

KOOKMIN BANK
Form 6-K
March 04, 2008
Table of Contents

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER
THE SECURITIES EXCHANGE ACT OF 1934

For the month of March 2008

Kookmin Bank

(Translation of registrant's name into English)

9-1, 2-Ga, Namdaemun-Ro, Jung-Gu, Seoul, Korea 100-703

(Address of principal executive office)

Edgar Filing: KOOKMIN BANK - Form 6-K

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):

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

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):

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submission to furnish a report or other document that the registration foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's home country), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

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

Yes No

Table of Contents

ON MARCH 4, 2008, KOOKMIN BANK FURNISHED A PUBLIC NOTICE REGARDING THE CONVOCAION OF ITS GENERAL MEETING OF SHAREHOLDERS FOR THE FISCAL YEAR 2007.

THE AGENDA FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON MARCH 20, 2008 WAS ALSO RELEASED THROUGH TWO KOREAN DAILY NEWSPAPERS, AND THE DETAILED CONTENTS OF SUCH AGENDA ARE ALSO CURRENTLY BEING DISTRIBUTED TO SHAREHOLDERS OF KOOKMIN BANK FOR THEIR REFERENCE AS THEY EXERCISE THEIR VOTING RIGHTS.

<u>AGENDUM 1. APPROVAL OF NON-CONSOLIDATED FINANCIAL STATEMENTS (BALANCE SHEET, INCOME STATEMENT AND STATEMENT OF APPROPRIATION OF RETAINED EARNINGS) FOR THE FISCAL YEAR 2007</u>	3
<u>AGENDUM 2. AMENDMENT OF THE ARTICLES OF INCORPORATION</u>	4
<u>AGENDUM 3. APPOINTMENT OF DIRECTOR(S)</u>	7
<u>AGENDUM 4. APPOINTMENT OF CANDIDATE(S) FOR THE MEMBERS OF THE AUDIT COMMITTEE WHO ARE NOT NON-EXECUTIVE DIRECTORS</u>	9
<u>AGENDUM 5. APPOINTMENT OF CANDIDATE(S) FOR THE MEMBERS OF THE AUDIT COMMITTEE WHO ARE NON-EXECUTIVE DIRECTORS</u>	10
<u>AGENDUM 6. APPROVAL OF AGGREGATE REMUNERATION LIMIT FOR DIRECTORS</u>	11

Table of Contents

Agenda for Annual General Meeting of

Shareholders for the Fiscal Year 2007

AGENDUM I. APPROVAL OF NON-CONSOLIDATED FINANCIAL STATEMENTS (BALANCE SHEET, INCOME STATEMENT AND STATEMENT OF APPROPRIATION OF RETAINED EARNINGS) FOR THE FISCAL YEAR 2007

Please find the following Exhibits attached to this document:

Exhibit Index

- 99.1 Non-consolidated Balance Sheets as of December 31, 2007 and 2006
- 99.2 Non-consolidated Income Statements for the Years Ended December 31, 2007 and 2006
- 99.3 Non-consolidated Statements of Appropriations of Retained Earnings for the Years Ended December 31, 2007 and 2006

Table of Contents

AGENDUM 2. AMENDMENT OF THE ARTICLES OF INCORPORATION

CURRENT	AMENDED (DRAFT)	REMARK
<p>Article 5 (Method of Public Notices)</p>	<p>Article 5 (Method of Public Notices)</p>	
<p>Public notices of the Bank shall be made in the Seoul Shinmun, a daily newspaper published in Seoul. However, if the Seoul Shinmun is not available due to circumstances beyond the Bank's control, the public notices of the Bank shall be given in the Dong-a Ilbo.</p>	<p>Public notices of the Bank shall be made in the Seoul Shinmun, a daily newspaper published in Seoul. However, if the Seoul Shinmun is not available due to circumstances beyond the Bank's control, the public notices of the Bank shall be given in the Dong-a Ilbo.</p>	
<p>(new Paragraph)</p>	<p><u>Notwithstanding the provisions of Paragraph (1) above, a public notice of the financial statements pursuant to Article 41 of the Bank Act may be made by posting an electronic copy of the financial statements on the Korea Federation of Banks website.</u></p>	<p>Adding a new method for public notices of financial statements</p>
<p>(new Article)</p>	<p><u>Article 10-2 (Convertible Shares)</u></p>	<p>Providing basis for issuing convertible shares</p>
	<p><u>The Bank may, pursuant to a resolution of the Board of Directors, issue shares that are convertible into common shares or preferred shares, in an amount not exceeding 20% of the total number of issued and outstanding shares of the Bank.</u></p>	
	<p><u>The issue price of the new shares issued upon conversion shall be equal to the issue price of the convertible shares prior to conversion, and the number of shares to be issued upon conversion shall be equal to the number of common shares or preferred shares prior to conversion.</u></p>	
	<p><u>The conversion period shall be determined by a resolution of the Board of Directors and shall be a period that commences no earlier than 1 year, and ends no later than 10 years, from the issue date.</u></p>	
	<p><u>For the purpose of any distribution of dividends on the shares issued upon conversion, Article 14 hereof shall apply <i>mutatis mutandis</i>.</u></p>	

Table of Contents

	CURRENT	AMENDED (DRAFT)	REMARK
(new Article)		<u>Article 10-3 (Redeemable Shares)</u>	Providing basis for issuing redeemable shares
		<p><u>At the time of issuance of preferred shares, the Bank may, pursuant to a resolution of the Board of Directors, issue such preferred shares as redeemable shares that can be retired at the Bank's discretion using its profits.</u></p>	
		<p><u>The redemption price shall be the issue price + additional amount, where the additional amount shall be determined by a resolution of the Board of Directors at the time of issuance of such redeemable shares, considering various factors such as the dividend rate, market condition and general circumstances related to the issuance of such redeemable shares.</u></p>	
		<p><u>The redemption period for the redeemable shares shall be a period falling between (x) the day following the close of the Ordinary General Meeting of Shareholders for the fiscal year in which the redeemable shares were issued and (y) one month after the close of the Ordinary General Meeting of Shareholders for the fiscal year in which the 20th anniversary of the issue date falls, as determined by a resolution of the Board of Directors; provided, however, that in the case of redeemable shares which are required to be redeemed by the Bank upon the expiration of the redemption period, to the extent that any of the conditions listed below have occurred and remain outstanding, the redemption period shall be extended until such conditions have been resolved:</u></p> <ol style="list-style-type: none"> <li data-bbox="668 1537 1166 1619">1. <u>The holders of the redeemable shares did not receive the preferential dividends to which they are entitled.</u> <li data-bbox="668 1728 1203 1810">2. <u>The Bank is unable to redeem the redeemable shares during the redemption period due to a lack of sufficient profits.</u> 	

Edgar Filing: KOOKMIN BANK - Form 6-K

The Bank may redeem the redeemable shares in whole at once or in part in installments; provided that, if the Bank is redeeming the redeemable shares in part the Bank may select the shares to be redeemed by lottery, or proportionally from each holder. Fractional shares resulting from proportional redemption shall not be redeemed.

Table of Contents

CURRENT

AMENDED (DRAFT)

REMARK

If the Bank wishes to redeem the redeemable shares, the Bank shall provide public notice specifying its intention to redeem, the redeemable shares to be redeemed and a period of no less than one month during which holders will be required to present their share certificates to the Bank. The Bank must separately provide notice to the shareholders registered in the Bank's registry of shareholders and the registered pledgees. Upon the expiration of period mentioned above, the Bank shall mandatorily redeem the redeemable shares.

At the time of issuance of redeemable shares, the Bank may, pursuant to a resolution of the Board of Directors, issue the redeemable shares as convertible shares as provided for in Article 10-2 hereof.

ADDENDUM

(new Article)

Article 1 (The date of enforcement)

This Article of Incorporation will take effect on and after March 20th of 2008(2008/3/20).

Table of Contents

AGENDUM 3. APPOINTMENT OF DIRECTOR(S)

List of Nominees for Executive Directors

Name	Current	Career	Relationship with the largest shareholder	Transactions with the Bank during the past 3 years	Recommended by
(Date of Birth)	Position				Audit Committee Member Nominating Committee
Yong Hwa Cheong	Director, Business Operating Division, National Credit Union Federation of Korea	Director, Bank Examination Department 1, Financial Supervisory Service	None	None	
(Newly appointed)		Director, Examination Planning & Coordination Department, Financial Supervisory Service			
(07/12/1952)		Assistant Governor, Financial Supervisory Service			
	Senior Executive Vice President & Head of the Strategy Group, Kookmin Bank	General Manager, Strategic Planning Team, Kookmin Bank	None	None	CEO & President
In Gyu Choi		General Manager, Seochobuk Branch, Kookmin Bank			
(Newly appointed)					
(12/23/1955)		General Manager, Human Resources Supporting Department, Kookmin Bank			
		Executive Vice President, Strategic Planning Division, Kookmin Bank			
Donald H. MacKenzie	Senior Executive Vice President & CFO, Kookmin Bank	Partner, KPMG Peat Marwick	None	None	CEO & President
(Newly appointed*)					
(12/20/1948)		Vice President, Goldman Sachs			
		Managing Director, ING Barings			

Edgar Filing: KOOKMIN BANK - Form 6-K

Country Manager, ING Bank Japan

Senior Executive Vice President & CRO,
Kookmin Bank

* Donald H. MacKenzie previously served as an executive director of Kookmin Bank from 2003 to 2006.

Table of Contents**List of Nominees for Non-Executive Directors**

Name	Current	Career	Relationship with the largest shareholder	Transactions with the Bank during the past 3 years	Recommended by
(Date of Birth)	Position				
	Professor, Chonnam National Univ.	Lecturer, Hongik Univ.	None	None	Non-Executive Director Nominating Committee
Dam Cho		Advisory Professor, Samsung Fire & Marine Insurance Co., Ltd.			
(Reappointed)					
(08/01/1952)		President, Korean Financial Management Association			
	Professor, Univ. of Seoul	Assistant Professor, Univ. of Alberta	None	None	Non-Executive Director Nominating Committee
Suk Sig Lim		Member, Examination Committee, FSS			
(Newly appointed)					
(07/17/1953)		Vice President, Korea Accounting Institute			
		Non-executive Director, Korea Ratings			
	Dean, KDI School of Public Policy and Management	Assistant Professor, Virginia Tech	None	None	Non-Executive Director Nominating Committee
Sang Moon Hahn		Chief Researcher, Korea Institute of Finance			
(Newly appointed)					
(02/02/1954)		Professor, KDI School of Public Policy and Management			
Han Kim	President & Chairman, Uclick	Executive Director, Daishin Securities Co., Ltd.	None	None	Non-Executive Director Nominating Committee
(Newly appointed)					
(02/17/1954)		Vice Chairman, Meritz Securities Co., Ltd.			

Edgar Filing: KOOKMIN BANK - Form 6-K

		Non-executive Director, Dongyang Fire & Marine Insurance Co., Ltd.			
Chan Soo Kang	President & Chairman, Kang & Company. Ltd.	Executive Director, BT Wolfensohn	None	None	Non-Executive Director Nominating Committee
(Newly appointed)		CEO, Seoul Securities Co., Ltd.			
(11/23/1961)					
		Adjunct Professor, Ewha Womans Univ.			

Table of Contents

AGENDUM 4. APPOINTMENT OF CANDIDATE(S) FOR THE MEMBERS OF THE AUDIT COMMITTEE WHO ARE NOT NON-EXECUTIVE DIRECTORS

List of Nominee for member of Audit Committee who is not Non-Executive Director

Name	Current	Career	Relationship with the largest shareholder	Transactions with the Bank during the past 3 years	Recommended by
(Date of Birth)	Position				Audit Committee Member Nominating Committee
Yong Hwa Cheong	Director, Business Operating Division, National Credit Union Federation of Korea	Director, Bank Examination Department 1, Financial Supervisory Service	None	None	
(Newly appointed)		Director, Examination Planning & Coordination Department, Financial Supervisory Service			
(07/12/1952)		Assistant Governor, Financial Supervisory Service			

Table of Contents

AGENDUM 5. APPOINTMENT OF CANDIDATE(S) FOR THE MEMBERS OF THE AUDIT COMMITTEE WHO ARE NON-EXECUTIVE DIRECTORS

List of Nominees for members of Audit Committee who are Non-Executive Directors

Name	Current		Relationship	Transactions	
(Date of Birth)	Position	Career	with the largest shareholder	with the Bank during the past 3 years	Recommended by
Kee Young Chung	Professor, Accounting Keimyung Univ. (C.P.A)	President, Korea Accounting Institute	None	None	Audit Committee Member Nominating Committee
(Reappointed)		Chairman, Korea Accounting Association			
(09/07/1948)		Member, Examination Committee, FSS			
	Professor, Chonnam National Univ.	Lecturer, Hongik Univ.	None	None	Audit Committee Member Nominating Committee
Dam Cho		Advisory Professor, Samsung Fire & Marine Insurance Co., Ltd.			
(Reappointed)		President, Korean Financial Management Association			
(08/01/1952)	Professor, Univ. of Seoul	Assistant Professor, Univ. of Alberta	None	None	Audit Committee Member Nominating Committee
Suk Sig Lim		Member, Examination Committee, FSS			
(Newly appointed)		Vice President, Korea Accounting Institute			
(07/17/1953)		Non-executive Director, Korea Ratings			
Han Kim	President & Chairman, Uclick	Executive Director, Daishin Securities Co., Ltd.	None	None	Audit Committee Member Nominating Committee
(Newly appointed)		Vice Chairman, Meritz Securities Co., Ltd.			
(02/17/1954)					

Edgar Filing: KOOKMIN BANK - Form 6-K

	Non-executive Director, Dongyang Fire & Marine Insurance Co., Ltd.			
Partner, Barun Law	Presiding Judge, Seoul Eastern District Court	None	None	Audit Committee Member Nominating Committee

Chee Joong Kim

(Newly appointed)

(12/11/1955)

Presiding Judge, Seoul Administrative Court

Presiding Judge, Patent Court

Presiding Judge, Seoul High Court

Table of Contents

AGENDUM 6. APPROVAL OF AGGREGATE REMUNERATION LIMIT FOR DIRECTORS

	Annual General Meeting of Shareholders for the fiscal year 2001	Annual General Meeting of Shareholders for the fiscal year 2007
No. of Directors (No. of Non-executive Director)	13 (10)	15 (10)
Aggregate Remuneration Limit	8 billion Won	8 billion Won*

* 8 billion Won will be proposed as the maximum amount of aggregate remuneration that may be disbursed to the directors of Kookmin Bank for the fiscal year 2008. The board of directors will approve and ratify the payment allocation. Additionally, 140,000 shares (or the equivalent amount) will be proposed as the maximum aggregate amount of shares that may be disbursed from October 30, 2007 to October 29, 2010 to the directors of Kookmin Bank as long-term incentives over the term of their office. The board of directors will approve and ratify the standard and method of allocation and payment of such shares.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Kookmin Bank
(Registrant)

Date: March 4, 2008

By: /s/ Donald H. MacKenzie
(Signature)
Name: Donald H. MacKenzie
Title: Senior EVP / CFO

Table of Contents**Exhibit 99.1**

KOOKMIN BANK

NON-CONSOLIDATED BALANCE SHEETS

AS OF DECEMBER 31, 2007 AND 2006

	2007	Korean Won (In millions)	2006
ASSETS			
Cash and due from banks	(Won) 6,544,754		(Won) 6,568,306
Securities	30,777,359		29,382,480
Loans	171,549,993		149,867,182
Tangible assets	2,298,743		2,137,732
Other assets	7,695,189		7,250,781
	(Won) 218,866,038		(Won) 195,206,481
LIABILITIES AND SHAREHOLDERS EQUITY			
LIABILITIES:			
Deposits	(Won) 138,858,691		(Won) 130,019,916
Borrowings	50,250,481		39,042,684
Other liabilities	13,719,105		11,088,924
	202,828,277		180,151,524
SHAREHOLDERS EQUITY :			
Common stock	1,681,896		1,681,896
Capital surplus	6,258,297		6,258,297
Accumulated other comprehensive income	356,412		899,542
Retained earnings	7,741,156		6,215,222
	16,037,761		15,054,957
	(Won) 218,866,038		(Won) 195,206,481

Table of Contents**Exhibit 99.2**

KOOKMIN BANK

NON-CONSOLIDATED STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	Korean Won	
	2007	2006
	(In millions except per share amounts)	
OPERATING REVENUE:		
Interest income:		
Interest on due from banks	(Won) 13,007	(Won) 27,973
Interest on securities	1,440,186	1,350,320
Interest on loans	12,146,901	10,652,569
Other interest income	36,522	32,026
	13,636,616	12,062,888
Gain on valuation and disposal of securities:		
Gain on valuation of trading securities	3,570	14,113
Gain on disposal of trading securities	95,174	53,230
Gain on disposal of available-for-sale securities	808,396	182,325
Reversal of impairment loss on available-for-sale securities	31,784	84,443
	938,924	334,111
Gain on disposal of loans	27,112	36,311
Foreign exchange trading income	533,862	245,067
Commission income	1,571,103	1,341,814
Fees and commissions from trust accounts	93,406	97,141
Dividends income	10,956	7,492
Other operating income:		
Gain on derivatives trading	2,922,375	4,419,007
Gain on valuation of derivatives	1,262,897	935,487
Gain on valuation of fair value hedged items	212,295	35,828
Other operating income	72,280	103,728
	4,469,847	5,494,050
Total operating revenues	21,281,826	19,618,874
OPERATING EXPENSES:		
Interest expenses:		
Interest on deposits	4,144,124	3,433,480
Interest on borrowings	2,449,474	1,796,009

Edgar Filing: KOOKMIN BANK - Form 6-K

Other interest expenses	81,336	54,991
	6,674,934	5,284,480
Loss on valuation and disposal of securities:		
Loss on valuation of trading securities	50,745	7,191
Loss on disposal of trading securities	88,785	48,084
Loss on disposal of available-for-sale securities	24,977	15,283
Impairment loss on available-for-sale securities	75,710	124,266
	240,217	194,824
Gain on valuation and disposal of Loans:		
Provision for possible loan losses	533,952	1,009,498
Loss on disposal of loans	8,555	17,222
	542,507	1,026,720
Foreign exchange trading losses	309,848	295,880
Commission expenses	593,123	464,400
General and administrative expenses	3,693,254	3,225,155

(Continued)

- 2 -

Table of Contents

KOOKMIN BANK

NON-CONSOLIDATED STATEMENTS OF INCOME (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	Korean Won	
	2007	2006
	(In millions except per share amounts)	
Other operating expenses:		
Provision for acceptances and guarantees losses	18,125	8,932
Loss on derivatives trading	2,785,890	4,080,808
Loss on valuation of derivatives	1,548,944	1,015,822
Loss on valuation of fair value hedged items	4,061	31,517
Other operating expenses	637,537	785,353
	4,994,557	5,922,432
Total operating expenses	17,048,440	16,413,891
OPERATING INCOME	(Won) 4,233,386	(Won) 3,204,983
NON-OPERATING REVENUE	444,899	366,293
NON-OPERATING EXPENSES	148,415	163,681
INCOME BEFORE INCOME TAX	4,529,870	3,407,595
INCOME TAX EXPENSE	1,756,027	935,484
NET INCOME	(Won) 2,773,843	(Won) 2,472,111
BASIC NET INCOME PER SHARE (In currency units)	(Won) 8,246	(Won) 7,349
DILUTED NET INCOME PER SHARE (In currency units)	(Won) 8,228	(Won) 7,349

Table of Contents**Exhibit 99.3**

KOOKMIN BANK

NON-CONSOLIDATED STATEMENTS OF APPROPRIATIONS OF RETAINED EARNINGS

FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007	Korean Won (In millions)	2006
RETAINED EARNINGS BEFORE APPROPRIATIONS:			
Retained earnings (accumulated deficit) carried forward from prior years	(Won) 95		(Won) 59
Effect on valuation of securities using the equity method	(20,400)		(1,582)
Net income	2,773,843		2,472,111
	2,753,538		2,470,588
APPROPRIATIONS:			
Legal reserve	277,400		247,300
Voluntary reserve	1,651,500		994,900
Dividend	824,129		1,227,784
Other reserve	476		509
	2,753,505		2,470,493
UNAPPROPRIATED RETAINED EARNINGS TO BE CARRIED FORWARD TO SUBSEQUENT YEARS	(Won) 33		(Won) 95