROFITS OF ASSOCIATES AND JOINT VENTURES USING EQUITY METHOD	123,095	76,626
Share in income of associates and joint ventures	162,513	160,314
Gain on disposal of associates and joint ventures	3,147	25,975
Share in loss of associates and joint ventures	(42,115)	(56,246)
Loss on disposal of associates and joint ventures	(450)	(53,417)
INCOME (LOSS) BEFORE INCOME TAX	(2,473,126)	369,612
INCOME TAX EXPENSE	819,871	438,779
NET LOSS FOR THE YEAR	(3,292,997)	(69,167)
OTHER COMPREHENSIVE INCOME (LOSS)		
Net change in fair value of available-for-sale financial assets, net of tax	(174,958)	124,464
Loss on valuation of derivatives using of cash flow hedge accounting, net of tax	(27,999)	(35,005)
Actuarial losses on retirement benefit obligations	(152,196)	(85,605)
Share in other comprehensive income(loss) of associates and joint ventures, net of tax	45,860	(34,297)
Foreign currency translation of foreign operations, net of tax	47,135	(12,124)
	<u>(262,158)</u>	<u>(42,567)</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(3,555,155)	(111,734)
NET INCOME(LOSS) ATTRIBUTABLE TO		
Owners of the Company	(3,370,464)	(119,931)
Non-controlling interests	77,467	50,764
	<u>(3,292,997)</u>	<u>(69,167)</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO		
Owners of the Company	(3,627,669)	(151,472)
Non-controlling interests	72,514	39,738
	<u>(3,555,155)</u>	<u>(111,734)</u>
EARNINGS PER SHARE		
Basic earnings per share	(5,411)	(193)
Diluted earnings per share	(5,411)	(193)

**CONSOLIDATED STATEMENTS OF
CHANGES IN EQUITY**

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

(KRW in millions)

Items	Contributed capitals	Retained earnings	Other components of equity	Equity attributable to owners of the Company	Non-controlling interest	Total Equity
Balance at January 1, 2010	4,042,979	39,497,095	13,331,454	56,871,528	415,810	57,287,338
Total comprehensive income:						
Net (income) loss for the period	-	(119,931)	-	(119,931)	50,764	(69,167)
Net change in fair value of available-for-sale financial assets, net of tax	-	-	124,322	124,322	142	124,464
Loss on valuation of derivatives using cash flow hedge accounting, net of tax	-	-	(35,005)	(35,005)	-	(35,005)
Actuarial losses on retirement benefit obligations, net of tax	-	(78,876)	-	(78,876)	(6,729)	(85,605)
Share in other comprehensive income(loss) of a associates and joint ventures , net of tax	-	(2,056)	(32,241)	(34,297)	-	(34,297)
Foreign currency translation of foreign operations, net of tax	-	-	(7,685)	(7,685)	(4,439)	(12,124)
Dividends paid	-	-	-	-	(35,740)	(35,740)
Capital increase in subsidiaries	-	-	-	-	16,476	16,476
Change due to acquisition and disposal of subsidiaries	-	-	97,922	97,922	22,299	120,221
Others	-	-	-	-	(24)	(24)
Balance at December 31, 2010	4,042,979	39,296,232	13,478,767	56,817,978	458,559	57,276,537
Balance at January 1, 2011	4,042,979	39,296,232	13,478,767	56,817,978	458,559	57,276,537
Total comprehensive income:						
Net (income) loss for the period	-	(3,370,464)	-	(3,370,464)	77,467	(3,292,997)
Net change in fair value of available-for-sale financial assets, net of tax	-	-	(174,937)	(174,937)	(21)	(174,958)
Loss on valuation of derivatives using cash flow hedge accounting, net of tax	-	-	(18,648)	(18,648)	(9,351)	(27,999)
Actuarial losses on retirement benefit obligations, net of tax	-	(151,672)	-	(151,672)	(524)	(152,196)
Share in other comprehensive income(loss) of associates and joint ventures, net of tax	-	(5,002)	50,881	45,879	(19)	45,860
Foreign currency translation of foreign operations, net of tax	-	-	42,173	42,173	4,962	47,135
Dividends paid	-	-	-	-	(44,663)	(44,663)
Capital increase	-	-	-	-	(44,663)	(44,663)
Change due to acquisitions and disposals of subsidiaries	10,599	-	-	10,599	3,187	13,786
Others	-	-	69,388	69,388	42,991	112,379
Others	-	-	-	-	1,066	1,066
Balance at December 31, 2011	4,053,578	35,769,094	13,447,624	53,270,296	533,654	53,803,950

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

(KRW in millions)

Items	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	(3,292,997)	(69,167)
Adjustments for:		
Income tax expense	819,817	438,779
Depreciation	6,782,661	6,579,220
Amortization of intangible assets	94,729	117,444
Retirement benefit expense, net	341,902	341,210
Bad debt expense	15,136	13,569
Interest expense	2,123,579	2,045,684
Loss on disposal of property, plant, and equipment	31,228	46,882
Loss on abandonment of property, plant, and equipment	296,557	219,911
Impairment loss on intangible assets	221	451
Accretion expense to provisions, net	433,374	139,969
Loss (gain) on foreign currency translation, net	226,012	(110,158)
Valuation and transaction loss (gain) on derivative instrument, net	(75,307)	196,334
Share in income of associates and joint ventures, net	(120,398)	(104,068)
Gain on disposal of property, plant and equipment	(38,776)	(42,037)
Loss (gain) on disposal of associates and joint ventures, net	(2,699)	27,443
Interest income	(291,625)	(120,422)
Dividends income	(18,894)	(3,341)
Other losses (gains), net	47,998	55,308
	10,665,569	9,842,178
Changes in operating assets and liabilities:		
Increase in accounts receivables	(1,021,781)	(539,781)
Increase in non-trade receivables	(45,009)	(24,369)
Decrease(increase) in accrued income	26,205	(6,038)
Increase in other receivables	-	(2,936)
Increase in other current assets	(154,062)	(111,388)
Increase in inventories	(1,411,785)	(875,476)
Decrease in other non-current assets	21,823	431,576
Increase in account payables	710,831	511,311
Increase(decrease) in non-trade payables	(7,882)	113,467
Increase in accrued expenses	30,386	154,231
Increase in other current liabilities	1,204,974	262,503
Increase in other non-current liabilities	525,996	97,803
Decrease in associates and joint ventures	62,169	35,488
Decrease in provisions	(289,237)	(330,195)
Payments of retirement benefit obligations	(345,774)	(401,143)
Increase in plan assets	(291,339)	(96,751)
	(984,485)	(781,698)
	6,388,087	8,991,313

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

(KRW in millions)		
Items	2011	2010
Interest received	247,711	168,014
Interest paid	(2,196,429)	(2,272,028)
Dividends received	18,894	3,427
Income tax paid	(313,534)	(150,636)
Net cash provided by operating activities	4,144,729	6,740,090
CASH FLOWS FROM INVESTING ACTIVITIES:		
Disposal of associates and joint ventures	(10,136)	35,412
Acquisition of associates and joint ventures	(491,293)	(756,443)
Disposal of property, plant and equipment	50,578	100,325
Acquisition of property, plant and equipment	(10,610,402)	(10,184,037)
Disposal of intangible assets	467	198
Acquisition of intangible assets	(42,599)	(470,413)
Disposal of investment properties	523	-
Disposal of financial assets	856,021	295,844
Acquisition of financial assets	(840,852)	(564,832)
Decrease (increase) in loans, net	(29,574)	(203,545)
Increase (decrease) in deposits received, net	(53,042)	91
Receipt of government grants	47,903	27,589
Net cash outflow from acquisition of subsidiaries	(65,147)	(40,862)
Other cash outflow from investing activities, net	(28,412)	(233,476)
Net cash provided by investing activities	(11,195,693)	(11,994,149)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from short-term borrowings, net	114,015	(348,216)
Proceeds from long-term borrowings and debentures	12,100,107	11,654,394
Repayment of long-term borrowings and debentures	(5,880,330)	(5,786,761)
Payment of financial lease	(136,760)	(123,773)
Settlement of derivative instruments, net	51,916	350,404
Proceeds on disposal of partial interest in a subsidiary that does not involve loss of control	100,691	149,579
Change in non-controlling interest	36,142	16,071
Dividends paid	(44,663)	(35,740)
Other cash inflow(outflow) from financing activities, net	297	(6,290)
Net cash provided by financing activities	6,341,415	5,869,668
EFFECTS OF EXCHANGE RATE CHANGES	7,419	(1,242)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(702,130)	614,367
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	2,090,051	1,475,684
CASH AND CASH EQUIVALENTS, END OF THE PERIOD	1,387,921	2,090,051

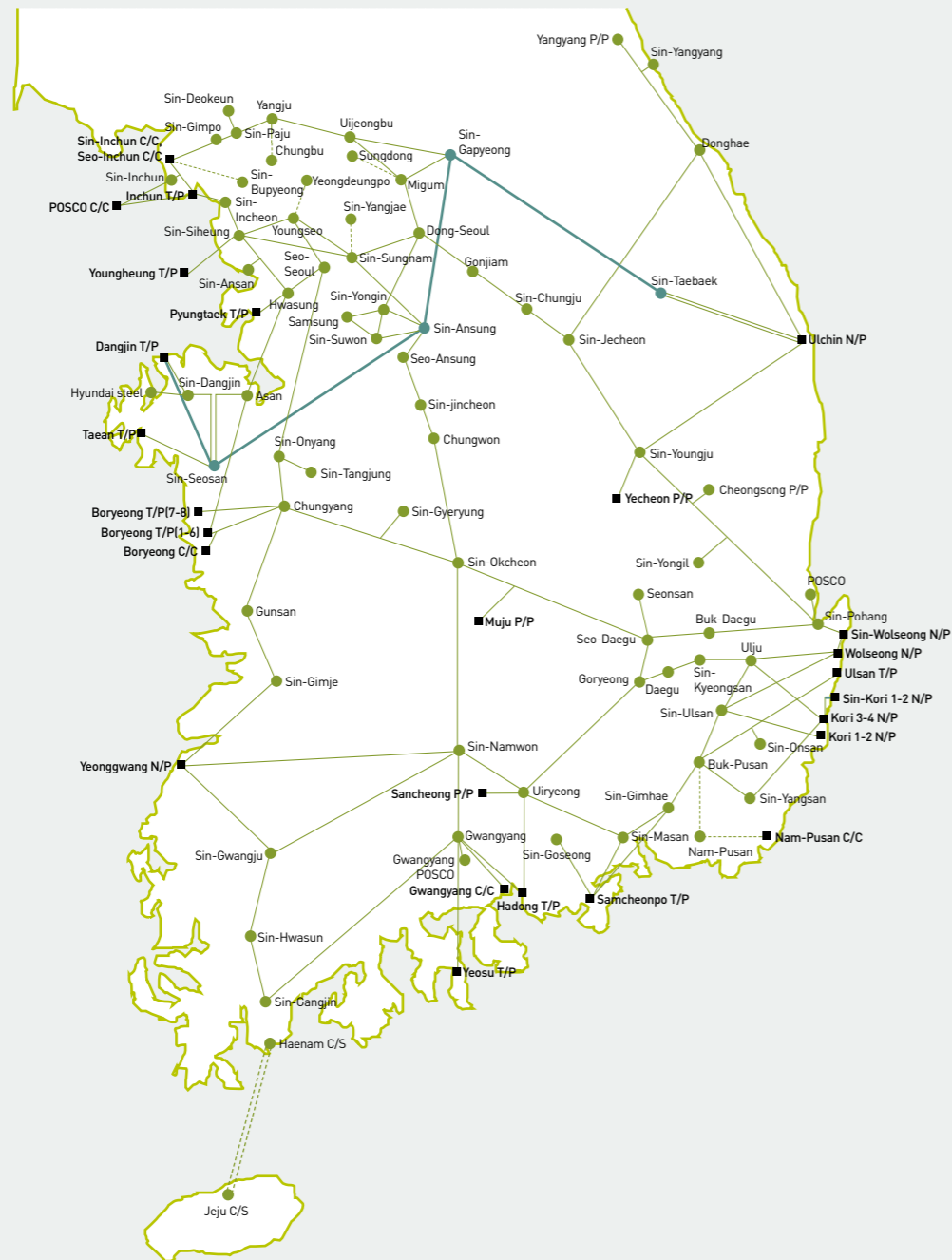
MAJOR STATISTICS

(Unit : MW)							
Coal	Gas	Nuclear	Oil	Hydro	Alternative energy	Total	
24,205	20,116	18,716	8,041	6,418	1,845	79,341	
* Privately funded plants included							
(Unit : GMW)							
Coal	Nuclear	Gas	Oil	Alternative energy	Hydro	Total	
200,124	154,723	101,702	22,528	9,985	7,831	496,893	
* Privately funded plants included							
(Unit : MW)				(Unit : million kWh)			
Peak demand	Supply capacity	Installed capacity	Date and time	Manufacturing	Public, Service	Residential	Total
73,137	77,179	76,649	11.1.17 12:00	242,204	151,302	61,564	455,070
(Unit : %)							
Year	2007	2008	2009	2010	2011		
Load Factor	73.9	76.6	74.1	76.0	77.4		
* Privately funded plants included							
(Unit : Person)							
Category	Executives	Management	Administration	Engineers	Skilled Technicians	Non-regular	Total
Persons	6	403	4,181	9,258	3,247	2,208	19,303
(Unit : MW)							
Fuel Type	KHNP	KOSEP	KOMIPO	WP	KOSPO	EWP	Total
Nuclear	Kori (3,137) Shin-Kori (1,000) Wolseong (2,779) Yeonggwang (5,900) Uljin (5,900)	-	-	-	-	-	18,716
Bituminous Coal	-	Samcheonpo (3,240) Yeongheung (3,340)	Boryeong (4,000)	Taeon (4,000)	Hadong (4,000)	Dangjin (4,000) Honam (500)	23,080
Anthracite Coal	-	Yeongdong (325)	Seocheon (400)	-	-	Donghae (400)	1,125
Oil	-	Yeosu (529)	Jeju (150) Jeju Inthermal Combustion (135)	Pyeongtaek (1,400)	Yeongnam (400) Namjeju (200) Namjeju Inthermal (40)	Ulsan 1 (600) Ulsan 2 (1,200)	4,654
Gas	-	Bundang Combined Cycle (922)	Boryeong Combined- Cycle (1,800) Incheon (500) Seoul (387.5) Incheon Combined Cycle (1,012)	Seoincheon Combined Cycle (1,800) Pyeongtaek Combined Cycle (480) Gunsan Combined Cycle (718.4)	Hallim Combined Cycle (105) Shin-incheon Combined Cycle (1,800) Busan Combined-Cycle (1,800) Yeongwol Combined Cycle (848)	Ulsan 3 (1,200) Ilsan Combined Cycle (900)	13,823
Hydro	Cheongpyeong Hydro and other (591) Muju Yangju (4,700) Goesan Small Hydro and other (10)	Samcheonpo Offshore Small Hydro (4.7) Yeongheung Offshore Small Hydro (7.6)	Boryeong Small Hydro (7.5)	Taeon Small Hydro (2.2)	Haengwon Small Hydro (0.06)	Sancheong Pumped Storage (700) Sancheong Pumped Storage and Small Hydro (0.4) Dangjin Small Hydro (5.0)	5,328
Wind	Kori Wind (0.75)	Yeongheung Wind (22)	Yangyang Wind (3)	-	Hangyeong Wind (21) Seongsan Wind (20)	-	67
Other	Yeonggwang Photovoltaic, other (3.0)	Yeongheung Photovoltaic and other (5.6)	Seocheon Photovoltaic and other (3.5)	Samnyangjin Photovoltaic and other (3)	Busan Photovoltaic (5.1)	Donghae Photovoltaic and other (4.4)	30
Total	24,021	8,396	7,949	8,404	9,239	8,815	66,823

ELECTRIC POWER GRID NATIONWIDE

ELECTRIC POWER GRID (AS OF DECEMBER 31, 2011)

- 765kV Substation
- 345kV Substation
- Power Plant
- 765kV Route
- 345kV Route
- ⋯ 345kV Underground Route
- ⋯ DC± 180kV Cable Link



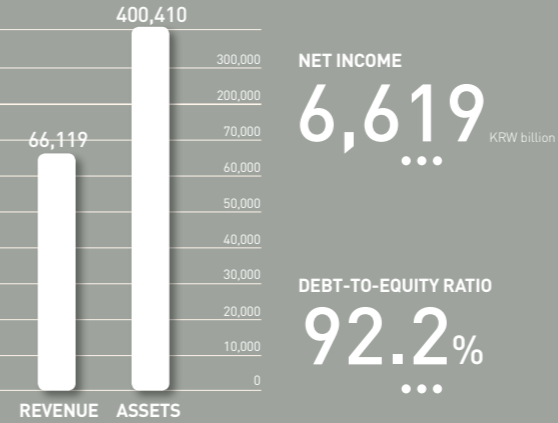
SUBSIDIARY POWER GENERATION COMPANIES

KOREA HYDRO & NUCLEAR POWER CO., LTD.

ADDRESS: 512 Yeongdongdaero, Gangnam-gu, Seoul
 NUMBER OF EMPLOYEES: 9,114
 PAID-IN CAPITAL: 1,212.2 billion won
 WEBSITE: www.khnp.co.kr

FINANCIAL SUMMARY

Unit: KRW billion



Korea Hydro & Nuclear Power (KHNP) operates nuclear power plants as the base load source and hydropower plants for peak loads. Started commercial operation in 1978 with Korea's first nuclear power plant, Kori Unit 1, KHNP is now the world's fifth largest nuclear power generator with twenty-one plants providing 28.0% of Korea's electricity. KHNP's average capacity factor is 92.4%, which is above the global average, and the company's capacity factor has remained above 90% for ten years since 2000. As of the end of December 2011, KHNP's total installed capacity is 24,021MW with twenty-one nuclear power plants (18,716MW, 77.9%), sixteen pumped storage plants (4,700MW, 19.6%), and twenty-one hydropower plants (592MW, 2.5%). Based on Korea's long-term power supply plan, the company is currently building seven additional nuclear units with a total capacity of 9,600MW (Shin-Kori 2, Shinwolseong 1 & 2, Shin-Kori 3 & 4, Shin-Uljin 1 & 2).

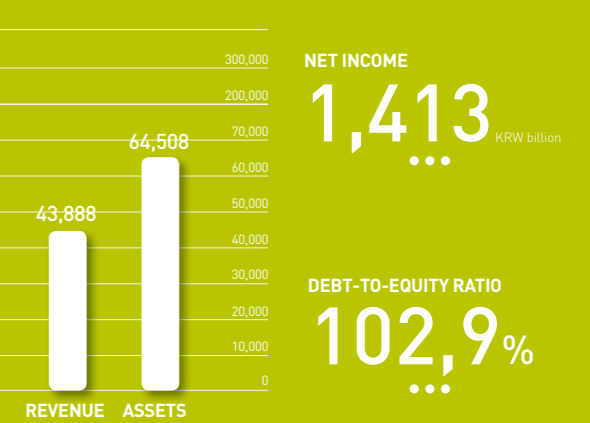


KOREA SOUTH-EAST POWER CO., LTD.

ADDRESS: 512 Yeongdongdaero, Gangnam-gu, Seoul
 NUMBER OF EMPLOYEES: 1,843
 PAID-IN CAPITAL: 290.1 billion won
 WEBSITE: www.kosep.co.kr

FINANCIAL SUMMARY

Unit: KRW billion



Korea South-East Power Company (KOSEP) operates Samcheonpo Thermal Power Site Division and Yeongheung Thermal Power Plant as the base load sources. As of the end of December 2011, the company's total installed capacity is 8,396MW, with ten bituminous coal units (6,580MW, 78.4%), ten LNG combined cycle units (922MW, 11.0%), two petroleum units (528.6MW, 6.3%), and two domestic coal units (325MW, 3.9%). Based on Korea's long-term power supply plan, the company is currently building Yeongheung Thermal Power Plant Units 5 and 6, with a total capacity of 1,740MW.



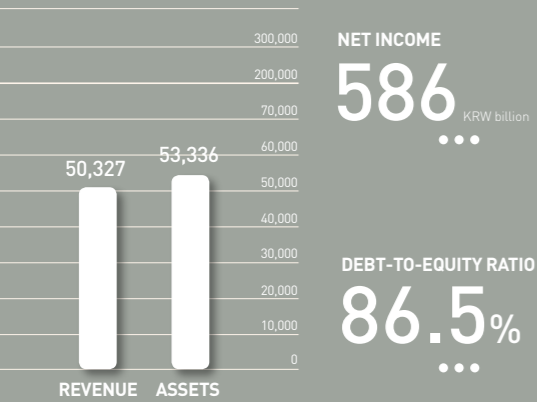
SUBSIDIARY POWER GENERATION COMPANIES

KOREA MIDLAND POWER CO., LTD.

ADDRESS: 512 Yeongdongdaero, Gangnam-gu, Seoul
 NUMBER OF EMPLOYEES: 2,109
 PAID-IN CAPITAL: 137.3 billion won
 WEBSITE: www.komipo.co.kr

FINANCIAL SUMMARY

Unit: KRW billion



Korean Midland Power Co., Ltd. (KOMIPO) operates Boryeong Thermoelectric Power Plant and Seocheon Thermal Power Plant as the base load sources. The company manages the total installed capacity of 7,949MW as of the end of December 2011, from eight bituminous coal units (4,000MW, 50.3%), twenty LNG combined cycle units (3,250MW, 40.9%), two domestic coal units (400MW, 5.0%), and five petroleum units (285MW, 3.6%). The company is currently constructing Seoul Combined Cycle Power Plant Units 1 and 2 with a total capacity of 1,000MW, based on Korea's long-term power supply plan.

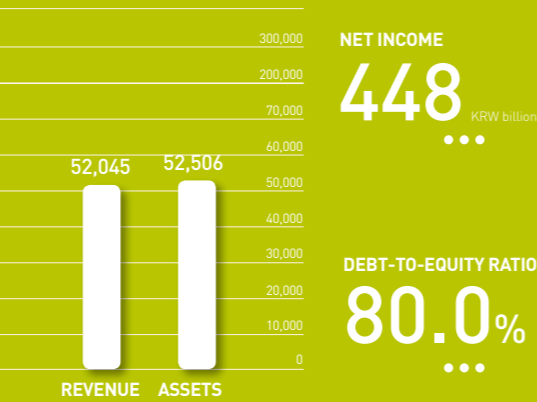


KOREA WESTERN POWER CO., LTD.

ADDRESS: 512 Yeongdongdaero, Gangnam-gu, Seoul
 NUMBER OF EMPLOYEES: 1,716
 PAID-IN CAPITAL: 158.9 billion won
 WEBSITE: www.kosep.co.kr

FINANCIAL SUMMARY

Unit: KRW billion



Korean Western Power Co., Ltd. (WP) operates Taean Thermal Power Plant as the base load source. As of the end of December 2011, WP's total installed capacity is 9,604MW from eight bituminous coal units (4,000MW, 47.6%), twenty-four LNG combined cycle units (2,998MW, 35.7%), and four petroleum units (1,400MW, 16.7%). The company is currently constructing 900MW Pyeongtaek Combined Cycle Plant based on Korea's long-term power supply plan.

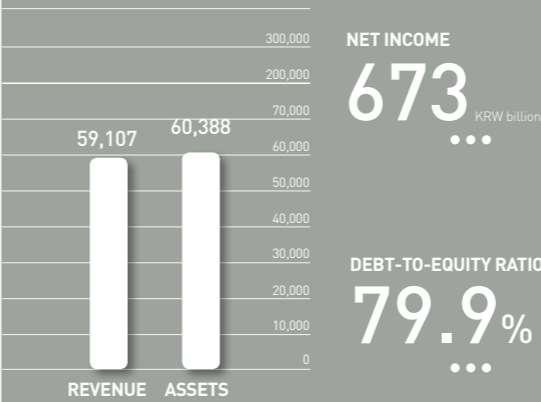


KOREA SOUTHERN POWER CO., LTD.

ADDRESS: 512 Yeongdongdaero, Gangnam-gu, Seoul
 NUMBER OF EMPLOYEES: 1,854
 PAID-IN CAPITAL: 228.8 billion won
 WEBSITE: www.kospo.co.kr

FINANCIAL SUMMARY

Unit: KRW billion



Korean Southern Power Co., Ltd. (KOSPO) operates Hadong Thermal Power Site Division as the base load source. As of the end of December 2011, KOSPO's total installed capacity is 9,239MW, from eight bituminous coal units (4,000MW, 43.3%), thirty-one LNG combined cycle units (4,553MW, 49.3%), eight petroleum units (640MW, 6.9%), and nineteen wind power plants (41MW, 0.4%). The company is currently constructing 400MW Andong Combined Cycle Power Plant based on Korea's long-term power supply plan.

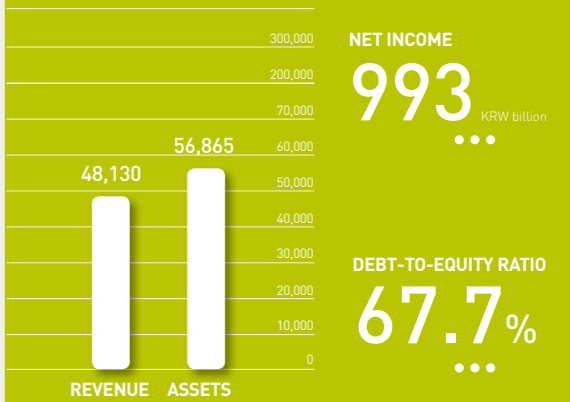


KOREA EAST-WEST POWER CO., LTD.

ADDRESS: 512 Yeongdongdaero, Gangnam-gu, Seoul
 NUMBER OF EMPLOYEES: 1,962
 PAID-IN CAPITAL: 282.9 billion won
 WEBSITE: www.ewp.co.kr

FINANCIAL SUMMARY

Unit: KRW billion



Korea East-West Power Co. Ltd. (EWP) operates Dangjin Coal-Fired Power Complex and Honam Coal-Fired Power Plant as the base load sources. EWP's total installed capacity is 8,815MW as of the end of December 2011, from ten soft coal-fired power plants (4,500MW, 51.0%), seventeen LNG combined cycle power plants (2,100MW, 23.8%), six petroleum power plants (1,800MW, 20.4%), and two domestic coal-fired power plants (400MW, 4.5%).



SUBSIDIARY COMPANIES

KEPCO E&C CO., INC.

ADDRESS: 2354 Yonggudaero, Giheung-gu, Yongin-si, Gyeonggi-do
NUMBER OF EMPLOYEES: 2,067 **PAID-IN CAPITAL:** 7.6 billion won
WEBSITE: www.kepco-enc.com

Established for the purpose of achieving technology independence for the engineering of nuclear and thermal power plants, KEPCO E&C has grown into a top-class nuclear power plant engineering company with the development of Korean-Standard nuclear reactors OPR1000 and the APR1400. The company has also exported 500MW, 800MW, and 100MW standard coal-fired thermal power plant engineering technology to the global market, and is maintaining the industry leader position in the areas of power grids, renewable energy, and PM/CM (project management and construction management).



KEPCO PLANT SERVICE & ENGINEERING CO., LTD.

ADDRESS: 45 Jeongja1-ro, Bundang-gu, Seongnam-si, Gyeonggi-do
NUMBER OF EMPLOYEES: 4,444 **PAID-IN CAPITAL:** 9 billion won
WEBSITE: www.kps.co.kr

KEPCO Plant Service & Engineering (KPS) is a comprehensive plant service provider specializing in quality maintenance services for power plants (nuclear, thermal and hydro), power grids, and industrial facilities. KPS helps prevent shutdowns and increase capacity factor, with thorough services of start-up maintenance during construction, corrective maintenance during operation, routine maintenance, and repairs and upgrades. The company is providing services to customers in twenty-five countries around the world, including the U.S.A., Australia, and Saudi Arabia.



KEPCO NUCLEAR FUEL CO., LTD.

ADDRESS: 989-242 Daedeokdaero, Yuseong-gu, Daejeon
NUMBER OF EMPLOYEES: 847 **PAID-IN CAPITAL:** 93.2 billion won
WEBSITE: www.knfc.co.kr

KEPCO Nuclear Fuel Company (KNF) is Korea's only nuclear fuel engineer and manufacturer, supplying fuels for both light water and heavy water reactors in Korea. KNF is also supplying fuels and equipments to UAE nuclear plants. The company is currently providing two new types of high-quality advanced nuclear fuels, with an additional high-performance fuel featuring enhanced safety and cost efficiency to be available on the market in 2016.



KOREA ELECTRIC POWER DATA NETWORK CO., LTD.

ADDRESS: 72-60 Hyoryeong-ro, Seocho-gu, Seoul
NUMBER OF EMPLOYEES: 1,213 **PAID-IN CAPITAL:** 64 billion won
WEBSITE: www.kdn.com

A spin-off from the IT division of KEPCO, Korea Electric Power Data Network Co., Ltd. (KDN) is a global-scale IT specialist for the energy industry providing total IT services for all areas of a power grid system. KDN's major business areas include information system construction and operation, IT service for power supply systems, communication infrastructure construction and maintenance, smart power grids, and information security. Lately the company is focusing on the new technology of PLC (power line communications) and AMI (advanced metering infrastructure) for smart grids.



OTHER COMPANIES IN WHICH KEPCO OWNS A SHARE

As of December 31, 2011, KEPCO share



GLOBAL NETWORK

OVERSEAS OFFICES

ABU DHABI BRANCH OFFICE

Murpoor Road(4th st), al Mamoura,
B:Po Box 112010, Abu Dhabi, UAE
Tel:+971-2-659-5590 / Fax:+971-2-659-5666

KEPCO MANILA OFFICE

18th Floor, Citi Bank Tower, 8741 Paseo de Roxas,
Salcedo Village,
Makati City 1227, Philippines
Tel: 63-02-848-0231 / FAX : 63-02-848-0013

KEPCO BEIJING OFFICE

2702, Tower A, Tiahnyuangang Center No.C2,
Dongsanhuanbeilu, Chaoyang District, Beijing,
China
Tel : 86-10-6466-9426 / Fax : 86-10-6466-9436

KEPCO SYDNEY OFFICE

Suite 1301, 141 Walker Street, North Sydney, NSW
2060, Australia

KEPCO NEW YORK OFFICE

400 Kelby Street, Parker Plaza 7th Floor, Fort Lee,
NJ 07024, U.S.A
Tel:1-201-613-4001 / Fax : 1-201-613-40093

KEPCO JAKARTA OFFICE

Plaza Bapindo- Menara Mandiri Tower 20th JL.Jend.
Sudiriman Kav. 54-55 Jakarta
12190 Indonesia
Tel: 62-21-521-0021 / FAX : 62-21-520-5775

KEPCO TOKYO OFFICE

3rd Fl. Toranomon Denki BLDG, 2-8-1 Minakoku,
Tokyo, Japan
Tel: 81-3-3503-4661

KEPCO HANOI OFFICE

1112, Charm Vit Tower,
117 Tran Duy Hung, Cau Giay, Hanoi, Vietnam
Tel: 84-4-3831-5145 / FAX : 84-4-3831-5103

KEPCO JOHANNESBURG OFFICE

18th floor, Sandton City Tower
Corner Rivonia Road & 5th St. Sandton
P.O. Box 786703, Sandton City 2146, South Africa
Tel: 27-11-784-2940 / Fax: 27-11-784-2983

OVERSEAS SUBSIDIARIES

KEPCO INTERNATIONAL HONG KONG LTD.

Provide support for Malaya Plant
(Philippines)

KEPCO PHILIPPINES CORPORATION

Operate Malaya Plant

KEPCO INTERNATIONAL PHILIPPINES INC.

Provide support for Ilijan Plant

KEPCO ILIJAN CORPORATION

Operate Ilijan Plant

KEPCO SPC (SALCON POWER CORPORATION)

Construct and operate Cebu Plant

SPC (SALCON POWER CORPORATION)

Acquire shares and operate Naga Plant

KEPCO PHILIPPINES HOLDINGS, INC.

Provide support for Naga Plant share acquisition

KVHI (KEPCO VILLAREAL HOLDINGS, INC.)

Provide support for Naga Plant share acquisition

DATANG CHAOYANG RENEWABLE POWER CO., LTD.

Operate Liaoning Wind Power Plant

KEPCO GANSU INTERNATIONAL LTD.

Provide support for Gansu Wind Power Plant construction and operation

GANSU DATANG WUMEN WIND POWER COMPANY LTD.

Operate Gansu Wind Power Plant

KEPCO SHANXI INTERNATIONAL LTD.

Provide support for Shanxi Mine-Plant project

GEMENG INTERNATIONAL ENERGY CO., LTD.

Operate Shanxi Mine and Plant

KEPCO NEIMENGGU INTERNATIONAL LTD.

Provide support for Neimenggu Wind Power Plant construction and operation

DATANG CHIFENG RENEWABLE POWER CO., LTD.

Operate Neimenggu Wind Power Plant

KERNL (KEPCO ENERGY RESOURCE NIGERIA LTD.)

Acquire Egbin Plant shares

KEPCO NIGERIA LTD.

Restore Egbin Plant facilities

KNOC NIGERIA EAST OIL CO., LTD.

Provide support for Nigeria Upstream project

KNOC NIGERIA WEST OIL CO., LTD.

Provide support for Nigeria Upstream project

DOLPHIN PROPERTY LTD.

Provide support for Nigeria Upstream project

QATRANA ELECTRIC POWER COMPANY

Operate Jordan IGCC Plant

KEPCO MIDDLE EAST HOLDING COMPANY

Provide support for Jordan IGCC Plant

KEPCO AUSTRALIA PTY. LTD.

Participate in mining operation

KEPCO CANADA ENERGY. LTD.

Invest in resource development projects

KEPCO LEBANON SARL

Operate and maintain Lebanon Plant

SYLARDUS HOLDING B.V.

Participate in biddings for Turkey Nuclear Power Plant

KOREA IMOURAREN URANIUM INVESTMENT CORP.

Invest in resource development projects

KEPCO NETHERLANDS S3. B.V.

Provide support for UAE S3 project (KEPCO 100%)

RABIGH ELECTRICITY COMPANY (RABEC)

Provide support for Rabigh project (KEPCO 40%)

KEPCO NETHERLANDS B.V.

Provide support for Rabigh (Saudi Arabia) project (KEPCO 100%)

SHUWEIHAT ASIA POWER INVESTMENT. B.V.

Provide support for UAE S3 project (KEPCO 49%)

SHUWEIHAT ASIA O&M COMPANY

O&M for UAE S3 project

SHUWEIHAT ASIA POWER COMPANY

Local subsidiary in UAE for S3 plant operation

KEPCO HOLDINGS DE MEXICO, S.DE R.L.DE C.V.

Holdings company for Mexico Norte II

KST ELECTRIC POWER COMPANY, S.A.P.I.DE C.V.

SPC for Mexico Norte II

KEPCO ENERGY SERVICE COMPANY, S.DE R.L.DE C.V.

O&M for Mexico Norte II