

KOREA ELECTRIC POWER CORP
Form 6-K
February 28, 2006

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 February 2006

KOREA ELECTRIC POWER CORPORATION

(Translation of registrant's name into English)

167, Samseong-dong, Gangnam-gu, Seoul 135-791, Korea

(Address of principal executive offices)

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

Form 20-F Form 40-F

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

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

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

Yes No

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

This Report of Foreign Private Issuer on Form 6-K is deemed filed for all purposes under the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, including by reference in the Registration Statement on Form F-3 (Registration No. 33-99550) and the Registration Statement on Form F-3 (Registration No. 333-9180).

Korea Electric Power Corporation

Non-consolidated Balance Sheets (Unaudited)

December 31, 2005 and 2004

(In millions of Korean Won and in thousands of U.S. dollars)

| | Won | | U.S. dollars | |
|---|------------------|-------------|---------------|-------------|
| | 2005 | 2004 | 2005 | 2004 |
| <u>Assets</u> | | | | |
| Property, Plant and Equipment | | | | |
| Utility plant | (Won) 43,163,840 | 40,125,462 | \$ 42,609,911 | 39,610,525 |
| Less: accumulated depreciation | (10,854,375) | (9,107,944) | (10,715,079) | (8,991,060) |
| Less: construction grants | (3,640,966) | (3,182,366) | (3,594,241) | (3,141,526) |
| | 28,668,499 | 27,835,152 | 28,300,591 | 27,477,939 |
| Construction in-progress | 2,118,540 | 2,110,396 | 2,091,352 | 2,083,313 |
| | 30,787,039 | 29,945,548 | 30,391,944 | 29,561,252 |
| Investments and others: | | | | |
| Investment securities | 26,797,485 | 25,462,887 | 26,453,588 | 25,136,117 |
| Long-term loans | 180,084 | 163,525 | 177,773 | 161,426 |
| Long-term other accounts receivable, less discount on present value | 66 | 88 | 65 | 87 |
| Currency and interest rate swaps | 549,668 | 312,611 | 542,614 | 308,599 |
| Intangibles, net | 235,040 | 233,016 | 232,024 | 230,026 |
| Other non-current assets | 151,789 | 148,070 | 149,841 | 146,170 |
| | 27,914,131 | 26,320,197 | 27,555,904 | 25,982,425 |
| Current assets: | | | | |
| Cash and cash equivalents | 208,513 | 445,863 | 205,837 | 440,141 |
| Trade receivables, less allowance for doubtful accounts | 2,041,366 | 1,576,542 | 2,015,169 | 1,556,310 |
| Other account receivables, less allowance for doubtful accounts | 263,041 | 465,821 | 259,665 | 459,843 |
| Short-term financial instruments | 38,000 | 46,000 | 37,512 | 45,410 |
| Inventories | 92,741 | 70,484 | 91,551 | 69,579 |
| Other current assets | 282,011 | 46,869 | 278,392 | 46,268 |
| | 2,925,671 | 2,651,579 | 2,888,125 | 2,617,551 |
| Total assets | (Won) 61,626,841 | 58,917,324 | \$ 60,835,973 | 58,161,228 |

Korea Electric Power Corporation

Non-consolidated Balance Sheets (Unaudited), Continued

December 31, 2005 and 2004

(In millions of Korean Won and in thousands of U.S. dollars)

| | Won | | U.S. dollars | |
|---|------------------|------------|---------------|------------|
| | 2005 | 2004 | 2005 | 2004 |
| Liabilities and Shareholders' Equity | | | | |
| Shareholders' equity: | | | | |
| Common stock of (Won) 5,000 par value | | | | |
| Authorized - 1,200,000,000 shares Issued and outstanding - 641,567,712 shares in 2005 and 640,748,573 in 2004 | (Won) 3,207,839 | 3,203,743 | \$ 3,166,672 | 3,162,629 |
| Capital surplus | 14,422,727 | 14,372,895 | 14,237,638 | 14,188,445 |
| Retained earnings | | | | |
| Appropriated | 22,209,291 | 19,554,340 | 21,924,275 | 19,303,396 |
| Unappropriated | 2,444,452 | 3,379,107 | 2,413,082 | 3,335,742 |
| Capital adjustments | (78,646) | (233,151) | (77,637) | (230,159) |
| Total shareholders' equity | 42,205,662 | 40,276,934 | 41,664,030 | 39,760,053 |
| Long-term liabilities: | | | | |
| Long-term borrowings | 10,430,342 | 10,118,184 | 10,296,488 | 9,988,336 |
| Reserve for retirement and severance benefits, net | 450,422 | 439,701 | 444,642 | 434,058 |
| Reserve for self insurance | 98,618 | 93,352 | 97,352 | 92,154 |
| Currency and interest rate swaps | 56,388 | 158,060 | 55,664 | 156,032 |
| Deferred income tax liabilities | 2,300,950 | 1,822,513 | 2,271,422 | 1,799,124 |
| Other long-term liabilities | 401,270 | 381,942 | 396,120 | 377,040 |
| | 13,737,990 | 13,013,752 | 13,561,688 | 12,846,744 |
| Current liabilities: | | | | |
| Trade payables | 2,103,862 | 1,377,976 | 2,076,863 | 1,360,292 |
| Other accounts payable | 358,007 | 506,049 | 353,413 | 499,555 |
| Short-term borrowings | 71,000 | 200,172 | 70,089 | 197,603 |
| Current portion of long-term debt | 2,328,206 | 2,198,443 | 2,298,328 | 2,170,230 |
| Income tax payable | 97,189 | 677,599 | 95,942 | 668,903 |
| Accrued interest expenses | 91,100 | 95,858 | 89,931 | 94,628 |
| Dividends payable | 2,781 | 2,501 | 2,745 | 2,469 |
| Other current liabilities | 631,044 | 568,040 | 622,946 | 560,750 |
| | 5,683,188 | 5,626,638 | 5,610,255 | 5,554,430 |
| Total liabilities | 19,421,179 | 18,640,390 | 19,171,944 | 18,401,175 |
| Commitments and contingencies | | | | |
| Total shareholders' equity and liabilities | (Won) 61,626,841 | 58,917,324 | \$ 60,835,973 | 58,161,228 |

Korea Electric Power Corporation

Non-consolidated Statements of Income (Unaudited)

December 31, 2005 and 2004

(In millions of Korean Won and in thousands of U.S. dollars)

| | Won | | U.S. dollars | |
|---|------------------------|--------------------|---------------------|--------------------|
| | 2005 | 2004 | 2005 | 2004 |
| Operating revenues: | | | | |
| Sale of electricity | (Won) 24,995,344 | 23,490,001 | \$ 24,674,575 | 23,188,550 |
| Other operating revenues | 116,987 | 109,912 | 115,486 | 108,501 |
| | 25,112,331 | 23,599,913 | 24,790,060 | 23,297,051 |
| Operating expenses | | | | |
| Power generation, transmission and distribution | 3,964,824 | 3,687,105 | 3,913,943 | 3,639,788 |
| Purchased power | 18,543,717 | 16,766,232 | 18,305,742 | 16,551,068 |
| Other operating costs | 122,680 | 112,369 | 121,106 | 110,927 |
| Selling and administrative expenses | 1,155,194 | 1,061,048 | 1,140,369 | 1,047,431 |
| | 23,786,414 | 21,626,754 | 23,481,159 | 21,349,214 |
| Operating income | 1,325,917 | 1,973,159 | 1,308,901 | 1,947,837 |
| Other income (expense): | | | | |
| Interest income | 16,001 | 36,079 | 15,796 | 35,616 |
| Interest expense | (472,979) | (562,971) | (466,909) | (555,746) |
| Gain (loss) on foreign currency transactions and translation, net | 235,946 | 616,592 | 232,918 | 608,679 |
| Donations | (108,636) | (81,682) | (107,242) | (80,634) |
| Rental income | 128,469 | 130,237 | 126,820 | 128,566 |
| Equity income of affiliates | 1,912,194 | 1,793,808 | 1,887,654 | 1,770,788 |
| Gain on disposal of investments, net | | 7,472 | | 7,376 |
| Gain (loss) on disposal of utility plant, net | 22,359 | 5,887 | 22,072 | 5,811 |
| Valuation gain (loss) on currency and interest rate swaps, net | 127,363 | 20,806 | 125,729 | 20,539 |
| Other, net | (5,593) | 49,376 | (5,521) | 48,742 |
| | 1,855,124 | 2,015,604 | 1,831,317 | 1,989,737 |
| Income before income taxes | 3,181,041 | 3,988,763 | 3,140,218 | 3,937,575 |
| Income taxes | (732,430) | (1,107,993) | (723,031) | (1,093,774) |
| Net income | (Won) 2,448,611 | 2,880,770 | \$ 2,417,188 | 2,843,801 |

Korea Electric Power Corporation

Non-Consolidated Statements of Appropriations of Retained Earnings (Unaudited)

For the years ended December 31, 2005 and 2004

Date of Appropriation for 2005: March 17, 2006

Date of Appropriation for 2004: March 18, 2005

(In millions of Korean Won and in thousands of U.S. dollars)

| | Won | | U.S. dollars (note 2) | |
|---|------------------|------------------|-----------------------|------------------|
| | 2005 | 2004 | 2005 | 2004 |
| Unappropriated retained earnings: | | | | |
| Balance at beginning of year | (Won) | | \$ | |
| Change in retained earnings of affiliated company due to cumulative effect of accounting change | (4,159) | 498,337 | (4,106) | 491,942 |
| Net income | 2,448,611 | 2,880,770 | 2,417,188 | 2,843,801 |
| Balance at end of year before appropriation | 2,444,452 | 3,379,107 | 2,413,082 | 3,335,742 |
| Appropriation of retained earnings: | | | | |
| Legal reserve | 2,048 | | 2,022 | |
| Reserve for investment on social overhead capital | 65,000 | 60,000 | 64,166 | 59,230 |
| Reserve for research and human development | 60,000 | 30,000 | 59,230 | 29,615 |
| Reserve for business expansion | 1,585,869 | 2,564,951 | 1,565,517 | 2,532,035 |
| Dividends 23% on par value at 1,150 Won per share in 2005 and 23% on par value at 1,150 Won per share in 2004 | 731,535 | 724,156 | 722,147 | 714,863 |
| | 2,444,452 | 3,379,107 | 2,413,082 | 3,335,742 |
| Unappropriated retained earnings to be carried over to subsequent year | (Won) | | \$ | |

Korea Electric Power Corporation

Non-consolidated Statements of Cash Flows (Unaudited)

December 31, 2005 and 2004

(In millions of Korean Won and in thousands of U.S. dollars)

| | Won | | U.S. dollars | |
|---|-----------------|-------------|--------------|-------------|
| | 2005 | 2004 | 2005 | 2004 |
| Cash flows from operating activities: | | | | |
| Net income | (Won) 2,448,611 | 2,880,770 | \$ 2,417,188 | 2,843,801 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | | |
| Depreciation and amortization | 1,860,860 | 1,696,501 | 1,836,979 | 1,674,730 |
| Utility plant removal cost | 193,232 | 191,777 | 190,752 | 189,316 |
| Provision for severance and retirement benefits | 122,383 | 133,450 | 120,812 | 131,737 |
| Bad debt expense | 23,732 | 19,530 | 23,427 | 19,279 |
| Interest income | (4,262) | (21,451) | (4,207) | (21,176) |
| Interest expense | 14,091 | 16,275 | 13,910 | 16,066 |
| Gain on foreign currency translation, net | (167,898) | (542,002) | (165,743) | (535,046) |
| Equity income of affiliates | (1,912,194) | (1,793,808) | (1,887,654) | (1,770,788) |
| Gain on disposal of investments, net | | (7,472) | | (7,376) |
| Loss (gain) on disposal of utility plant, net | (22,359) | (5,887) | (22,072) | (5,811) |
| Deferred income tax expense | 264,321 | 164,877 | 260,929 | 162,761 |
| Valuation loss (gain) on currency and interest rate swaps | (127,363) | (20,806) | (125,729) | (20,539) |
| Changes in assets and liabilities: | | | | |
| Decrease in trade receivables | (488,556) | (92,097) | (482,286) | (90,915) |
| Decrease (increase) in other accounts receivable | 220,955 | 213,716 | 218,119 | 210,973 |
| Decrease in inventories | 58,471 | 83,449 | 57,721 | 82,378 |
| Increase in other current assets | (106,294) | (20,403) | (104,930) | (20,141) |
| Increase (decrease) in trade payables | 725,886 | 121,450 | 716,571 | 119,891 |
| Decrease in other accounts payable | (148,065) | (65,717) | (146,165) | (64,874) |
| Increase (decrease) in income tax payable | (604,518) | 513,430 | (596,760) | 506,841 |
| Increase (decrease) in accrued interest expenses | (4,758) | (27,713) | (4,697) | (27,357) |
| Increase in other current liabilities | 85,213 | 178,108 | 84,119 | 175,822 |
| Decrease in other long-term liabilities | (31,338) | (105,040) | (30,936) | (103,692) |
| Payment of severance and retirement benefits | (12,762) | (10,159) | (12,598) | (10,029) |
| Payment of self-insurance | (1,535) | (848) | (1,515) | (837) |
| Other, net | (18,624) | (20,813) | (18,385) | (20,546) |
| Net cash provided by operating activities | (Won) 2,367,229 | 3,479,117 | \$ 2,336,850 | 3,434,469 |

Korea Electric Power Corporation

Non-consolidated Statements of Cash Flows (Unaudited), Continued

December 31, 2005 and 2004

(In millions of Korean Won and in thousands of U.S. dollars)

| | Won | | U.S. dollars | |
|--|----------------------|--------------------|--------------------|--------------------|
| | 2005 | 2004 | 2005 | 2004 |
| Cash flows from investing activities: | | | | |
| Proceeds from disposal of utility plant | (Won) 65,382 | 16,311 | 64,543 | 16,102 |
| Additions to utility plant | (3,642,281) | (3,329,195) | (3,595,539) | (3,286,471) |
| Receipt of construction grants | 679,692 | 617,366 | 670,969 | 609,443 |
| Proceeds from disposal of investment securities | 658,624 | 813,558 | 650,172 | 803,117 |
| Acquisition of investment securities | (11,629) | (5,783) | (11,480) | (5,709) |
| Collection of long-term loans | 8,385 | 5,307 | 8,277 | 5,239 |
| Increase in long-term loans | (38,275) | (36,591) | (37,784) | (36,121) |
| Acquisition of intangibles | (25,459) | (16,010) | (25,132) | (15,805) |
| Collection of short-term loans | 10,874 | 9,336 | 10,734 | 9,216 |
| Decrease in other non-current assets | 5,189 | 7,427 | 5,122 | 7,332 |
| Net cash used in investing activities | (2,289,499) | (1,918,274) | (2,260,117) | (1,893,656) |
| Cash flows from financing activities: | | | | |
| Proceeds from short-term borrowings | | 183,927 | | 181,567 |
| Proceeds from long-term debt | 2,934,965 | 3,422,194 | 2,897,300 | 3,378,276 |
| Repayment of long-term debt | (2,192,577) | (4,239,104) | (2,164,439) | (4,184,703) |
| Acquisition of treasury stock | | | | |
| Dividends paid | (723,876) | (661,360) | (714,586) | (652,873) |
| Payments under currency and interest rate swap contracts | (204,413) | (187,454) | (201,790) | (185,048) |
| Others | (129,180) | | (127,522) | |
| Net cash provided by (used in) financing activities | (315,080) | (1,481,797) | (311,037) | (1,462,781) |
| Net increase in cash and cash equivalents | (237,350) | 79,046 | (234,304) | 78,032 |
| Cash and cash equivalents, at beginning of the period | 445,863 | 366,817 | 440,141 | 362,110 |
| Cash and cash equivalents, at end of the period | (Won) 208,513 | 445,863 | \$ 205,837 | 440,141 |

* Figures have been translated into U.S. dollars at the rate of KRW 1013.0 to US\$1, the basic exchange rate at the end of year 2005.

* Figures may not add up due to rounding.

SIGNATURES

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

/s/ Kwang-Choong Kim
Name: Kwang-Choong Kim
Title: Treasurer

Date: February 24, 2006