

KOOKMIN Bank
(Incorporated with limited liability under the laws of the Republic of Korea)
(the “**Issuer**”)

COMMENCEMENT OF CONSENT SOLICITATION EXERCISE IN RELATION TO:

HKD160,000,000 1.40% NOTES DUE 2015 (ISIN: XS0849705735)
(THE 2015 NOTES)

U.S.\$300,000,000 1.375% NOTES DUE 2016 (ISIN: XS0861591393)
(THE 2016 NOTES)

U.S.\$300,000,000 3.625% NOTES DUE 2017 (ISIN: XS0648400702)
(THE 2017 NOTES)

(EACH A SERIES AND TOGETHER THE “NOTES”)

INTRODUCTION

The Issuer wishes to announce that it is inviting holders of Notes of each Series (**Noteholders**) to approve, by separate Extraordinary Resolutions, proposals (each a **Proposal** and together the **Proposals**) to amend the negative pledge condition within the terms and conditions of each Series. Full details of the Proposals are set out in a Consent Solicitation Memorandum dated 30 January 2015 (the **Consent Solicitation Memorandum**). Capitalised terms used in this announcement but not defined have the meanings given to them in the Consent Solicitation Memorandum.

BACKGROUND TO THE PROPOSALS

Pursuant to the Korean Covered Bonds Act, which entered into force on 15 April 2014, Korean financial companies satisfying certain eligible issuer requirements are authorised to issue bonds backed by portfolios of eligible assets (**Covered Bonds**).

In accordance with the above legal framework, the Issuer plans to establish a covered bond programme. Under this programme, the Issuer may from time to time issue Covered Bonds.

On 9 July 2013, the Issuer amended the negative pledge covenant in the terms of its U.S.\$8,000,000,000 Global Medium Term Note programme (the **GMTN Programme**) to permit the issuance of Covered Bonds (in an aggregate outstanding principal amount not exceeding an amount equal to 10 per cent. of the total consolidated assets as shown on the most recent consolidated accounts of the Issuer) (the **Covered Bond Carve-out**). All notes issued by the Issuer pursuant to the GMTN Programme on or after the above date are subject to the amended negative pledge covenant.

The 2015 Notes, 2016 Notes and 2017 Notes, which are the subject of these Proposals, were issued pursuant to the GMTN Programme without the Covered Bond Carve-out in the applicable negative pledge covenant. The existing Condition 4 (*Negative Pledge*) of the Conditions of these Notes restricts the ability of the Issuer to create or permit to subsist any mortgage, charge, pledge or other security interest upon or over the whole or any part of its property, assets or revenues (whether present or future) to secure for the benefit of the holders of any International Investment Securities (as defined in the Conditions), all as more fully described in the Conditions. As such, Condition 4 of the Conditions in the 2015 Notes, 2016 Notes and 2017 Notes in its current form may not permit the issuance of Covered Bonds.

Accordingly, the Issuer is seeking the consent of the Noteholders to the Proposals in order to amend Condition 4 of the Conditions applicable to the 2015 Notes, 2016 Notes and the 2017 Notes to incorporate a Covered Bond Carve-out and standardise the negative pledge covenant of all notes issued pursuant to the GMTN Programme.

CONSENT FEE

In relation to each Series, the Issuer will pay to each Noteholder from whom a valid Electronic Voting Instruction in favour of the relevant Proposal is received by the Tabulation Agent before the Consent Fee Deadline (and not revoked) U.S.\$1 for each U.S.\$1,000 in nominal amount of the Notes the subject of such Electronic Voting Instructions or, in the case of the 2015 Notes, of an amount of HKD1 for each HKD1,000 in nominal amount of the 2015 Notes the subject of such Electronic Voting Instruction (in each case, the **Consent Fee**), subject to (i) the passing of the relevant Extraordinary Resolution and (ii) the execution of the relevant Amended and Restated Pricing Supplement by the Issuer. Where payable, the Issuer will pay the applicable Consent Fee for any such received (and not revoked) Electronic Voting Instructions no later than the fifth Business Day following the execution of the relevant Amended and Restated Pricing Supplement. The relevant Consent Fee will be paid as consideration for the Noteholders' approval of the relevant Proposal. It is a term of each Proposal that Electronic Voting Instructions in favour of the relevant Proposal in respect of which the relevant Noteholders are eligible for the applicable Consent Fee shall be irrevocable from the Consent Fee Deadline, including for any adjourned Meeting (as defined below). Only Noteholders who deliver, or arrange to have delivered on their behalf, valid Electronic Voting Instructions in favour of the relevant Proposal will be eligible to receive the relevant Consent Fee.

The Consent Fee Deadline is 4.00 p.m. (London Time) on 13 February 2015 (subject to the earlier deadlines set by the Clearing Systems and any intermediary through which Noteholders hold their Notes and to the right of the Issuer to amend any term or condition of the Proposals as provided in the Consent Solicitation Memorandum).

GENERAL

The Proposals are described in the Consent Solicitation Memorandum which is available from the Tabulation Agent. Société Générale is the Sole Consent Coordinator for the Proposals.

The meetings of Noteholders (the **Meetings**) to consider, and if thought fit, pass the Extraordinary Resolutions to approve the Proposals have been convened by the Issuer to be held at 10.00 a.m. (London Time) on 2 March 2015 in respect of the 2015 Notes, with subsequent meetings in respect of the 2016 Notes and the 2017 Notes, respectively, being held at 10 minute intervals thereafter or after the completion of the preceding meeting (whichever is later), in each case at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ, United Kingdom. Assuming the passing of any Extraordinary Resolution, the relevant Proposal will be binding on all Noteholders of the relevant Series, including those who do not vote in favour of the relevant Proposal. Noteholders who wish to vote in favour of a Proposal should refer to the Consent Solicitation Memorandum for the procedures which must be followed in order to do so. The latest time for obtaining a voting certificate to attend and vote at the relevant Meeting in person or for voting instructions to otherwise be given is 10.00 a.m. (London time) on 26 February 2015 (but Noteholders will only be eligible for the applicable Consent Fee if they deliver a valid Electronic Voting Instruction in favour of the relevant Proposal by the Consent Fee Deadline, as described above).

Expected Timetable of Events

Event

All references in this announcement to times are to London time, unless otherwise stated

Announcement of Proposals

Announcement of Proposals

30 January 2015

Consent Fee Deadline

Deadline for receipt by the Tabulation Agent through the Clearing Systems of valid Electronic Voting Instructions in favour of the relevant Proposal for the relevant Noteholders to be eligible for the applicable Consent Fee

4.00 p.m. on 13 February 2015

Final Voting Deadline

In relation to the first Meeting for each Series, the latest time for obtaining a voting certificate from a Paying Agent to attend and vote at the relevant Meeting in person or for voting instructions to otherwise be given or for the revocation of Electronic Voting

10.00 a.m. on 26 February 2015

Instructions (other than for Noteholders eligible for the Consent Fee, as such Noteholders' Electronic Voting Instructions are irrevocable from the Consent Fee Deadline)

Meetings

Meetings to be held at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ, United Kingdom

10.00 a.m. on 2 March 2015, in the case of the 2015 Notes, with subsequent meetings in respect of each other Series (in chronological order of scheduled maturity date) being held at 10 minute intervals thereafter or after the completion of the preceding meeting (whichever is later)

Approval Date in respect of an Extraordinary Resolution, assuming such Extraordinary Resolution is duly passed at the relevant Meeting

2 March 2015

Announcement of Results of Meetings and Execution of Amended and Restated Pricing Supplements

Announcement of (i) the results of the Meetings and (ii) the Series (if any) in respect of which the Amended and Restated Pricing Supplement will be executed, and execution by the Issuer of such Amended and Restated Pricing Supplements

As soon as reasonably practicable after the Meetings

Payment of Consent Fee

For each Series in respect of which the Amended and Restated Pricing Supplement is executed by the Issuer, payment of the applicable Consent Fee to eligible Noteholders

No later than the fifth Business Day following the execution of the relevant Amended and Restated Pricing Supplement

The above times and dates are indicative only and will depend, among other things, on timely receipt (and non-revocation) of instructions, the right of the Issuer to amend and/or withdraw the Proposals (as described below), the passing of the relevant Extraordinary Resolution at the first Meetings for each Series and the execution by the Issuer of the Amended and Restated Pricing Supplement applicable to the relevant Series. Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Notes when such intermediary would need to receive instructions from a Noteholder in order for such Noteholder to participate in, or revoke (in the circumstances in which revocation is permitted) their instruction to participate in, any Proposal before the deadlines specified above. The deadlines set by any such intermediary and each Clearing System for the submission and (where permitted) revocation of Electronic Voting Instructions will be earlier than the relevant deadlines above.

Date: 30 January 2015

Requests for information in relation to the Proposals should be directed to:

Kookmin Bank
84, Namdaemoon-ro
Jung-gu
Seoul 100-703
Korea

SOLE CONSENT COORDINATOR

Société Générale
10 Bishops Square
London E1 6EG
United Kingdom

For information by telephone: +44 20 7676 7579
Attention: Liability Management
Email: liability.management@sgcib.com

Requests for information in relation to the procedures for delivering Electronic Voting Instructions should be directed to:

TABULATION AGENT

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

For information by telephone: +44 1202 689644
Attention: Debt Restructuring Services
Email: debtrestructuring@bnymellon.com

or

if during Asian business hours

The Bank of New York Mellon, Hong Kong Branch
Level 24, Three Pacific Place
1 Queen's Road East
Hong Kong

For information by telephone: +852 2840 6613
Attention: Global Corporate Trust
Email: HONCTRMATA@bnymellon.com

DISCLAIMER: This announcement must be read in conjunction with the Consent Solicitation Memorandum. The Consent Solicitation Memorandum contains important information which should be read carefully before any decision is made with respect to any Proposal. If any Noteholder is in doubt as to the action it should take, it is recommended to seek its own financial advice, including in respect of any tax consequences, immediately from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to vote in respect of a Proposal. None of the Issuer, the Sole Consent Coordinator, the Tabulation Agent or any of the Paying Agents for the Notes makes any recommendation as to whether or not or how holders of Notes should vote in respect of the Proposals.

The distribution of this announcement and the Consent Solicitation Memorandum in certain jurisdictions may be restricted by law and persons into whose possession this announcement and the Consent Solicitation Memorandum comes are requested to inform themselves about, and to observe, any such restrictions.