

KOREA WESTERN POWER CO., LTD.

STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2009

	Korean Won (In millions)				
	Capital stock	Capital surplus	Accumulated other comprehensive income (loss)	Retained earnings	Total
Balance at January 1, 2008	₩ 176,000	₩ 1,266,638	₩ 1,762	₩ 981,818	₩ 2,426,218
Annual dividends	-	-	-	(69,907)	(69,907)
Net loss	-	-	-	(103,418)	(103,418)
Valuation loss on available-for-sale securities	-	-	(378)	-	(378)
Gain on valuation of financial derivatives	-	-	19,818	-	19,818
Changes in capital surplus on investments using the equity method	-	-	(79)	-	(79)
Balance at December 31, 2008	<u>₩ 176,000</u>	<u>₩ 1,266,638</u>	<u>₩ 21,123</u>	<u>₩ 808,493</u>	<u>₩ 2,272,254</u>
Balance at January 1, 2009	₩ 176,000	₩ 1,266,638	₩ 21,123	₩ 808,493	₩ 2,272,254
Annual dividends	-	-	-	-	-
Net income	-	-	-	87,920	87,920
Valuation loss on available-for-sale securities	-	-	(229)	-	(229)
Loss on valuation of financial derivatives	-	-	(6,855)	-	(6,855)
Changes in capital surplus on investments using the equity method	-	-	1,244	-	1,244
Balance at December 31, 2009	<u>₩ 176,000</u>	<u>₩ 1,266,638</u>	<u>₩ 15,283</u>	<u>₩ 896,413</u>	<u>₩ 2,354,334</u>
Translation into U.S. Dollars (In thousands) (Note 2)	<u>\$ 151,248</u>	<u>\$ 1,088,504</u>	<u>\$ 13,135</u>	<u>\$ 770,345</u>	<u>\$ 2,023,232</u>

See accompanying notes to financial statements.