

KOOKMIN BANK  
Form 6-K  
March 31, 2006

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**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 2006

**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)**

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

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TABLE OF CONTENTS

<i>Summary of Business Report for the fiscal year 2005</i>	4
1. <u>Introduction to the Bank</u>	5
1.1. <u>Business Purposes</u>	5
1.2. <u>History</u>	5
1.3. <u>Capital Structure</u>	7
1.4. <u>Employee Stock Ownership Association</u>	13
1.5. <u>Dividend</u>	13
2. <u>Business</u>	14
2.1. <u>Sources and Uses of Fund</u>	14
2.2. <u>Principal Banking Activities</u>	17
2.3. <u>Branch Networks</u>	21
2.4. <u>Other Information for Investment Decision</u>	22
3. <u>Financial Information</u>	24
3.1. <u>Non-Consolidated Condensed Financial Statements</u>	24
3.2. <u>Other Financial Information</u>	24
4. <u>Independent Accountant Fees and Services</u>	25
4.1. <u>Audit &amp; Review Fees</u>	25
4.2. <u>Non-Audit Services</u>	25
5. <u>Corporate Governance and Affiliated Companies</u>	26
5.1. <u>Board of Directors &amp; Committees under the Board</u>	26
5.2. <u>Audit Committee</u>	26
5.3. <u>Compensation to Directors</u>	27
5.4. <u>Voting Rights of Shareholders</u>	27
5.5. <u>Share Ownership</u>	27
5.6. <u>Affiliated Companies</u>	28
6. <u>Directors, Senior Management and Employees</u>	29
6.1. <u>Executive Directors</u>	29
6.2. <u>Non-Executive Directors</u>	29
6.3. <u>Senior Management</u>	30
6.4. <u>Employees</u>	30
7. <u>Related Party Transactions</u>	31
7.1. <u>Transactions with the Largest Shareholders or Affiliates</u>	31
7.2. <u>Transactions with related parties other than the Largest Shareholders or Affiliates</u>	32

**Index**

- 1. Summary of Business Report for the fiscal year 2005**
- 2. Exhibit 99.1\_Kookmin Bank Audit Report for the fiscal year 2005**

**Summary of Business Report for the fiscal year 2005**

On March 31, 2006, pursuant to the Securities and Exchange Act of Korea, Kookmin Bank filed its business report for the fiscal year 2005 (the Business Report ) to the Financial Supervisory Commission of Korea and the Korea Exchange. This is the summary of the Business Report translated into English.

All references to Kookmin Bank mean Kookmin Bank on a non-consolidated basis, and all references to we , us or the Bank mean Kookmin Bank and, as the context may require, its subsidiaries. In addition, all references to Won or W in this document are to the currency of the Republic of Korea.

**1. Introduction to the Bank**

**1.1. Business Purposes**

The business purpose of the Bank is to engage in the following business activities:

The banking business as prescribed by the Bank Act,

The trust business as prescribed by the Banking Trust Act,

The credit card business as prescribed by the Non-Banking Financing Act, and

Other businesses permitted by the Bank Act or other relevant Korea laws and regulations

**1.2. History**

November 1, 2001

Incorporated and listed on the New York Stock Exchange

November 9, 2001

Listed on the Korea Stock Exchange

September 23, 2002

Integrated IT platforms of old Kookmin Bank and H&CB

December 4, 2002

Entered into a strategic alliance agreement with ING Bank N.V., which replaced the prior investment agreement with H&CB

May 30, 2003

Entered into a merger agreement with Kookmin Credit Card, one of our major subsidiaries, and officially submitted Merger Statement to Financial Supervisory Commission

September 30, 2003

Completed small-scale merger with Kookmin Credit Card

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December 16, 2003

Completed strategic investment in Bank International Indonesia (BII) by investing in 25% stake of the Consortium of Sorak Financial Holdings

December 19, 2003

Fully privatized through the entire disposition of Korean government's stake in Kookmin Bank

April 29, 2004

Established a subsidiary, KB Life Co. Ltd., to engage in insurance business

July 22, 2004

Made an alliance with China Construction Bank for the foreign currency business

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August 31, 2004

ING Bank N.V. made a contract with KB for the strategic investment in KB Life

October 29, 2004

Appointed Mr. Chung Won Kang as the President & CEO in Extraordinary General Shareholders Meeting

November 09, 2004

Declared Integration of three labor unions (former Kookmin Bank, former H&CB, former Kookmin Credit Card) into a single KB labor union

December 31, 2004

The largest shareholder of Kookmin Bank changed from ING Bank N.V. Amsterdam to Euro-Pacific Growth Fund

March 02, 2005

Open KB Satellite Broad Casting System for the first time in the world

March 21, 2005

The largest shareholder of Kookmin Bank changed from Euro-Pacific Growth Fund to ING Bank N.V. Amsterdam

June 16, 2005

Disposed 27,423,761 shares of treasury stock by means of the combination of domestic over-the-counter-sales and an international issuance of depository receipts

July 26, 2005

Obtained an approval from FSS to use Market Risk Internal Model for the first time among domestic financial institutions

October 14, 2005

The largest shareholder of Kookmin Bank changed from ING Bank N.V. Amsterdam to Euro-Pacific Growth Fund

February 2, 2006

Established Basel II system to calculate credit risk weighted asset and New BIS Capital adequacy ratio for the first time in Korea

### 1.3. Capital Structure

#### *1.3.1. Common Shares*

Kookmin Bank has authority to issue a total of 1,000,000,000 shares of capital stock according to its Articles of Incorporation. Kookmin Bank's Articles of Incorporation also provide that it is authorized to issue shares of preferred stock up to one-half of all of the issued and outstanding shares of common stock. On completion of the merger between Former Kookmin Bank and H&CB, Kookmin Bank issued 299,697,462 common shares.

Upon the resolution of shareholders' meeting held on March 22, 2002, Kookmin Bank issued additional 17,979,954 common shares in connection with stock dividend of 6 percent.

On November 25, 2002 Goldman Sachs Capital Koryo, L.P. converted all of its convertible bonds into common shares. According to this conversion on November 30, 2002, Kookmin Bank issued 10,581,269 common shares and distributed them to Goldman Sachs Capital Koryo, L.P.

With regard to the merger between Kookmin Bank and Kookmin Credit Card on September 30, 2003, Kookmin Bank issued additional 8,120,431 shares on October 1, 2003. Accordingly, as of September 30, 2005, total 336,379,116 shares were issued with 1,681,896 million Won of paid-in capital.

**1.3.2. Treasury Stock**

The following table shows the acquisition and disposition of our treasury stock as of January 13, 2006. (Units: in thousand of Won unless indicated otherwise)

Date	Transaction	Number of share	Acquisition/ Disposition amount	Average cost per one share (Won)
November 15, 2001	Acquisition of fractional shares in the course of the merger	41,548	1,794,885	43,200
December 24, 2001	Disposition due to exercise of stock option by a grantee	10,000	432,003	43,200
April 3, 2002	Acquisition of fractional shares due to stock dividend	36,089	2,071,557	57,400
May 14, 2002	Disposition pursuant to the Bank Act of Korea	31,548	1,601,944	50,788
July 30 - October 23, 2002	Acquisition pursuant to the Securities and Exchange Act of Korea	3,000,000	147,632,489	49,210
December 24, 2002	Disposition due to exercise of stock option by a grantee	10,000	492,294	49,229
January 15, 2003	Disposition due to exercise of stock option by a grantee	10,000	492,294	49,229
September 4 - 9, 2003	Acquisition pursuant to the Securities and Exchange Act of Korea	650,000	29,094,064	44,760
October 16, 2003	Acquisition of fractional shares due to the Merger with Kookmin Credit Card	5,095	214,254	42,050
4 <sup>th</sup> quarter, 2003	Disposition due to exercise of stock option by grantees	78,322	3,792,977	48,428
December 17, 2003	Acquisition from the sale of Korean government shares of the Bank	27,423,761	1,198,568,158	43,700
December 26, 2003	Disposition due to contribution to ESOP account	1,000,000	44,252,000	44,252
1 <sup>st</sup> quarter, 2004	Disposition due to exercise of stock option by grantees	30,855	1,365,396	44,252
2 <sup>nd</sup> quarter, 2004	Disposition due to exercise of stock option by grantees	55,593	2,460,101	44,252
3 <sup>rd</sup> quarter, 2004	Disposition due to exercise of stock option by grantees	592	26,197	44,252
4 <sup>th</sup> quarter, 2004	Disposition due to exercise of stock option by grantees	48,374	2,140,646	44,252
1 <sup>st</sup> quarter, 2005 <sup>1</sup>	Disposition due to contribution to ESOP account and exercise of stock option by grantees	1,095,038	48,457,622	44,252
2 <sup>nd</sup> quarter, 2005 <sup>2</sup>	Disposition due to domestic over the counter sales and an international issuance of depository receipts and exercise of stock option by grantees	28,473,662	1,260,016,491	44,252
3 <sup>rd</sup> quarter, 2005	Disposition due to exercise of stock option by grantees	42,771	1,892,702	44,252
4 <sup>th</sup> quarter, 2005	Disposition due to exercise of stock option by grantees	51,803	2,292,386	44,252
January 13, 2006	Disposition due to exercise of stock option by grantees	217,935	9,644,060	44,252
<b>Total</b>		<b>0</b>	<b>0</b>	

<sup>1</sup> Disposed 2,000,000 shares of Treasury stock for the purpose of contribution to ESOP on February 23, 2005 and April 12, 2005.

<sup>2</sup> On June 16, 2005, KB disposed 27,423,761 shares of Treasury Stock pursuant to the decision of BOD on April 27, 2005 for the purpose of the improvement of capital structure.

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1.3.3. Stock Option

The following table is the breakdown of stock options Kookmin Bank has granted to the directors and employees as of December 31, 2005.

(Units: in Won, shares)

Grant date	Name of the grantee	Position when granted	Exercise period		Exercise price	Number of granted options <sup>1</sup>	Number of exercised options	Number of exercisable options
			From	To				
28-Feb-00	Jan Op de Beeck	Director&Executive Vice President	01-Mar-03	28-Feb-06	27,600	22,490	0	22,490
28-Feb-00	Sung Chul Kim	Executive Vice President	01-Mar-03	28-Feb-06	27,600	30,000	30,000	0
28-Feb-00	Woo Jung Lee	Executive Vice President	01-Mar-03	28-Feb-06	27,600	30,000	30,000	0
28-Feb-00	Kuk Ju Kwon	Non Executive Director	01-Mar-03	28-Feb-06	27,600	4,800	0	4,800
28-Feb-00	Sun Jin Kim	Non Executive Director	01-Mar-03	28-Feb-06	27,600	7,000	7,000	0
28-Feb-00	Joon Park	Non Executive Director	01-Mar-03	28-Feb-06	27,600	4,800	0	4,800
28-Feb-00	Moon Soul Chung	Non Executive Director	01-Mar-03	28-Feb-06	27,600	7,000	0	7,000
28-Feb-00	Heung Soon Chang	Non Executive Director	01-Mar-03	28-Feb-06	27,600	2,486	0	2,486
28-Feb-00	In Joon Kang	Non Executive Director	01-Mar-03	28-Feb-06	27,600	2,486	2,486	0
28-Feb-00	Sung Hee Jwa	Non Executive Director	01-Mar-03	28-Feb-06	27,600	4,800	1,093	3,707
28-Feb-00	Seung Woo Nam	Non Executive Director	01-Mar-03	28-Feb-06	27,600	1,928	1,928	0
28-Feb-00	Kyung Hee Yoon	Non Executive Director	01-Mar-03	28-Feb-06	27,600	7,000	7,000	0
28-Feb-00	Sung Cheon Hong & 9 others	Employees	01-Mar-03	28-Feb-06	27,600	67,283	51,812	15,471
24-Mar-01	Young II Kim	Executive Vice President	25-Mar-04	24-Mar-07	25,100	30,000	13,000	17,000
24-Mar-01	Jong In Park	Executive Vice President	25-Mar-04	24-Mar-07	25,100	19,333	3,500	15,833
24-Mar-01	Won Bae Yoon	Non Executive Director	25-Mar-04	24-Mar-07	25,100	2,318	2,318	0
24-Mar-01	Jae Kyu Lee	Non Executive Director	25-Mar-04	24-Mar-07	25,100	2,318	0	2,318
24-Mar-01	Chul Soo Ahn	Non Executive Director	25-Mar-04	24-Mar-07	25,100	1,916	1,916	0
24-Mar-01	Jae Han Kim & 2 others	Employees	25-Mar-04	24-Mar-07	25,100	16,491	14,916	1,575
18-Mar-00	Sang Hoon Kim	Chairman&CEO	19-Mar-03	18-Mar-05	23,469	41,460	41,460	0
18-Mar-00	In Kie Kim	Non Executive Director	19-Mar-03	18-Mar-05	23,469	2,961	2,961	0
18-Mar-00	Jin Ho Hwang	Non Executive Director	19-Mar-03	18-Mar-05	23,469	2,961	2,961	0
18-Mar-00	Bong Ho Paick	Non Executive Director	19-Mar-03	18-Mar-05	23,469	2,961	2,961	0
18-Mar-00	Yoo Hwan Kim	Executive Vice President	19-Mar-03	18-Mar-05	23,469	11,845	11,845	0
18-Mar-00	Duk Hyun Kim	Executive Vice President	19-Mar-03	18-Mar-05	23,469	11,845	11,845	0
15-Mar-01	Sang Hoon Kim	Chairman&CEO	16-Mar-04	15-Mar-09	28,027	29,614	1,000	28,614
15-Mar-01	Jong Min Lee	Chief Audit Executive	16-Mar-04	15-Mar-09	28,027	14,807	2,807	12,000
15-Mar-01	In Kie Kim	Non Executive Director	16-Mar-04	15-Mar-09	28,027	2,961	0	2,961
15-Mar-01	Ji Hong Kim	Non Executive Director	16-Mar-04	15-Mar-09	28,027	2,961	0	2,961
15-Mar-01	Bong Ho Paick	Non Executive Director	16-Mar-04	15-Mar-09	28,027	1,870	1,870	0
15-Mar-01	Ik Rae Kim	Non Executive Director	16-Mar-04	15-Mar-09	28,027	2,961	2,961	0
15-Mar-01	Seung Heon Han	Non Executive Director	16-Mar-04	15-Mar-09	28,027	1,870	0	1,870
15-Mar-01	Young Seok Kim	Non Executive Director	16-Mar-04	15-Mar-09	28,027	1,870	0	1,870
15-Mar-01	Se Woong Lee	Non Executive Director	16-Mar-04	15-Mar-09	28,027	2,961	0	2,961
15-Mar-01	Bock Woan Kim	Executive Vice President	16-Mar-04	15-Mar-09	28,027	11,845	0	11,845
15-Mar-01	Yoo Hwan Kim	Executive Vice President	16-Mar-04	15-Mar-09	28,027	11,845	0	11,845
15-Mar-01	Duk Hyun Kim	Executive Vice President	16-Mar-04	15-Mar-09	28,027	11,845	2,845	9,000
15-Mar-01	Ok Hyun Yoon	Executive Vice President						