

KOREA ELECTRIC POWER CORP

Form 6-K

December 17, 2018

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

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

of the Securities Exchange Act of 1934

For the Month of December 2018

KOREA ELECTRIC POWER CORPORATION

(Translation of registrant's name into English)

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

(Address of principal executive offices)

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

Form 20-F

Form 40-F

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

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

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

Yes

No

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

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

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QUARTERLY BUSINESS REPORT

(For the period from January 1, 2018 to September 30, 2018)

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

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

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

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I. Company Overview

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

2. Information of the company

(Address) 55 Jeollyeok-ro, Naju-si, Jeollanam-do, 58217, Korea

(Phone number) 82-61-345-4213

(Website) <http://www.kepco.co.kr>

3. Major businesses

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

development of electric power resources;

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

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

overseas business related to the businesses mentioned above;

investment or contributions related to the businesses mentioned above;

development and operation of certain real estate holdings; and

other businesses entrusted by the government.

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

4. Subsidiaries and affiliates of KEPCO

(As of September 30, 2018)

Classification	Consolidated subsidiaries	Associates and joint ventures	Total
Domestic	27	61	88
Overseas	75	47	122
Total	102	108	210

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5. Major changes in management

- A. On March 19, 2018, Mr. Kim, Chang-Joon was appointed as a non-standing director in the replacement of Mr. Koo, Ja-Yoon, whose term of office expired.
- B. On April 4, 2018, Mr. Yang, Bong-Ryull, Mr. Kim, Jwa-Kwan and Mr. Jung, Yeon-Gil were appointed as non-standing directors in the replacement of Mr. Ahn, Choong-Yong, Mr. Lee, Gang-Hee and Mr. Cho, Jeon-Hyeok whose terms of office expired.
- C. At the extraordinary general meeting of shareholders of KEPCO held on April 10, 2018, Mr. JongKap KIM was appointed as the President and Chief Executive Officer, in replacement of Mr. Cho, Hwan-Eik who voluntarily resigned on December 8, 2017.
- D. On June 12, 2018, Ms. Noh, Geum-Sun, Mr. Choi, Seung-Kook and Mr. Park, Cheol-Su were appointed as non-standing directors in the replacement of Mr. Choi, Ki-Ryun, Mr. Sung, Tae-Hyun and Mr. Kim, Ju-Suen whose terms of office expired.
- E. At the extraordinary general meeting of shareholders of KEPCO held on July 16, 2018, Mr. Kim, Dong-Sub, Mr. Kim, Hoe-Chun, Mr. Park, Hyung-Duck and Mr. Lim, Hyun-Seung were appointed as standing directors in replacement of Mr. Kim, Si-Ho and other standing directors whose terms of office expired. Ms. Noh, Geum-Sun and Mr. Jung, Yeon-Gil were appointed as non-standing directors and members of the audit committee.
- F. At the extraordinary general meeting of shareholders of KEPCO held on July 30, 2018, Mr. Lee, Jung-Hee was appointed as standing director and member of the audit committee in replacement of Mr. Lee, Sung-Han whose term of office expired.
- G. On October 10, 2018, Mr. Kim, Tai-Yoo was appointed as non-standing director in replacement of Mr. Kim, Ji-Hong whose term of office expired.

6. Changes in major shareholders

On December 31, 2014, Korea Development Bank merged with Korea Finance Corporation, and became the largest shareholder of KEPCO.

7. Information regarding KEPCO shares

- A. Issued share capital: Won 3,210 billion (Authorized capital: Won 6 trillion)

- B. Total number of issued shares: 641,964,077
(Total number of shares authorized to for issuance: 1,200,000,000)
- C. Dividends: Dividend payment of Won 790 per share for fiscal year 2017 (Won 507 billion in aggregate).
Dividend payments for fiscal year 2016, 2015 and 2014 were Won 1,980, Won 3,100 and Won 500 per share respectively.

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1. Consolidated financial results by segment for a nine-month period ended September 30, 2017 and 2018

	(In billions of Won)			
	January to September 2017		January to September 2018	
	Sales	Operating profit	Sales	Operating profit
Electricity sales	44,565	1,518	45,139	-1,399
Nuclear generation	7,101	1,402	6,307	735
Thermal generation	17,222	2,048	19,508	1,103
Others ^(*)	2,215	242	2,469	273
Subtotal	71,103	5,210	73,423	712
Adjustment for related-party transactions	-26,843	-127	-27,970	-132
Total	44,260	5,083	45,453	580

(*) Others relate to subsidiaries including KEPCO E&C, KEPCO KPS, KEPCO NF and KEPCO KDN, among others.

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

Sales and operating profit reflects amendments to Korean IFRS 1001 Presentation of Financial Statements.

The figures for the period of 2017 are presented in accordance with previous standards including K-IFRS 1018 Revenue, K-IFRS 1011 Construction Contracts and K-IFRS 1039 Financial Instrument: Recognition and Measurement.

2. Changes in unit prices of major products

		(In Won per kWh)	
Business sector	Company	January to December 2017	January to September 2018
Electricity sold	Residential	108.50	108.05
	Commercial	130.42	129.98
	Educational	103.07	105.05
	Industrial	107.41	106.30
	Agricultural	47.57	47.64
	Street lighting	113.48	115.89

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Overnight usage			67.48	67.33
Electricity from nuclear generation	Nuclear Generation	KHNP	62.25	63.61
Electricity from thermal generation	Thermal generation	KOSEP	77.66	94.27
		KOMIPO	89.01	94.00
		KOWEPO	92.31	96.40
		KOSPO	91.10	98.52
		EWP	92.04	98.38

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3. Power purchase from generation companies for a nine-month period ended September 30, 2018

Company	Volume (MWh)	Expense (In billions of Won)
KHNP	95,942,430	6,111
KOSEP	47,565,849	3,961
KOMIPO	36,036,811	3,394
KOWEPO	38,102,282	3,675
KOSPO	42,816,625	4,223
EWP	37,869,608	3,665
Others	112,943,349	12,461
Total	411,276,954	37,490

Excludes expense related to the renewable portfolio standard provisions and carbon emissions.

4. Intellectual property as of September 30, 2018

	Patents		Utility models	Designs	Trademarks		Total
	Domestic	Overseas			Domestic	Overseas	
KEPCO	2,049	271	65	64	141	48	2,638
Consolidated subsidiaries	3,872	588	798	132	245	25	5,660
Total	5,921	859	863	196	386	73	8,298

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1. Condensed consolidated financial results as of and for a nine-month period ended September 30, 2017 and 2018

(In billions of Won)

Consolidated statements of comprehensive income				Consolidated statements of financial position			
	January to September 2017	January to September 2018	Change (%)		December 31, 2017	September 30, 2018	Change (%)
Sales	44,260	45,453	2.7	Total assets	181,789	186,775	2.7
Operating profit	5,083	580	-88.6	Total liabilities	108,824	114,838	5.5
Net income	2,788	-432	-115.5	Total equity	72,965	71,937	-1.4

2. Condensed separate financial results as of and for a nine-month period ended September 30, 2017 and 2018

(In billions of Won)

Separate statements of comprehensive income				Separate statements of financial position			
	January to September 2017	January to September 2018	Change (%)		December 31, 2017	September 30, 2018	Change (%)
Sales	44,565	45,139	1.3	Total assets	106,540	107,146	0.6
Operating profit	1,518	-1,399	-192.2	Total liabilities	50,758	52,467	3.4
Net income	2,008	-544	-127.1	Total equity	55,782	54,679	-2.0

IV. Board of Directors (KEPCO Only)

1. The board of directors is required to consist of not more than 15 directors including the president. Under our Articles of Incorporation, there may not be more than seven standing directors including president, and more than eight non-standing directors. The number of non-standing directors must exceed the number of standing directors, including our president.

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

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2. Board meetings and agendas for a nine-month period ended September 30, 2018

Number of meetings	Number of agendas	Classification	
		Resolution	Reports
13	46	37	9

* The audit committee held 10 meetings with 24 agendas (of which, 14 were approved as proposed and 10 were accepted as reported).

3. Major activities of the Board of Directors

Date	Agenda	Results	Type
February 8, 2018	Approval of amendments to the Electricity Usage Agreement and Rules for Operation	Approved as proposed	Resolution
February 23, 2018	Approval of the maximum aggregate amount of remuneration for directors in 2018	Approved as proposed	Resolution
	Approval of the relocation plan of materials center in Gyeonggi District Division	Approved as proposed	Resolution
	Approval of consolidated and separate financial statements for the fiscal year 2017	Approved as proposed	Resolution
	Approval to call for the annual general meeting of shareholders for the fiscal year 2017	Approved as proposed	Resolution
	Report on operating plan of the Act on the Control and Supervision on Nuclear Power Suppliers, etc. for the Prevention of Corruption in the Nuclear Power Industry (2018-2019)	Accepted as reported	Report
	Report on the annual management of commercial papers in 2017	Accepted as reported	Report
	Report on internal control over financial reporting for the fiscal year 2017	Accepted as reported	Report
	Evaluation report on internal control over financial reporting for the fiscal year 2017	Accepted as reported	Report
	Report on the audit result for 2017	Accepted as reported	Report
February 27, 2018	Approval to close the shareholders' registry for extraordinary general meeting of shareholders	Approved as proposed	Resolution
March 15, 2018	Approval of amendments to investment structure and guarantee for Nghi Son II coal-fired power plant in Vietnam	Conditionally Approved	Resolution

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	Approval of liquidation of KEPCO Canada Energy(KCE), a subsidiary located in Canada	Approved as proposed	Resolution
	Approval of the construction of a new Integrated Gangwon District Division Office Building	Approved as proposed	Resolution
	Approval of the Statement of Appropriation of Retained Earnings for the fiscal year 2017	Approved as proposed	Resolution
March 26, 2018	Approval to call for the extraordinary general meeting of shareholders for the fiscal year 2018	Approved as proposed	Resolution
April 20, 2018	Approval of amendments to the regulation for employee remuneration and welfare	Approved as proposed	Resolution
	Approval of forming Director Nomination Committee and evaluation standards for the candidates of non-standing directors	Approved as proposed	Resolution
	Approval to close the shareholders registry for extraordinary general meeting of shareholders	Approved as proposed	Resolution
May 18, 2018	Approval of forming Director Nomination Committee and evaluation standards for the candidate of a standing director and member of the Audit Committee	Approved as proposed	Resolution
	Approval to close the shareholders registry for extraordinary general meeting of shareholders	Approved as proposed	Resolution
	Approval of amendment to the rules on employment	Approved as proposed	Resolution
	Report on results of external and internal audits for the first quarter of 2018	Accepted as reported	Report
June 15, 2018	Approval of investment in the mutual growth and cooperation fund for agriculture and fishery in 2018	Approved as proposed	Resolution
	Approval of plans for the sales of real estate holdings within combined heat and power plant in Bucheon	Approved as proposed	Resolution
	Approval of 8 th long-term plan for power transmission and substation facilities	Approved as proposed	Resolution
	Approval of the establishment of a new regional office	Approved as proposed	Resolution

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	Approval of amendment to the regulation of the Board of directors	Approved as proposed	Resolution
June 29, 2018	Approval of Agreement on Management Performance Assessment for the President	Approved as proposed	Resolution
	Approval of mid-to-long term financial management plan (2018-2022)	Approved as proposed	Resolution
	Approval of recommendation of a candidate for the Audit Committee	Approved as proposed	Resolution
	Approval to call for the extraordinary general meeting of shareholders for the fiscal year 2018	Approved as proposed	Resolution
July 12, 2018	Approval to call for the extraordinary general meeting of shareholders for the fiscal year 2018	Approved as proposed	Resolution
August 7, 2018	Approval of amendments to the Electricity Usage Agreement and Rules for Operation	Approved as proposed	Resolution
August 17, 2018	Approval of investment in the Intra-company Employee Welfare Fund in 2018	Approved as proposed	Resolution
	Approval of personnel increase	Approved as proposed	Resolution
	Approval of amendments to the regulation of the Board of Directors	Approved as proposed	Resolution
	Approval to invest in the acquisition of shares for a solar power plant in Calatagan, Philippines	Approved as proposed	Resolution
	Approval of liquidation of KESH, related to the Nghi Son II coal-fired power project in Vietnam	Approved as proposed	Resolution
	Approval of liquidation of KRI, related to the disposal of resource project in Indonesia	Approved as proposed	Resolution
	Approval of the mid-to-long term management target (2019-2023)	Approved as proposed	Resolution
	Approval of forming Director Nomination Committee and evaluation standards for the candidates of non-standing director	Approved as proposed	Resolution
	Report on the earnings results for the first half of fiscal year 2018	Accepted as reported	Report
September 20, 2018	Approval of amendments to the rules on employment	Approved as proposed	Resolution

Report on results of collective agreement	Accepted as reported	Report
Report on results of external and internal audits for the second quarter of 2018	Accepted as reported	Report

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4. Major Activities and Attendance Status of Non-standing directors

Date	Agenda	Ahn, Choong- Yong	Lee, Gang- Hee	Cho, Jeon- Hyeok	Choi, Ki- Ryun	Sung, Tae- Hyun	Koo, Ja- Yoon	Kim, Joo- Suen	Kim, Ji- Hong	Kim, Chang- Joon	Yang, Bong- Ryull	Kim, Jwa- Kwan	Jung, Yeon- Gil	Noh, Geum- Sun	Choi, Seung- Kook	Pa CH S
January 8, 2018	Approval of amendments to the Electricity Usage Agreement and Rules for Operation	For	For	For	For	Absent	For	For	For				Before Appointment			