

KOREA SOUTHERN POWER CO., LTD. AND SUBSIDIARIES  
Notes to the Audited Consolidated Financial Statements, Continued  
December 31, 2013

**27. Retained earnings and dividends, Continued**

(5) Changes in actuarial losses on retirement benefit obligations for the years ended December 31, 2013 and 2012 are as follows:

<i>In millions of won</i>		<u>December 31, 2013</u>	<u>December 31, 2012</u>
Beginning balance	₩	16,290	10,761
Changes for the period		1,620	7,576
Income tax effect		(392)	(2,047)
Ending balance	₩	<u>17,518</u>	<u>16,290</u>

**28. Statement of Appropriation of Retained earnings**

For the year ended December 31, 2013, the Group's retained earnings are expected to be appropriated on March 28, 2014. For the year ended December 31, 2012, the Group's retained earnings were appropriated on March 25, 2013.

Statements of appropriation of retained earnings for the years ended December 31, 2013 and 2012 are as follows:

<i>In millions of won except for dividends per share</i>		<u>December 31, 2013</u>	<u>December 31, 2012</u>
I. Retained Earnings Before Appropriations			
Unappropriated retained earnings carried over from prior years	₩	739,019	744,548
Remeasurements of the defined benefit plan		(1,229)	(5,529)
Net income (loss)		102,670	103,368
		<u>840,460</u>	<u>842,387</u>
II. Appropriations of retained earnings			-
Dividends		30,800	51,680
Legal reserve		3,080	5,168
Reserve for business expansion		68,790	46,520
		<u>102,670</u>	<u>103,368</u>
III. Unappropriated retained earnings to be carried over forward to subsequent year ( I - II )		<u>737,790</u>	<u>739,019</u>

Statement of Appropriation of Retained Earnings is written based on the separate Financial Statements.

**29. Components of equity**

(1) Other components of equity as of December 31, 2013 and 2012 are as follows:

<i>In millions of won</i>		<u>December 31, 2013</u>	<u>December 31, 2012</u>
Accumulated other comprehensive income	₩	2,596	4,942
Other equity		(686)	(686)
	₩	<u>1,910</u>	<u>4,256</u>