

KOOKMIN BANK

Form 6-K

August 14, 2008

This Report on Form 6-K is incorporated by reference into the prospectus included in the Registration Statement on Form F-4 of Kookmin Bank (File No. 333-151207).

# **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 August 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)**

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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

## UNAUDITED NON-CONSOLIDATED FINANCIAL STATEMENTS

## OF KOOKMIN BANK

## KOOKMIN BANK

## NON-CONSOLIDATED BALANCE SHEETS

AS OF JUNE 30, 2008 AND DECEMBER 31, 2007

|   | Korean Won        |                   |
|---|-------------------|-------------------|
|   | 2008              | 2007              |
|   | (In millions)     |                   |
| <b>ASSETS</b>                               |                   |                   |
| Cash and due from banks                     | (Won) 6,602,042   | (Won) 6,544,754   |
| Securities                                  | 33,653,467        | 30,777,359        |
| Loans                                       | 191,142,034       | 171,549,993       |
| Tangible assets                             | 2,242,485         | 2,298,743         |
| Other assets                                | 11,339,233        | 7,695,189         |
|   | (Won) 244,979,261 | (Won) 218,866,038 |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b> |                   |                   |
| <b>LIABILITIES:</b>                         |                   |                   |
| Deposits                                    | (Won) 156,791,555 | (Won) 138,858,691 |
| Borrowings                                  | 54,535,929        | 50,250,481        |
| Other liabilities                           | 17,257,590        | 13,719,105        |
|   | 228,585,074       | 202,828,277       |
| <b>SHAREHOLDERS' EQUITY :</b>               |                   |                   |
| Common stock                                | 1,681,896         | 1,681,896         |
| Capital surplus                             | 6,273,290         | 6,269,263         |
| Accumulated other comprehensive income      | 271,746           | 345,446           |
| Retained earnings                           | 8,167,255         | 7,741,156         |
|   | 16,394,187        | 16,037,761        |
|   | (Won) 244,979,261 | (Won) 218,866,038 |

## KOOKMIN BANK

## NON-CONSOLIDATED STATEMENTS OF INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 2008 AND 2007

|  | Korean Won                             |                   |
|--|--|-------------------|
|  | 2008                                   | 2007              |
|  | (In millions except per share amounts) |                   |
| <b>OPERATING REVENUE:</b>                                    |  |                   |
| Interest income:   |  |                   |
| Interest on due from banks                                   | (Won) 1,460                            | (Won) 8,482       |
| Interest on securities                                       | 834,184                                | 677,298           |
| Interest on loans  | 6,945,557                              | 5,763,172         |
| Other interest income  | 19,041                                 | 17,934            |
|  | 7,800,242                              | 6,466,886         |
| Gain on valuation and disposal of securities:                |  |                   |
| Gain on valuation of trading securities                      | 10,863                                 | 10,202            |
| Gain on disposal of trading securities                       | 84,980                                 | 39,621            |
| Gain on disposal of available-for-sale securities            | 112,482                                | 736,741           |
| Reversal of impairment loss on available-for-sale securities | 17,837                                 | 23,726            |
|  | 226,162                                | 810,290           |
| Gain on disposal of loans                                    | 22,832                                 | 23,112            |
| Foreign exchange trading income                              | 324,381                                | 205,882           |
| Commission income  | 763,482                                | 730,796           |
| Fees and commissions from trust accounts                     | 46,055                                 | 46,649            |
| Dividends income   | 11,160                                 | 9,920             |
| Other operating income:                                      |  |                   |
| Gain on derivatives trading                                  | 3,040,450                              | 1,137,855         |
| Gain on valuation of derivatives                             | 2,998,833                              | 578,579           |
| Gain on valuation of fair value hedged items                 | 132,795                                | 91,160            |
| Other operating income                                       | 17,444                                 | 81,026            |
|  | 6,189,522                              | 1,888,620         |
| <b>Total operating revenues</b>                              | <b>15,383,836</b>                      | <b>10,182,155</b> |
| <b>OPERATING EXPENSES:</b>                                   |  |                   |
| Interest expenses:   |  |                   |
| Interest on deposits   | 2,931,120                              | 1,924,147         |
| Interest on borrowings                                       | 1,367,224                              | 1,101,816         |
| Other interest expenses                                      | 41,500                                 | 34,624            |
|  | 4,339,844                              | 3,060,587         |

Loss on valuation and disposal of securities:

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|   |           |           |
|---|-----------|-----------|
| Loss on valuation of trading securities           | 28,520    | 21,646    |
| Loss on disposal of trading securities            | 40,452    | 17,491    |
| Loss on disposal of available-for-sale securities | 12,187    | 9,940     |
| Impairment loss on available-for-sale securities  | 30,086    | 44,706    |
|   | 111,245   | 93,783    |
| Loss on valuation and disposal of loans:          |           |           |
| Provision for possible loan losses                | 409,104   | 191,606   |
| Loss on disposal of loans                         | 123       |           |
|   | 409,227   | 191,606   |
| Foreign exchange trading losses                   | 261,233   | 159,738   |
| Commission expenses                               | 317,407   | 263,625   |
| General and administrative expenses               | 1,849,592 | 1,782,631 |

## KOOKMIN BANK

## NON-CONSOLIDATED STATEMENTS OF INCOME (CONTINUED)

FOR THE SIX MONTHS ENDED JUNE 30, 2008 AND 2007

|  | Korean Won                             |                        |
|--|--|------------------------|
|  | 2008                                   | 2007                   |
|  | (In millions except per share amounts) |                        |
| Other operating expenses:                        |  |                        |
| Provision for acceptances and guarantees losses  | (Won) 15,451                           | (Won) 5,573            |
| Loss on derivatives trading                      | 2,906,150                              | 1,127,008              |
| Loss on valuation of derivatives                 | 3,105,961                              | 607,066                |
| Loss on valuation of fair value hedged items     | 11,681                                 | 20,364                 |
| Other operating expenses                         | 373,793                                | 297,801                |
|  | 6,413,036                              | 2,057,812              |
| Total operating expenses                         | 13,701,584                             | 7,609,782              |
| <b>OPERATING INCOME</b>                          | <b>1,682,252</b>                       | <b>2,572,373</b>       |
| NON-OPERATING REVENUE                            | 140,542                                | 128,400                |
| NON-OPERATING EXPENSES                           | 53,816                                 | 54,801                 |
| INCOME BEFORE INCOME TAX                         | 1,768,978                              | 2,645,972              |
| INCOME TAX EXPENSE                               | 493,125                                | 1,227,174              |
| <b>NET INCOME</b>                                | <b>(Won) 1,275,853</b>                 | <b>(Won) 1,418,798</b> |
| BASIC NET INCOME PER SHARE (In currency units)   | (Won) 3,793                            | (Won) 4,218            |
| DILUTED NET INCOME PER SHARE (In currency units) | (Won) 3,789                            | (Won) 4,209            |

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KOOKMIN BANK

NON-CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY

FOR THE SIX MONTHS ENDED JUNE 30, 2008 AND 2007

|   | Capital stock   | Capital surplus | Capital adjustments | Accumulated other comprehensive income<br>(In millions) | Retained earnings        | Total                     |
|---|-----------------|-----------------|---------------------|---|--------------------------|---------------------------|
| January 1, 2007                                 | (Won) 1,681,896 | (Won) 6,258,297 | (Won)               | (Won) 899,542   | (Won) 6,215,222          | (Won) 15,054,957          |
| Cumulative effect on accounting changes         |                 | 10,966          |                     | (10,966)  |                          |                           |
| Dividend  | 1,681,896       | 6,269,263       |                     | 888,576   | 6,215,222<br>(1,227,784) | 15,054,957<br>(1,227,784) |
| Balance after appropriations                    | 1,681,896       | 6,269,263       |                     | 888,576   | 4,987,438                | 13,827,173                |
| Net income                                      |                 |                 |                     |   | 1,418,798                | 1,418,798                 |
| Valuation of available-for-sale securities      |                 |                 |                     | (481,623)   |                          | (481,623)                 |
| Valuation of held-to-maturity securities        |                 |                 |                     | (38)  |                          | (38)                      |
| Valuation of securities using the equity method |                 |                 |                     | (5,629)   | (7,650)                  | (13,279)                  |
| Others  |                 |                 |                     |   | (157)                    | (157)                     |
| June 30, 2007                                   | (Won) 1,681,896 | (Won) 6,269,263 | (Won)               | (Won) 401,286   | (Won) 6,398,429          | (Won) 14,750,874          |
| January 1, 2008                                 | (Won) 1,681,896 | (Won) 6,258,297 | (Won)               | (Won) 356,412   | (Won) 7,741,156          | (Won) 16,037,761          |
| Cumulative effect for accounting changes        |                 | 10,966          |                     | (10,966)  |                          |                           |
| Dividend  | 1,681,896       | 6,269,263       |                     | 345,446   | 7,741,156<br>(824,129)   | 16,037,761<br>(824,129)   |
| Balance after appropriations                    | 1,681,896       | 6,269,263       |                     | 345,446   | 6,917,027                | 15,213,632                |
| Net income                                      |                 |                 |                     |   | 1,275,853                | 1,275,853                 |
| Valuation of available-for-sale securities      |                 |                 |                     | (52,927)  |                          | (52,927)                  |
| Valuation of held-to-maturity securities        |                 |                 |                     | (7)   |                          | (7)                       |
| Valuation of securities using the equity method |                 | 4,027           |                     | (20,766)  | (26,503)                 | (43,242)                  |
| Others  |                 |                 |                     |   | 878                      | 878                       |
| June 30, 2008                                   | (Won) 1,681,896 | (Won) 6,273,290 | (Won)               | (Won) 271,746   | (Won) 8,167,255          | (Won) 16,394,187          |

## KOOKMIN BANK

## NON-CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 2008 AND 2007

|   | 2008            | Korean Won<br>(In millions) | 2007            |
|---|-----------------|-----------------------------|-----------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                                  |                 |                             |                 |
| Net income  | (Won) 1,275,853 |                             | (Won) 1,418,798 |
| Adjustments to reconcile net income to net cash used in operating activities: |                 |                             |                 |
| Loss on valuation of trading securities                                       | 28,520          |                             | 21,646          |
| Impairment loss on available-for-sale securities                              | 30,086          |                             | 44,706          |
| Loss on valuation of securities accounted for using the equity method         | 306             |                             | 387             |
| Provision for possible loan losses  | 409,104         |                             | 191,606         |
| Depreciation and amortization   | 205,209         |                             | 186,774         |
| Loss on disposal of tangible assets   | 597             |                             | 714             |
| Loss on valuation of derivatives  | 3,105,961       |                             | 607,066         |
| Loss on valuation of fair value hedged items                                  | 11,681          |                             | 20,364          |
| Provision for severance benefits  | 89,389          |                             | 83,003          |
| Gain on valuation of trading securities                                       | (10,863)        |                             | (10,202)        |
| Reversal of impairment loss on available-for-sale securities                  | (17,837)        |                             | (23,726)        |
| Gain on valuation of securities accounted for using the equity method         | (57,180)        |                             | (56,930)        |
| Gain on disposal of tangible assets   | (3,448)         |                             | (281)           |
| Gain on valuation of derivatives  | (2,998,833)     |                             | (578,579)       |
| Gain on valuation of fair value hedged items                                  | (132,795)       |                             | (91,160)        |
| Others, net   | 5,712           |                             | 179,188         |
|   | 665,609         |                             | 574,576         |
| Changes in assets and liabilities resulting from operations:                  |                 |                             |                 |
| Net decrease (increase) in trading securities                                 | 803,686         |                             | (3,141,808)     |
| Net decrease (increase) in available-for-sale securities                      | (2,096,419)     |                             | 26,192          |
| Net decrease (increase) in held-to-maturity securities                        | (1,045,790)     |                             | 713,682         |
| Net increase in loans   | (20,026,879)    |                             | (9,640,833)     |
| Net increase in accounts receivable   | (1,793,425)     |                             | (1,496,466)     |
| Net decrease (increase) in accrued income                                     | 59,304          |                             | (112,454)       |
| Net increase in prepaid expenses  | (31,676)        |                             | (26,519)        |
| Net decrease (increase) in deferred income tax assets                         | (20,057)        |                             | (148,042)       |
| Net increase in accounts payable  | 1,540,286       |                             | 1,408,325       |
| Net increase in accrued expenses  | 551,755         |                             | 681,878         |
| Net increase in unearned revenues   | 7,551           |                             | 9,613           |
| Payment of severance benefits   | (20,004)        |                             | (15,521)        |
| Net increase in severance insurance deposits                                  | (3,017)         |                             | (2,688)         |
| Others, net   | (243,119)       |                             | 122,123         |
|   | (22,317,804)    |                             | (11,622,518)    |
| Net cash used in operating activities   | (20,376,342)    |                             | (9,629,144)     |



## KOOKMIN BANK

## NON-CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE SIX MONTHS ENDED JUNE 30, 2008 AND 2007

|   | 2008                   | Korean Won<br>(In millions) | 2007                   |
|---|------------------------|-----------------------------|------------------------|
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                                |                        |                             |                        |
| Net decrease in restricted due from banks                                   | (Won) 336,654          |                             | (Won) 630,716          |
| Net decrease (increase) in securities accounted for using the equity method | (419,502)              |                             | 14,187                 |
| Disposal of tangible assets   | 7,293                  |                             | 5,801                  |
| Disposal of intangible assets   |                        |                             | 75                     |
| Purchase of tangible assets   | (93,641)               |                             | (187,579)              |
| Purchase of intangible assets   | (32,998)               |                             | (14,152)               |
| Net increase in guarantee deposits paid                                     | (32,678)               |                             | (94,385)               |
| Net decrease in domestic exchange settlement debits                         | 41,333                 |                             | 235,795                |
| Net cash provided by (used in) investing activities                         | (193,539)              |                             | 590,458                |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>                                |                        |                             |                        |
| Net increase in deposits  | 17,933,842             |                             | 1,544,059              |
| Net increase in borrowings  | 4,330,689              |                             | 7,685,776              |
| Net increase (decrease) in other liabilities                                | (476,579)              |                             | 435,527                |
| Dividend  | (824,129)              |                             | (1,227,784)            |
| Net cash provided by financing activities                                   | 20,963,823             |                             | 8,437,578              |
| <b>NET INCREASE (DECREASE) IN CASH AND DUE FROM BANKS</b>                   | <b>393,942</b>         |                             | <b>(601,108)</b>       |
| <b>CASH AND DUE FROM BANKS, BEGINNING OF PERIOD</b>                         | <b>2,533,763</b>       |                             | <b>3,287,819</b>       |
| <b>CASH AND DUE FROM BANKS, END OF PERIOD</b>                               | <b>(Won) 2,927,705</b> |                             | <b>(Won) 2,686,711</b> |

**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: August 14, 2008

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