

KOREA SOUTHERN POWER CO., LTD.

STATEMENTS OF APPROPRIATIONS OF RETAINED EARNINGS

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>Korean Won</u>	
	<u>2010</u>	<u>2009</u>
	(In millions)	
RETAINED EARNINGS BEFORE APPROPRIATIONS:		
Unappropriated retained earnings carried over from prior year	₩ -	₩ -
Net income	<u>188,092</u>	<u>177,122</u>
	<u>188,092</u>	<u>177,122</u>
APPROPRIATIONS:		
Legal reserve	5,643	5,314
Reserve for operations expansion	126,021	118,672
Dividends (Note 15)	<u>56,428</u>	<u>53,136</u>
	<u>188,092</u>	<u>177,122</u>
UNAPPROPRIATED RETAINED EARNINGS TO BE CARRIED FORWARD TO SUBSEQUENT YEAR	<u>₩ -</u>	<u>₩ -</u>

See accompanying notes to financial statements.