

KOREA SOUTHERN POWER CO., LTD.

STATEMENT OF APPROPRIATION OF RETAINED EARNINGS

FOR THE PERIOD FROM APRIL 2, 2001 (INCEPTION) TO DECEMBER 31, 2001

	<u>Korean Won</u> <u>December 31, 2001</u> (In thousands)
RETAINED EARNINGS BEFORE APPROPRIATION:	
Net income	<u>₩ 15,808,479</u>
APPROPRIATION OF RETAINED EARNINGS:	
Legal reserve	589,000
Reserve for business rationalization	38,000
Reserve for investment on social overhead capital	9,298,000
Cash dividends (Note 11)	<u>5,883,479</u>
	<u>15,808,479</u>
UNAPPROPRIATED RETAINED EARNINGS TO BE CARRIED FORWARD TO SUBSEQUENT YEAR	<u>₩ -</u>

The accompanying notes are an integral part of this statement.