



Compassionate Finance, Your Companion for the Future

Shinhan Financial Group



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I. Shinhan Financial Group

1. Overview & History





Korea # 1 Financial Institution

Realizing highest net income among peers (consecutive 7 years since 2008)
Market Cap ranked 1st place among peers (21.1 trillion as of December 31, 2014)



Successful M&A and Diversification

Establishing the most diversified business portfolio among
Korean financial groups through a series of successful M&As



Thorough Risk Management

Maintaining sound asset qualities through preemptive and
proactive risk management



Growth through Corporate Social Responsibility

Implementing the “Compassionate Finance” to seek shared
development for the company and the society





About SFG SFG at a Glance

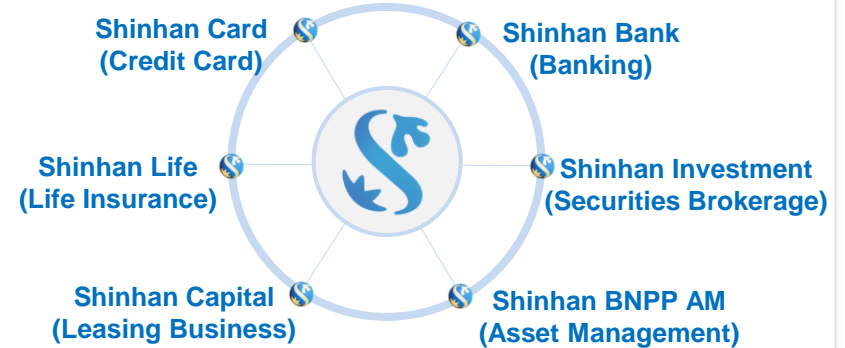
Overview

- Net Income : KRW 2.1 trillion
- Total Consolidated Assets : KRW 338 trillion
- Total Market Cap: KRW 21.1 trillion
- ROA : 0.7%
- ROE : 7.5%
- 13 direct subsidiaries, 18 indirect subsidiaries
- Number of Employees : 24,000
- Major Shareholders
 - Korea National Pension Service 8.89%
 - BNP Paribas Group 5.35%
 - SFG ESOP 4.08%

As of December 31, 2014



Well-diversified Business Portfolio



Top 500 Banking Brands

Bank Ranking	Company	Nationality
1	Wells Fargo	US
2	ICBC	China
3	HSBC	UK
7	BNP Paribas	France
36	Shinhan Financial Group	Korea
39	Mizuho Financial Group	Japan
57	KB Financial Group	Korea

* Source: The Banker (Feb. 2015)



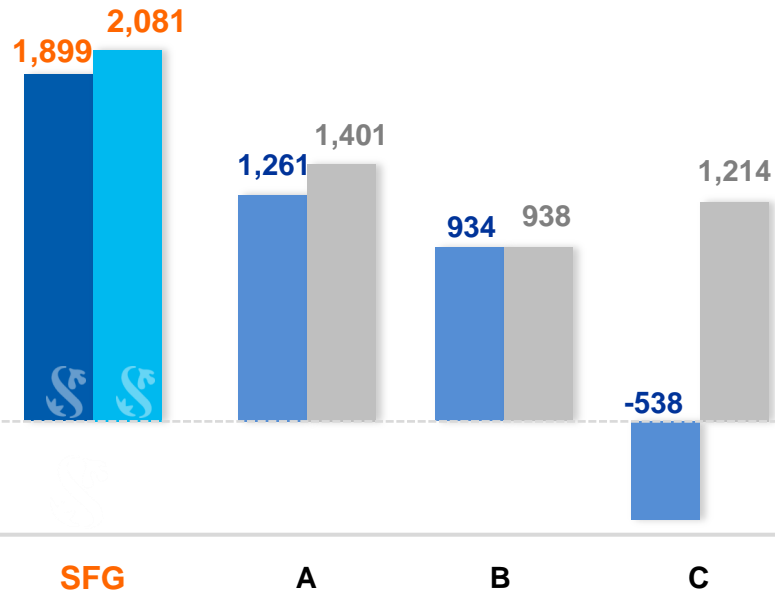
About SFG Market Position

Outstanding Profitability

Net Income (FY13/ FY14)

(KRW billion)

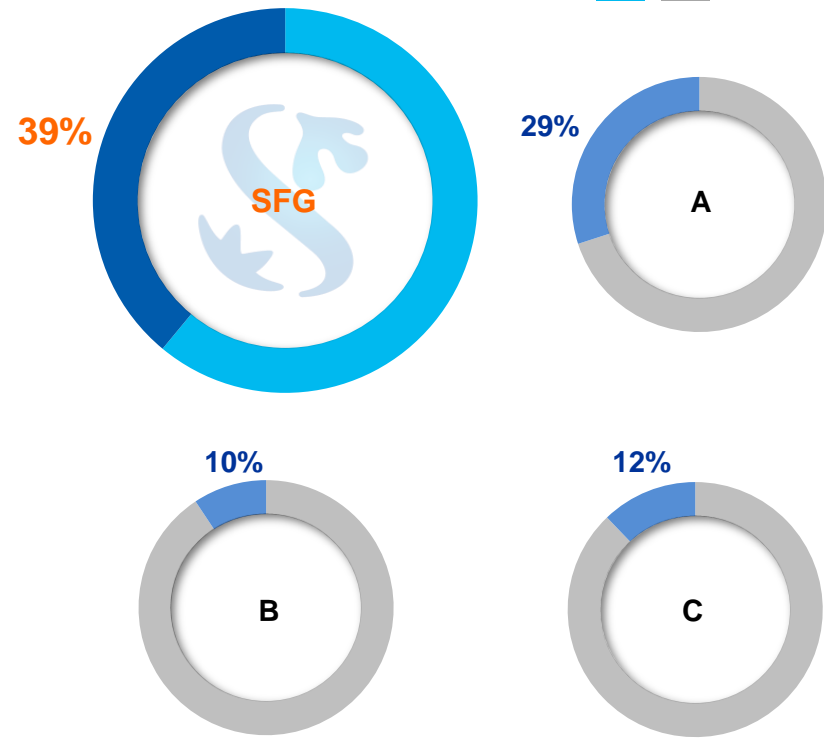
FY13
FY14



Diversified Profit Base

Net Income Contribution by Non-bank Subsidiaries (FY14)

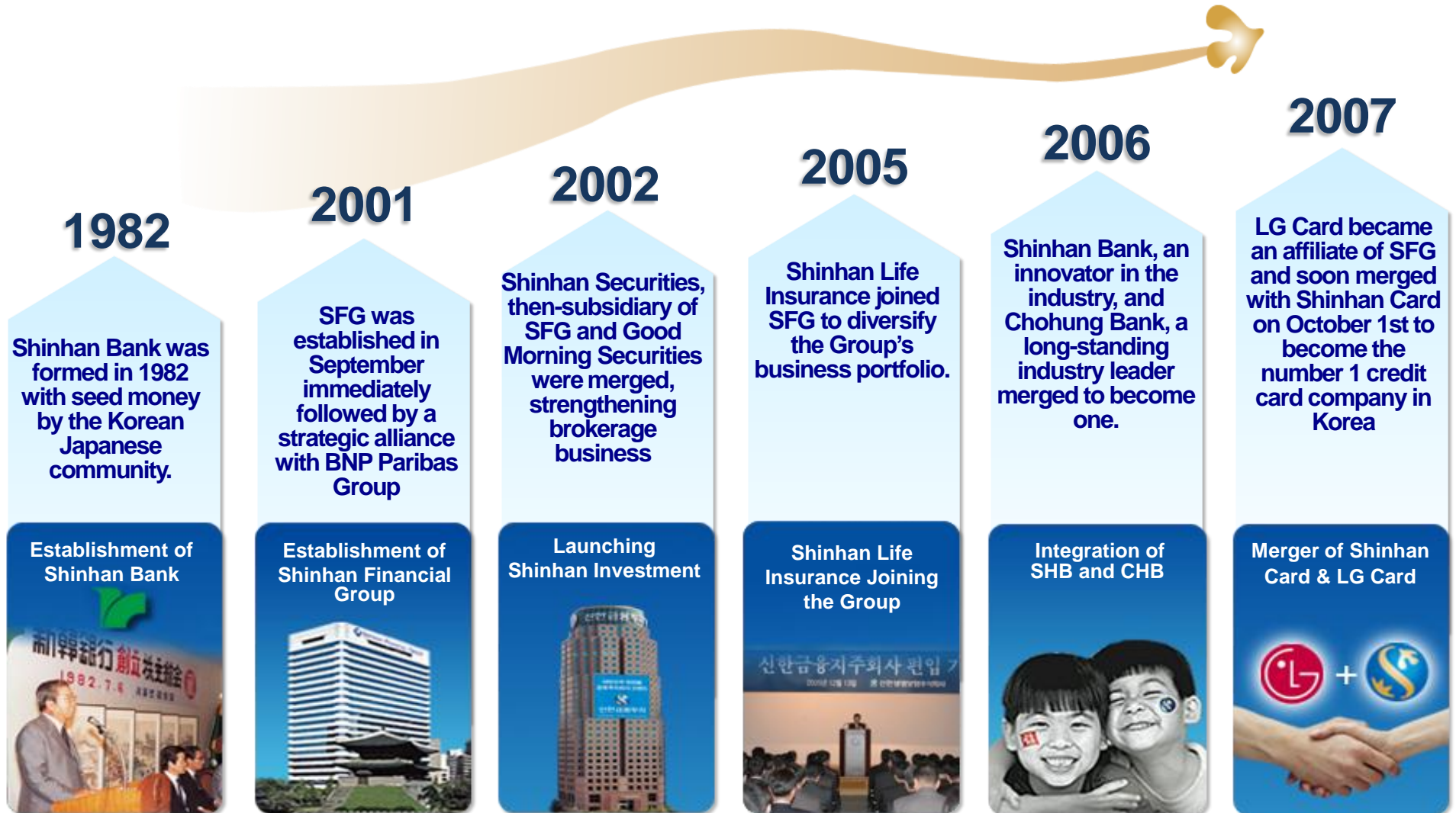
Non-bank
Bank





About SFG

More than 100 Years of History

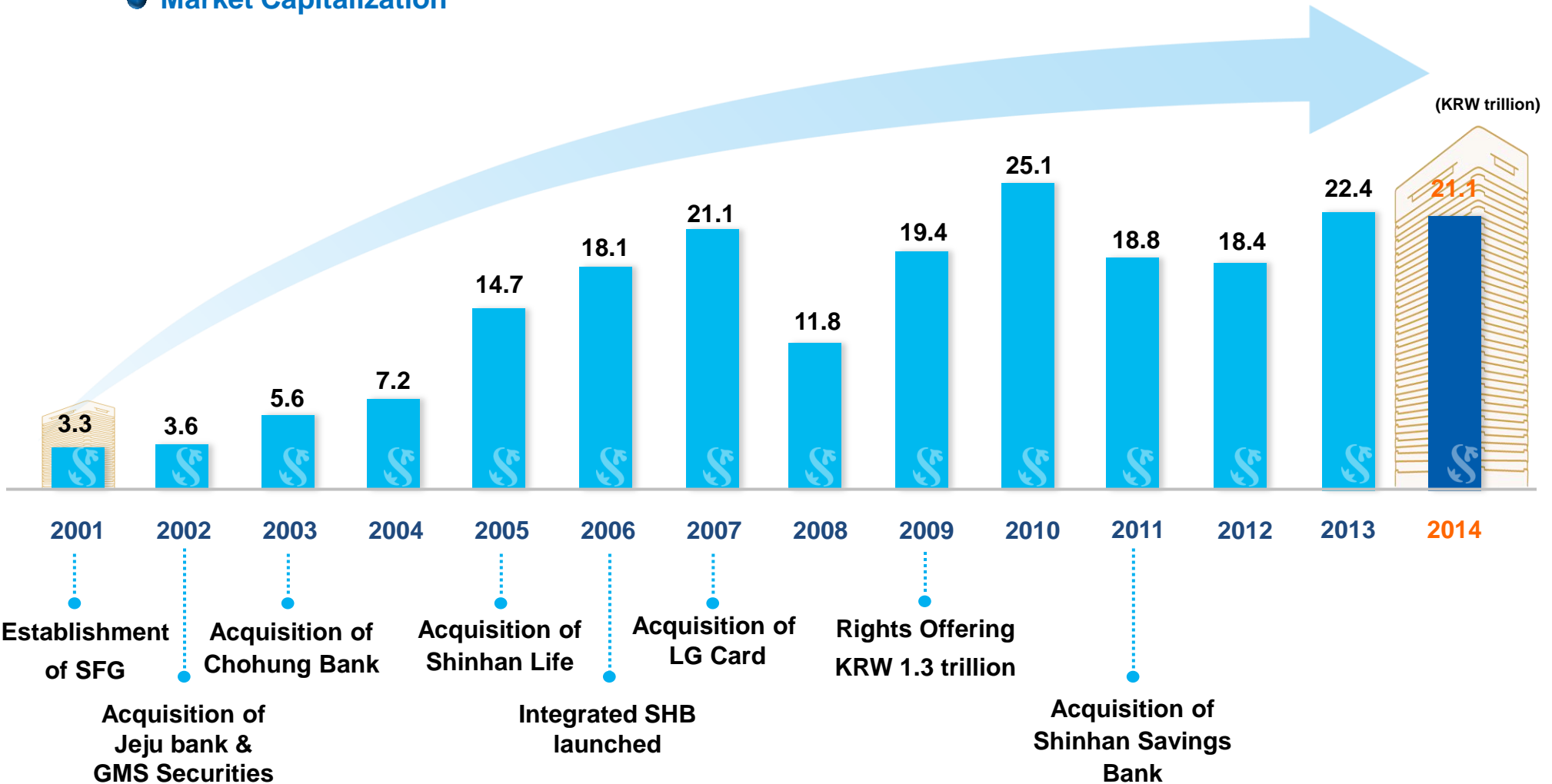




About SFG

Persistent Growth and M&A

● Market Capitalization

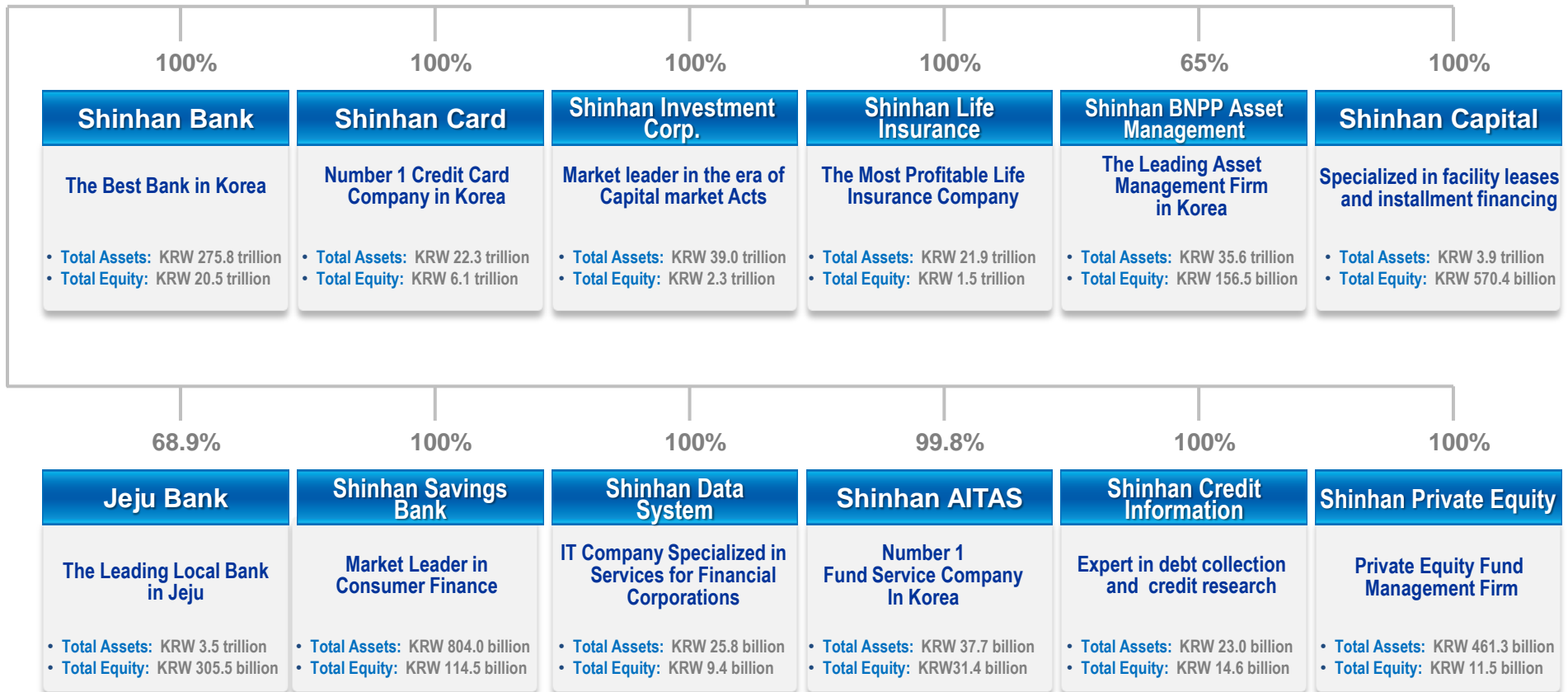




About SFG

How SFG is Organized

No. 1 Financial Group in Korea





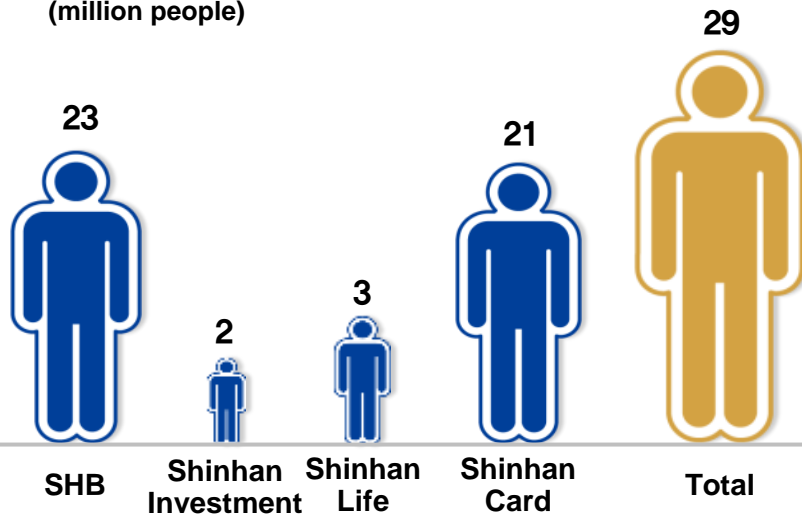
Customers



SFG serves 29* million, more than half of the total population

* Excluding overlapping customers (As of December 31, 2014)

(million people)

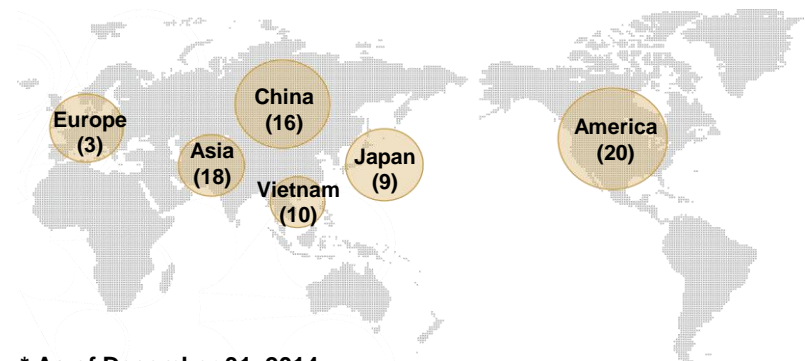


Branch Networks

Domestic Network

Company	# of Branches
Shinhan Bank	901
Shinhan Life Insurance	186
Shinhan Investment Corp.	95
Shinhan Card	33
Jeju Bank / Others	72
Total	1,287

Global Network (76 Networks in 16 Countries)



* As of December 31, 2014

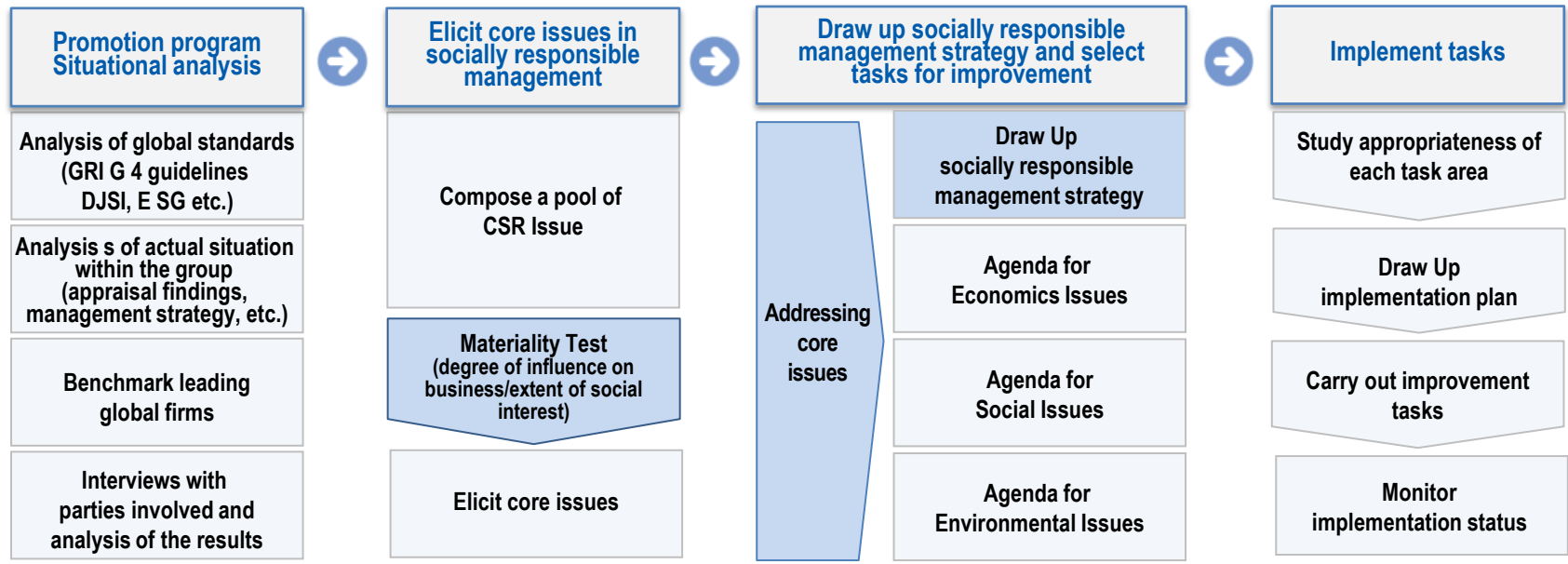


About SFG

Social Responsibility

Since its establishment, Shinhan Financial Group has recognized the importance of social responsibility and has been actively engaged in various CRS activities to seek a shared growth of the Group and the society.

Evaluation Process for Material Issues



Award/Certification



- Included in DJSI World index for the first time among Korean financial groups for two consecutive years
- Included in DJSI Asia Pacific and DJSI Korea for sixth consecutive years (Ranked 1st place among Korean banks)



- Selected Two Years Running for Global 100 Announced at the Davos Forum (Ranked 30th, the Highest Ranking among All Korean Firms)



- Received the Corporate Governance Award by CGS (Acquired A+ grade in evaluating ESG integration)



Shinhan Financial Group will continually establish the foundation for sustainable growth by having all of our employees work together to make our society a better place through our financial business

Management Strategy for Social Responsibility Management

Value Creation through Responsible Management



1 Strategy for the Economic Sphere

- I . Creation of customer value through customer oriented management and information protection
- II . Building confidence by strengthening ethical management
- III . exercising risk management taking key social and environmental factors into account

2 Strategy for the Social Sphere

- IV . Building a sound corporate culture favoring job creation and the nurturing of human resources
- V . Helping the development of regional society through activities that contribute to society
- VI . Improving access to finance for those shut off from financing
- VII . Striving to work together in harmony with partner companies and support CSR activities

3 Strategy for Environmental Sphere

- VIII . Develop environmentally friendly products and services
- IX . Use resources efficiently and reduce environmental footprint



(As of December 31, 2014)

Compassionate Finance

- Provide startup educations for 4,737 small business owners
- Loan support to new business with high technology : KRW 934.4 billion
- With the aim to foster co-prosperity between companies and bank, we provided Loans to competitive companies facing temporary liquidity difficulties.
 - Corporate Success Program 219.1 billion
 - Restructuring of SMEs : 392.2 billion
- Provide “New Hope Spore Loans” for customers in financial difficulties: KRW 353.8 billion



Environmental Management

- SFG was included in ‘Carbon Management Honors Club’, granted only to the top five firms in carbon management.
- Provide financial support to green companies up to KRW 339.9 billion
- Introduce deposit products that provide preferential interest rates to customers who save energy : KRW 1.3 trillion



Social Contribution

- Carry out social contribution activities by investing KRW 61.4 billion
- A total of 71,444 employees participated in volunteer works
- Enhance the working classes’ accessibility to financial institutions, up to KRW 83.5 billion
- Provide financial education to 117,272 persons



Win-Win Management with Partners

- Monitoring partner companies’ degree of satisfaction
- Ensure appropriate pricing and remove unfair or unreasonable practices in trading relationships
- VOC channel operated for partner firms
- Undertake own diagnosis of partner firms’ regulations



I. Shinhan Financial Group

2. Vision, Strategy & Core Capability





SHINHAN WAY

“Shinhan Way” is the value system and guiding principle for all Shinhan employees’ thoughts and actions.

Mission

Benefit the World with the power of Finance



Core Value



Customer



Respect



Change



Excellence



Ownership

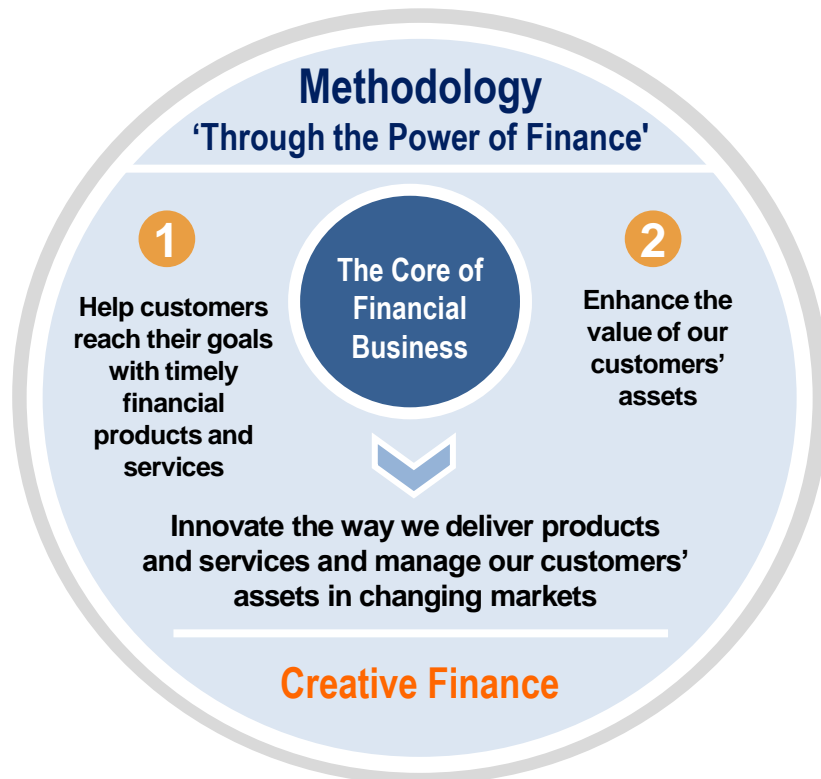
Vision

World Class Financial Group



Compassionate Finance, Your Companion for Future

" Promote a virtuous cycle of shared prosperity with creative financial services "

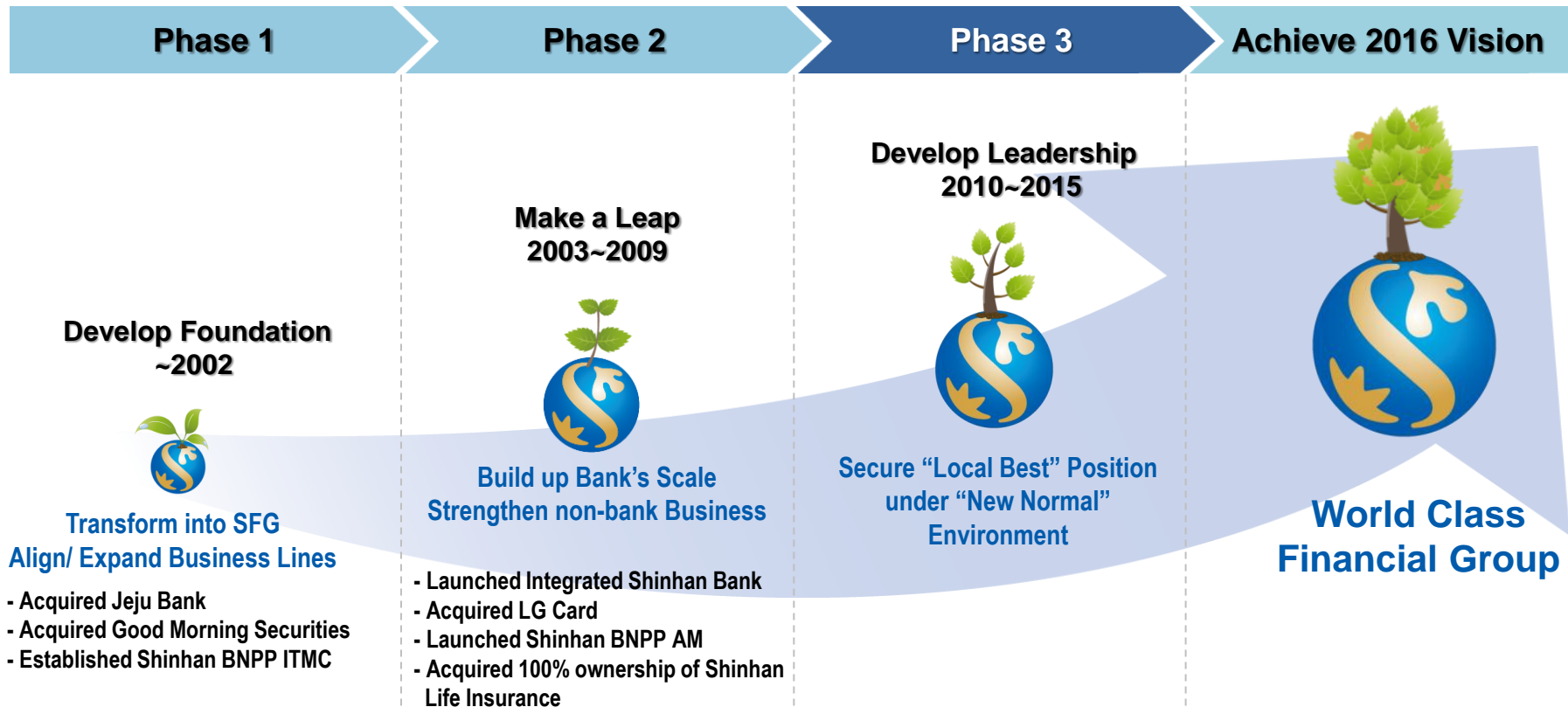




SFG Vision Group Vision

Group Vision

Since its inception, SFG has strived to accomplish balanced growth between bank and non-bank businesses, to create new value by identifying new growth drivers and further differentiating our business model and, to become a world class financial group with global competence in talent and infrastructure.





Shareholders

(As of December 31, 2014)



Major Shareholders

(As of December 31, 2014)

Shareholder	Ownership %
National Pension Fund of Korea	8.89
BNP PARIBAS GROUP	5.35
Saudi Arabian Monetary Agency	4.40
SFG ESOP	4.08
Citibank N.A.(ADR dept.)	2.63
The Government of Singapore	2.12
The Lazard Fund	1.63
Samsung Asset Management	1.28
Mizuho	1.26
PEOPLES BANK OF CHINA	1.00

Management



Han Dongwoo

- Chairman & CEO
Shinhan Financial Group (incumbent)
- Main Work Experience
2007 – Vice Chairman,
Shinhan Life Insurance
2002 – CEO, Shinhan Life Insurance
1999 – Vice President, Shinhan Bank

Cho Yong-byoung

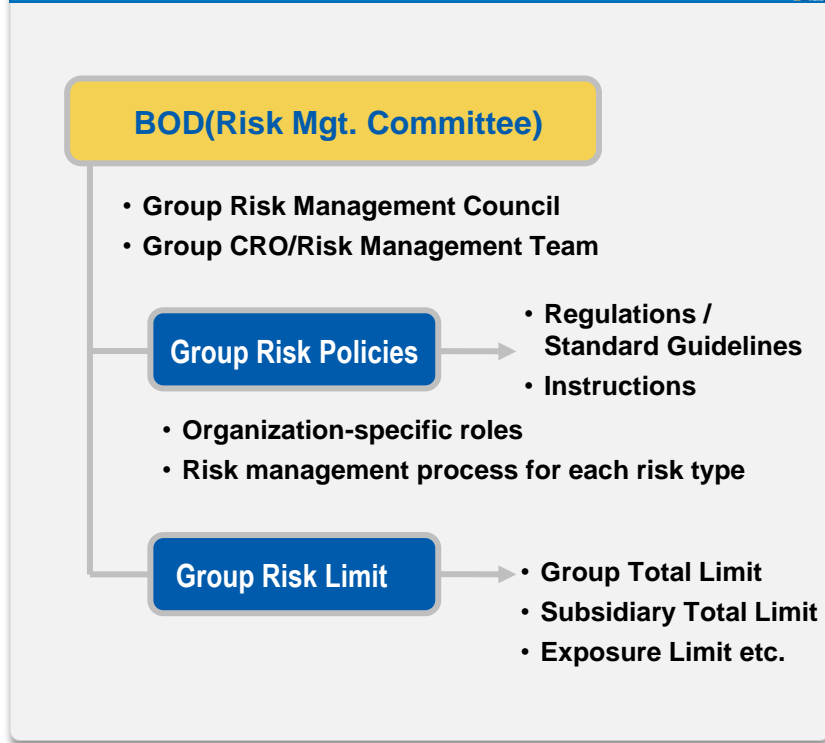
- President & CEO, Shinhan Bank (incumbent)
- Non-executive Director, SFG (Incumbent)
- Main Work Experience
2013 – CEO, Shinhan BNPP
Asset Management
2011 – Deputy President,
Shinhan Bank
2009 – Executive Vice President,
Shinhan Bank





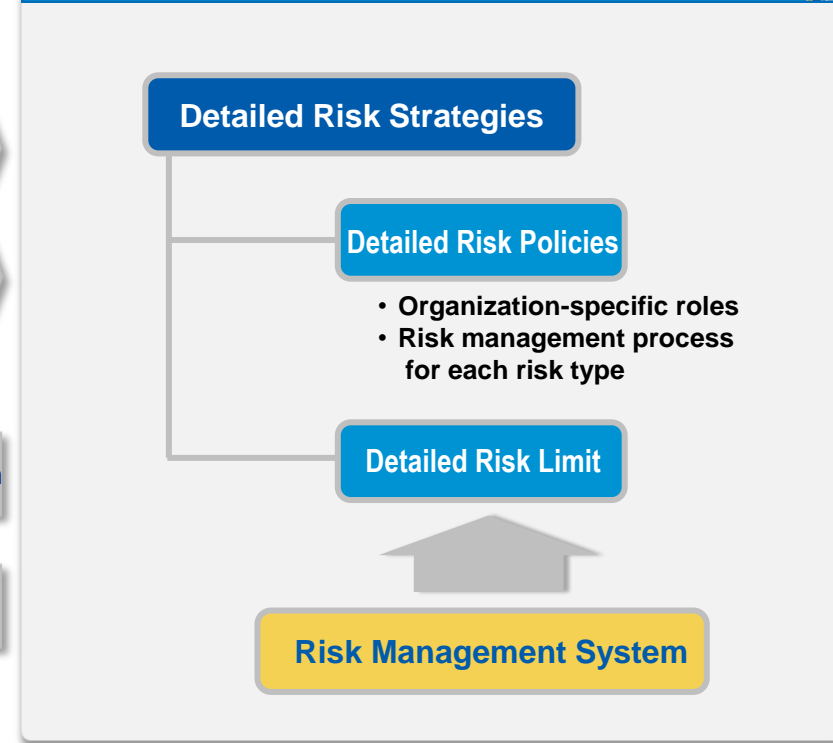
SFG Capability Thorough Risk Management

Holding Company Level



- Establish Group risk policies and determine the risk limit (Risk Mgt. Committee)
- Subsidiary specific policies and executions are delegated to each subsidiaries
- Review the appropriateness of the risk management strategies of subsidiaries (GCRO/ Risk Management Team)

Subsidiary Level



- Establish and execute subsidiary-specific risk strategies in line with Group risk policies and limit
- Report risk related issues to Group CRO

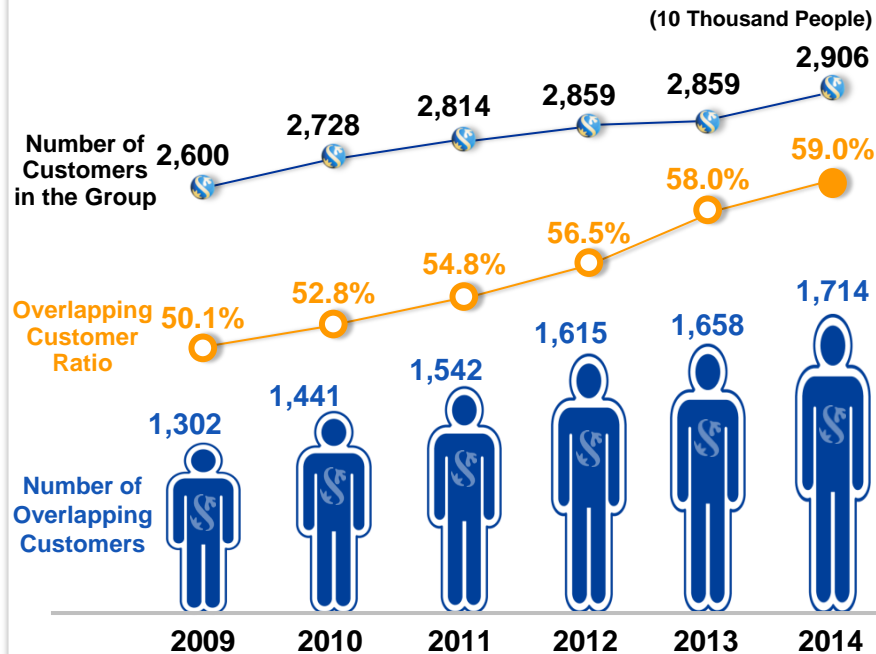




Group Synergy Business Model

[Synergy Creation]
Enhance co-marketing among subsidiaries to increase overlapping customers

● Increasing Overlapping Customers



Synergy Creation Activities and Programs

Increase Overlapping Customers

- Among 29,060 thousand Group Customers, 17,140 thousand customers are overlapping customers as of December 31, 2014
- Operating Group Royalty Program to enhance customer value through cross sales

Enhancing Co-marketing

- Co-marketing by investing the Group's common resources
- Co-marketing through the Group's external partners

Hybrid Financial Instruments

- Co-developing and selling hybrid financial products such as S-More Point account/card and FNA

Cross-selling Synergy Products

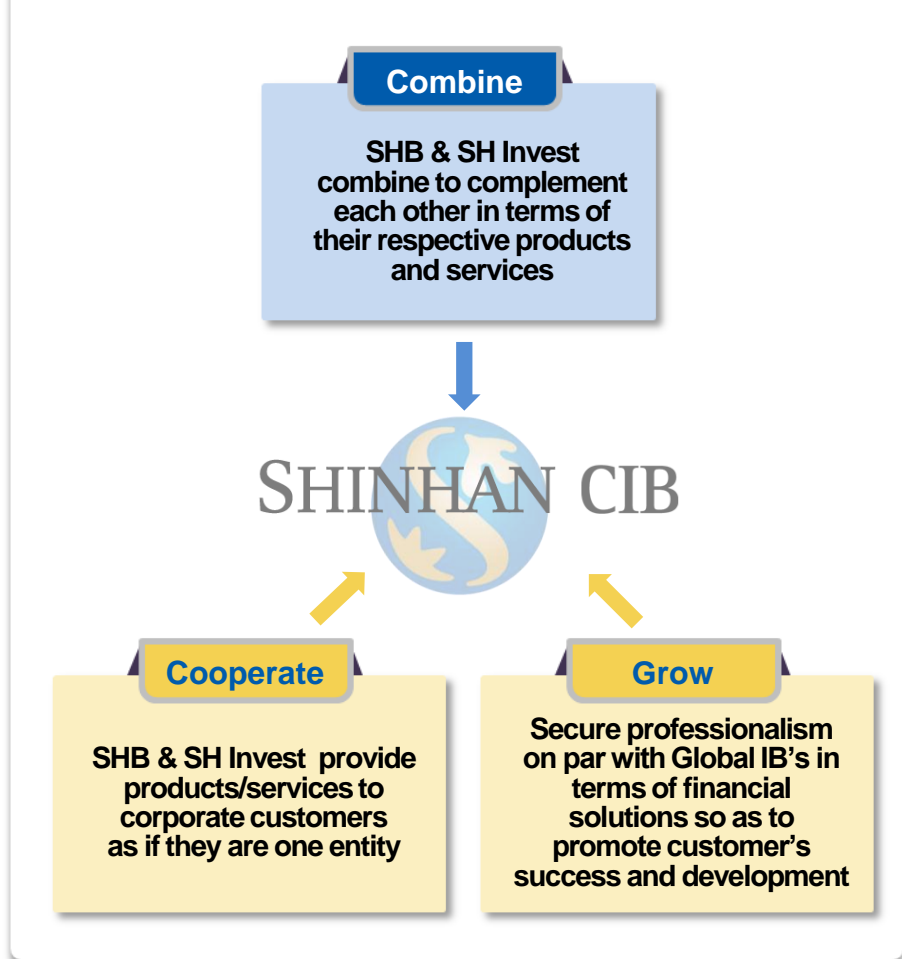
- Non-bank products such as credit card, mutual fund, bancassurance, and FNA are cross-sold via the sales channels of Shinhan Bank

Referral of Customers

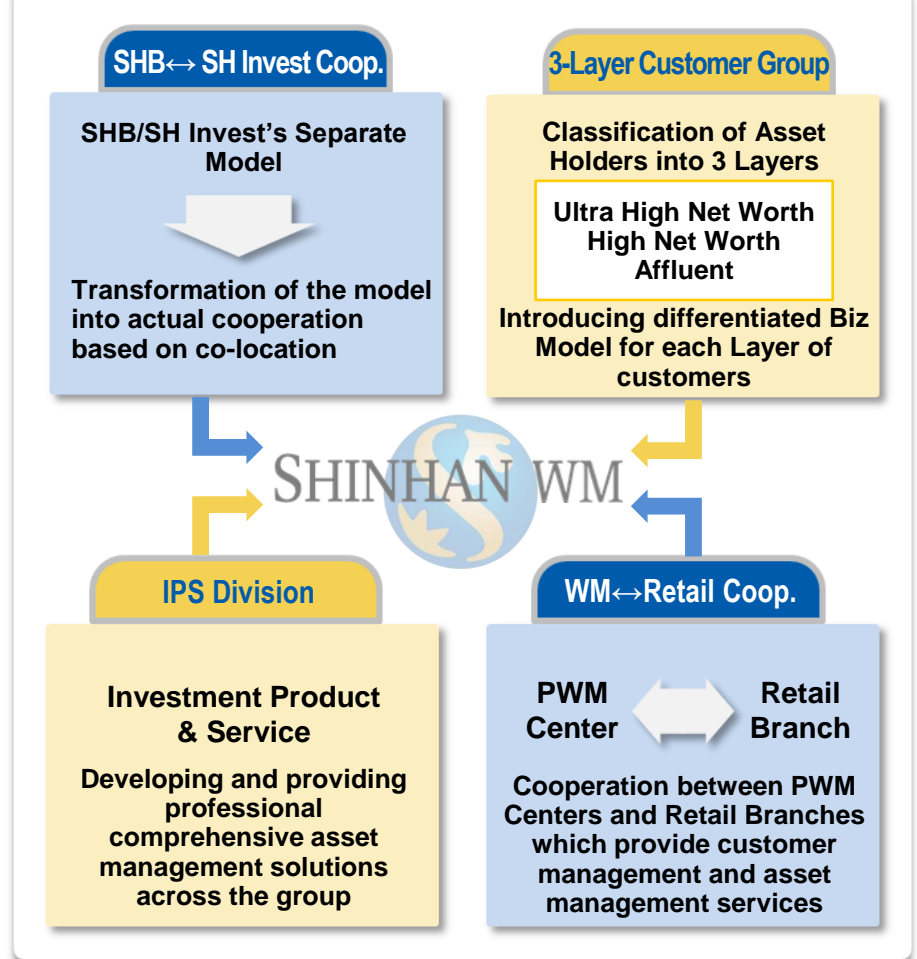
- Introduce customers to sister companies
- Shinhan Bank makes a referral of its corporate customers to Shinhan Investment for IPO services.



Corporate & Investment Banking (CIB)



Wealth Management(WM)



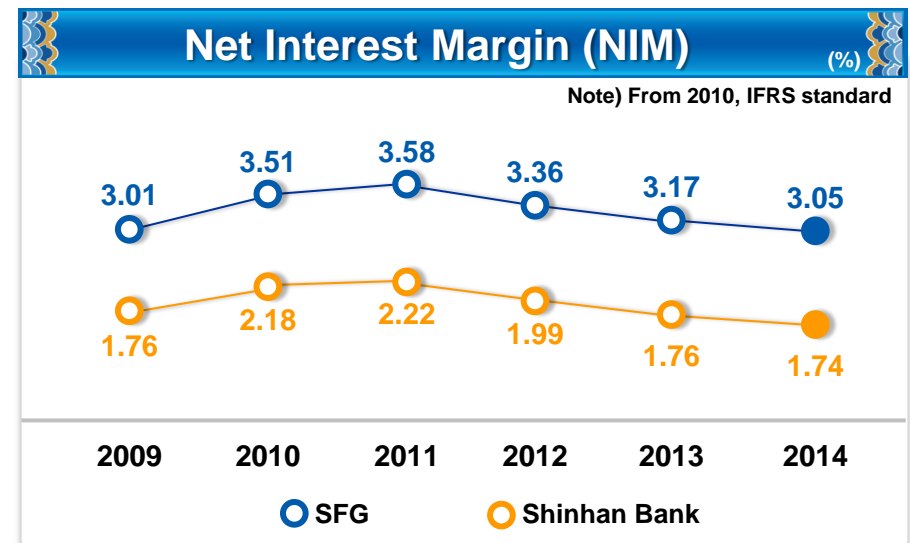
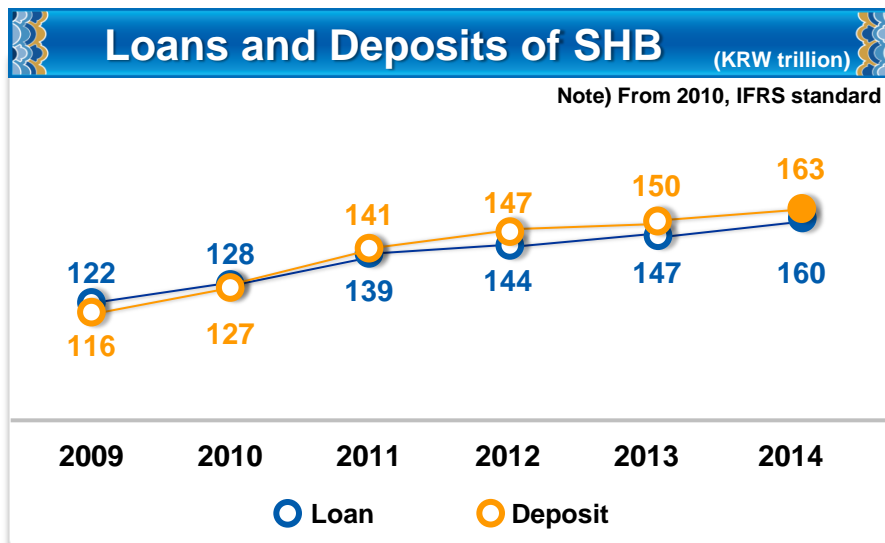
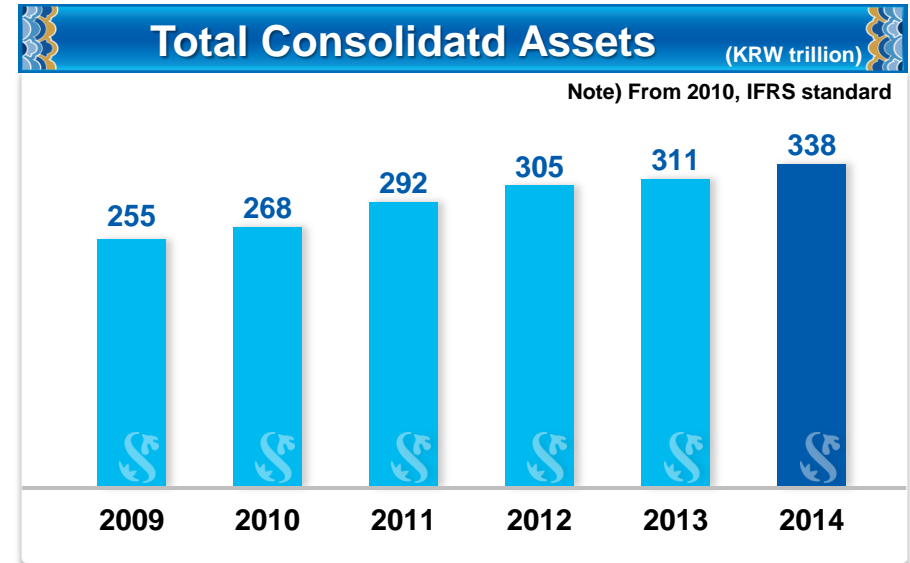
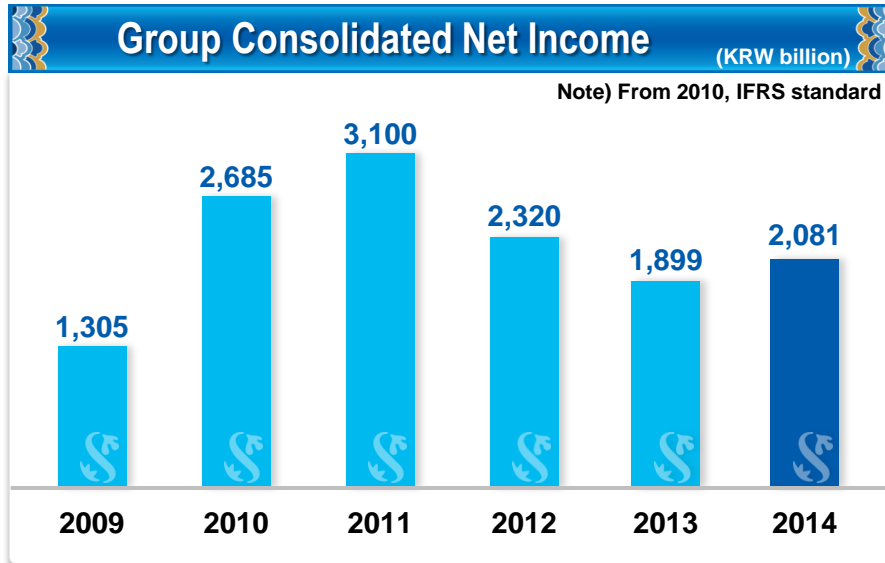
I. Shinhan Financial Group

3. Financial Highlights



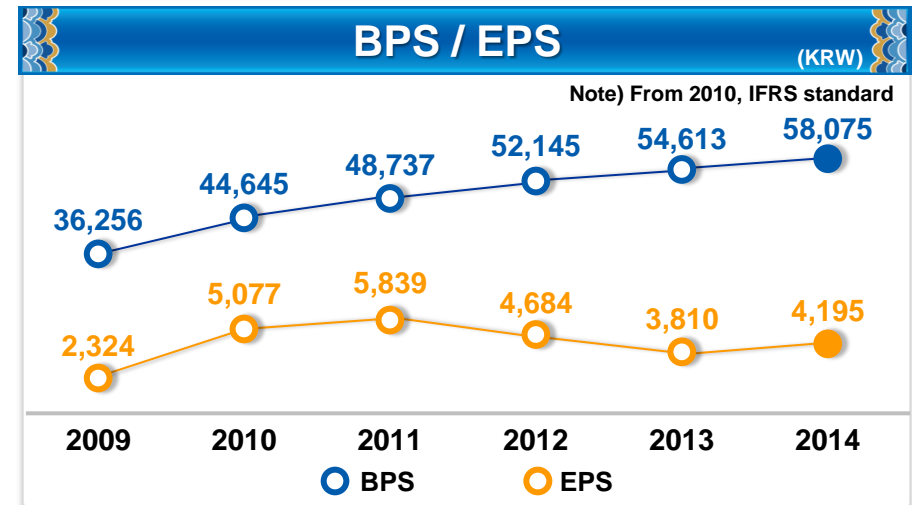
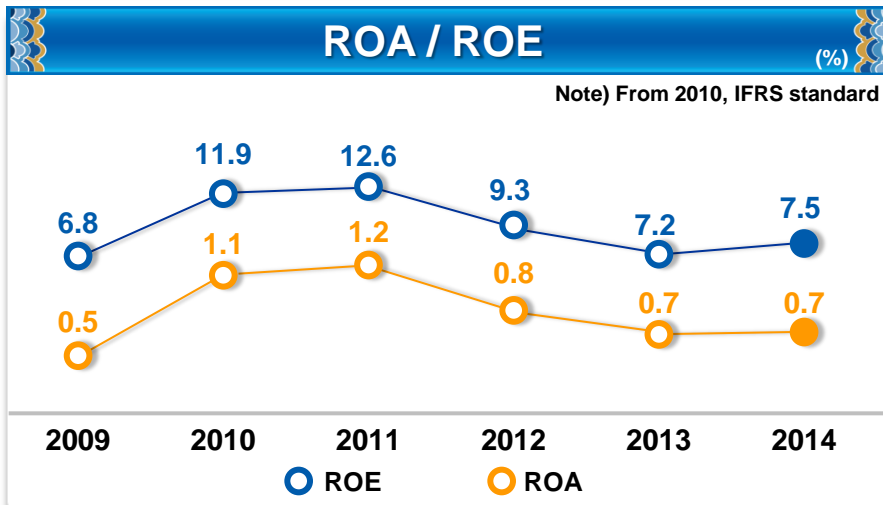
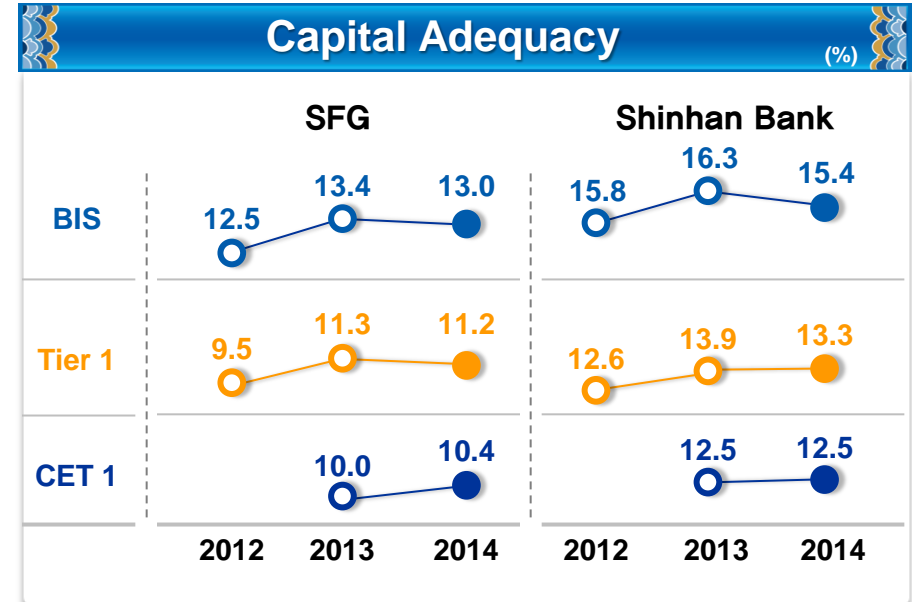
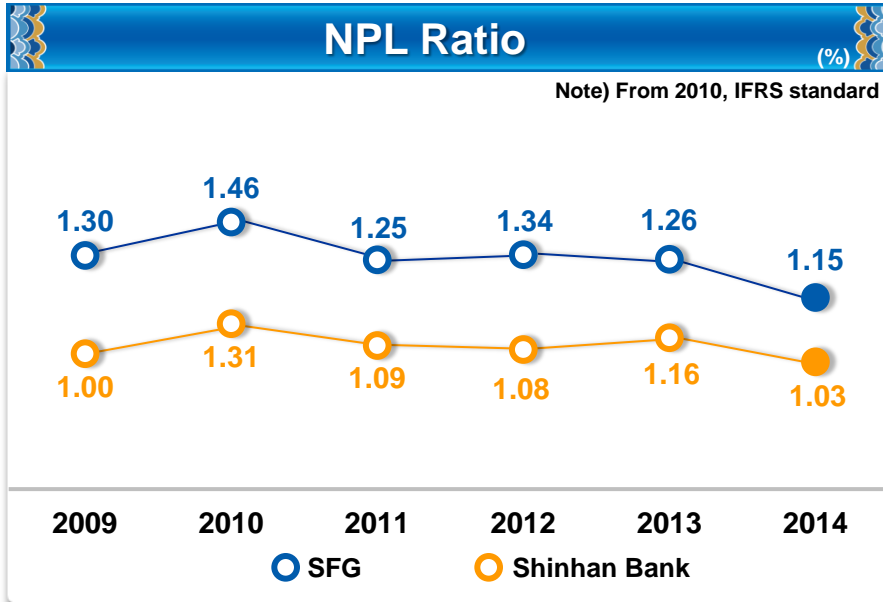


Shinhan Financial Group Financial Highlights





Shinhan Financial Group Financial Highlights



II. Companies in the Group

1. Shinhan Bank





Shinhan Bank Company Overview

Corporate Profile

(As of December 31, 2014)

Shinhan Bank is the flagship company of Shinhan Financial Group

- Total Assets (including trust account): KRW 265.8 trillion¹⁾
- Net Income for FY14: KRW 1,455.2 billion²⁾ (1st among peers)

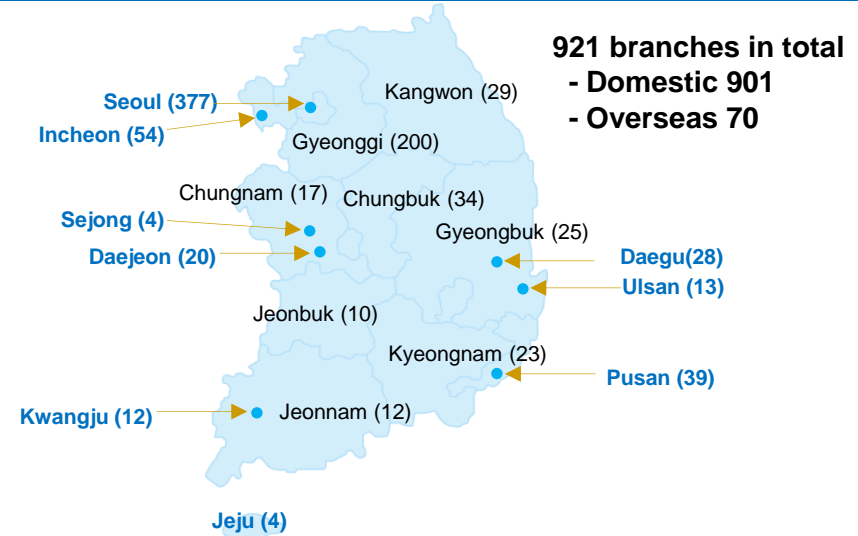
Note ¹⁾ Total Assets : Banking Account(Separate) + Merchant Banking Account + Trust Account

²⁾ Net Income derived on consolidated bases

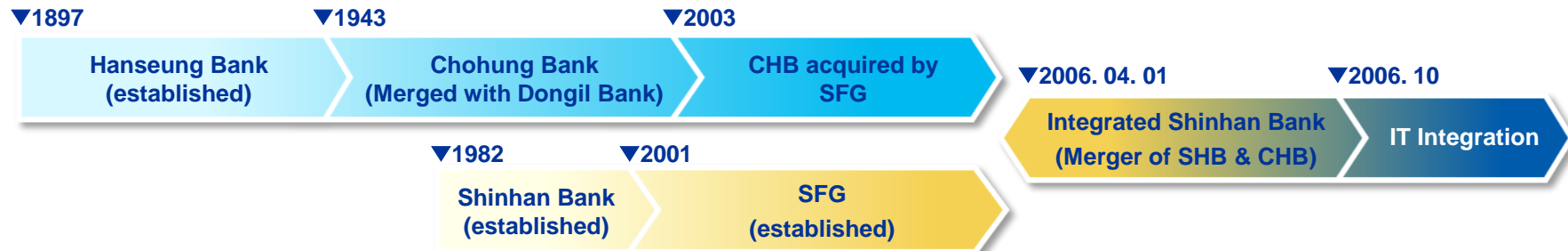
Rating Agency	F/C LT Debt Rating
MOODY'S	A1 (Stable)
S&P	A (Stable)
FITCH RATINGS	A (Stable)

Nation-wide Channel

(As of December 31, 2014)



Shinhan Bank's Key milestones





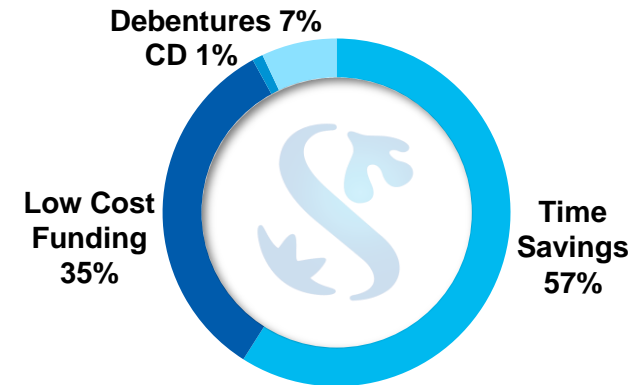
Balanced Loan Portfolio

● Loan Composition



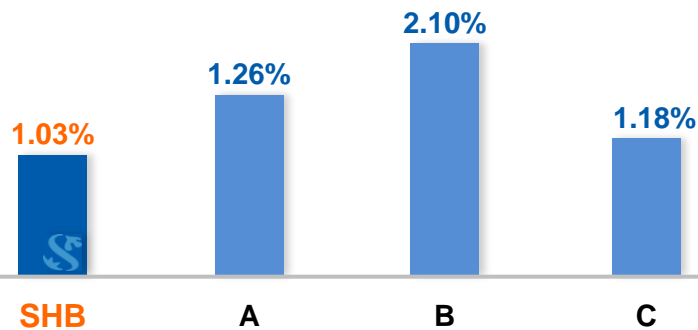
Stable Funding Base

● Funding Composition



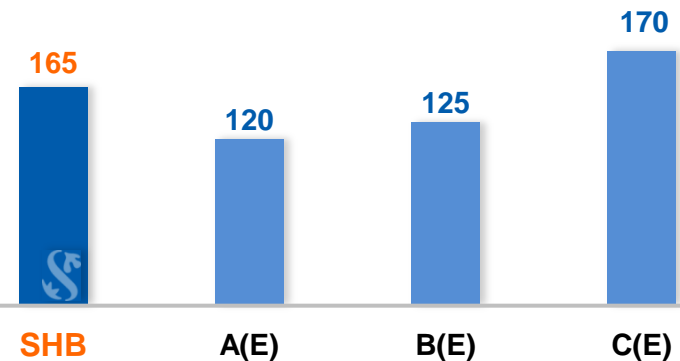
Outstanding Risk Management

● NPL Ratio



High Per Capita Productivity (KRW million)

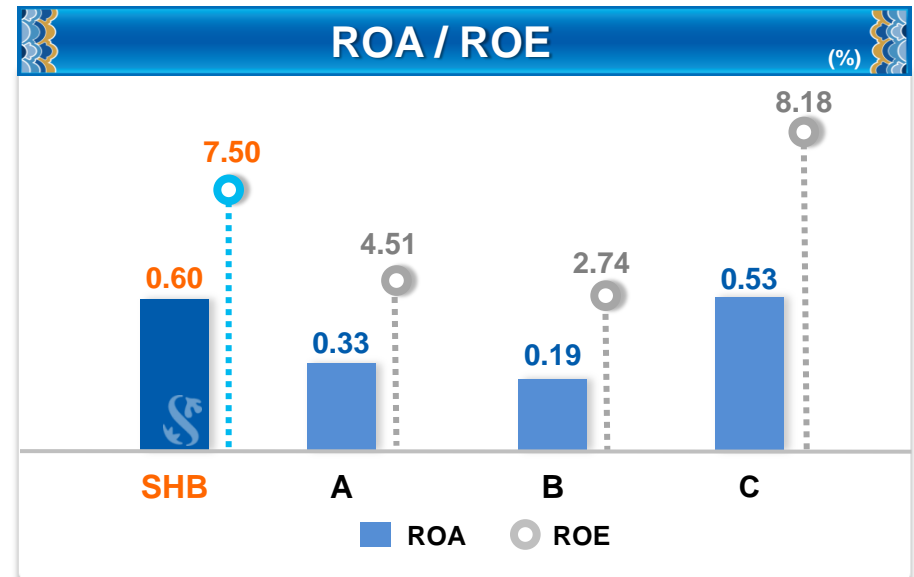
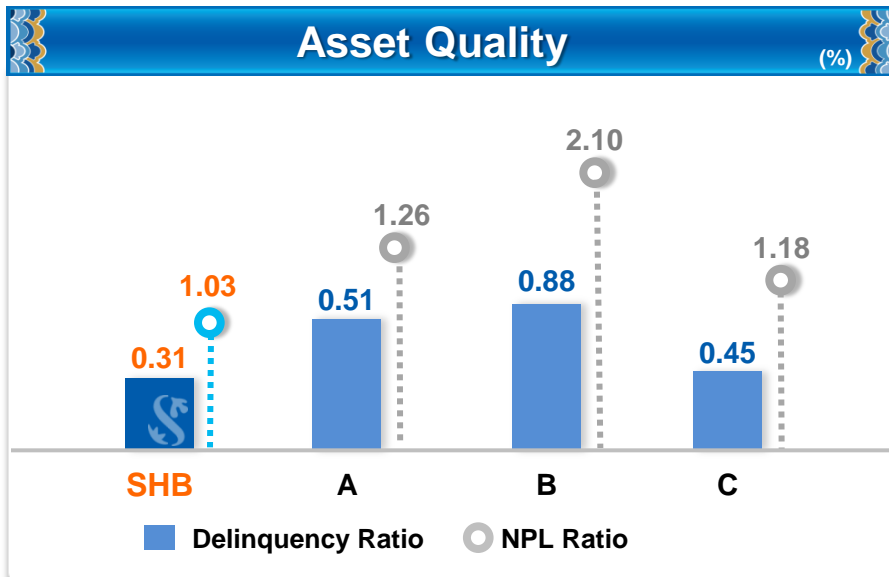
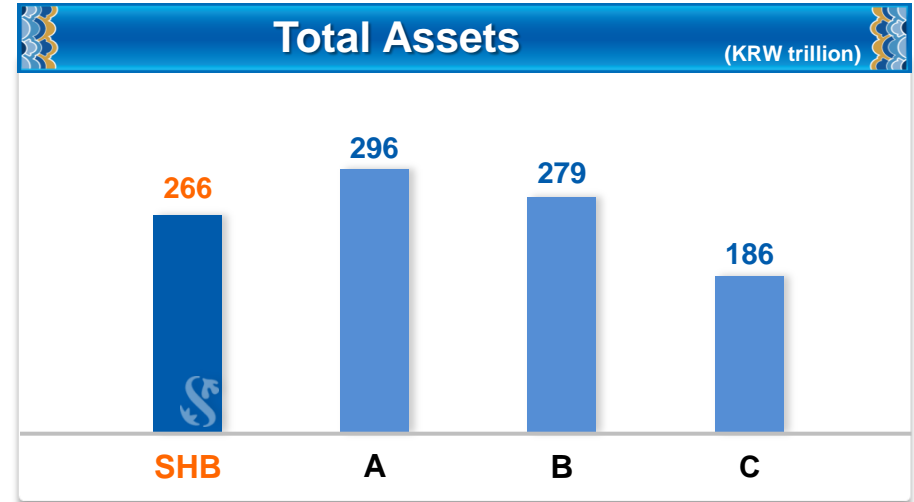
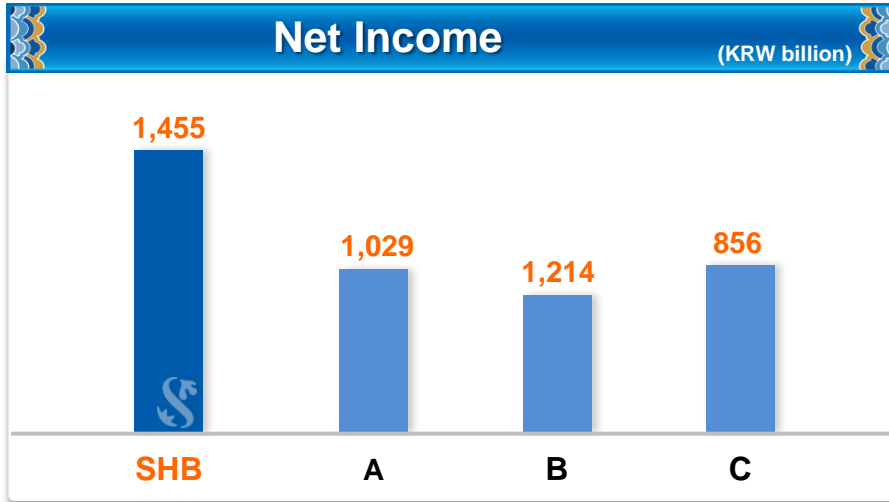
● Per Capita Pre-provisioning Income

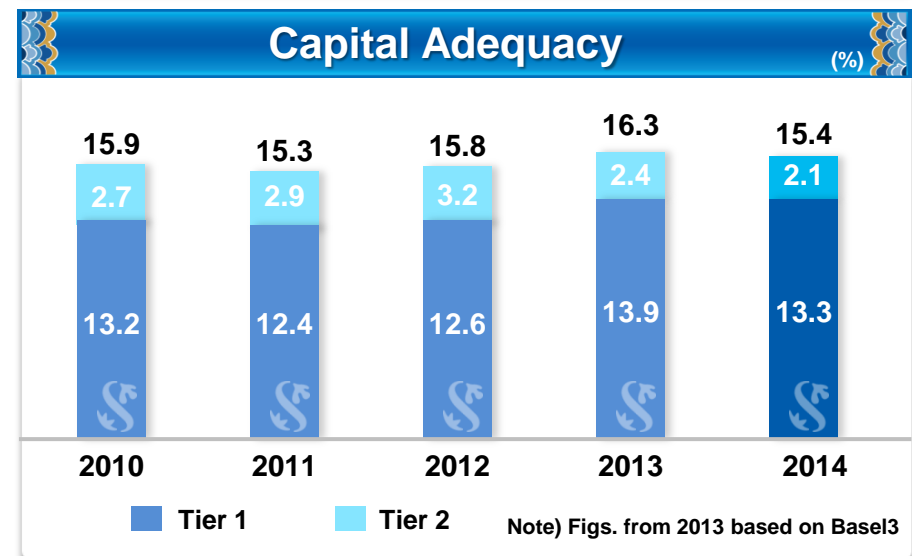
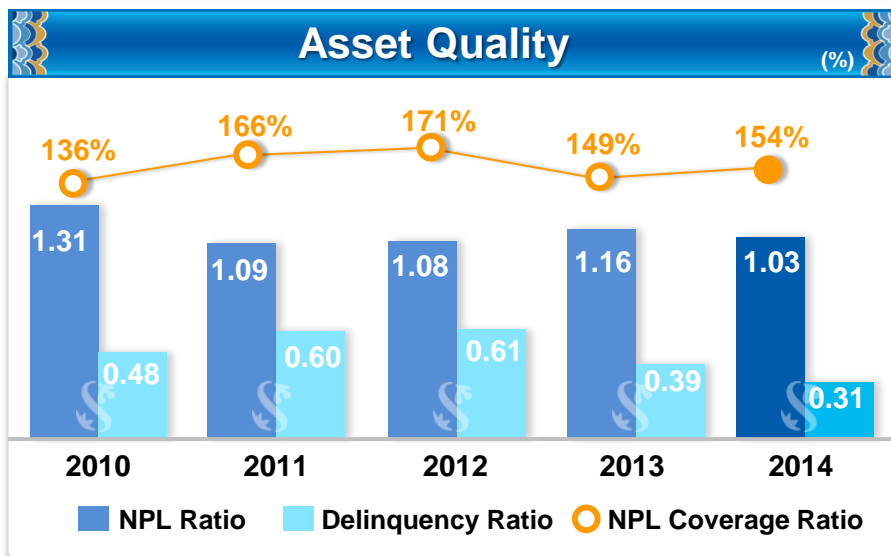
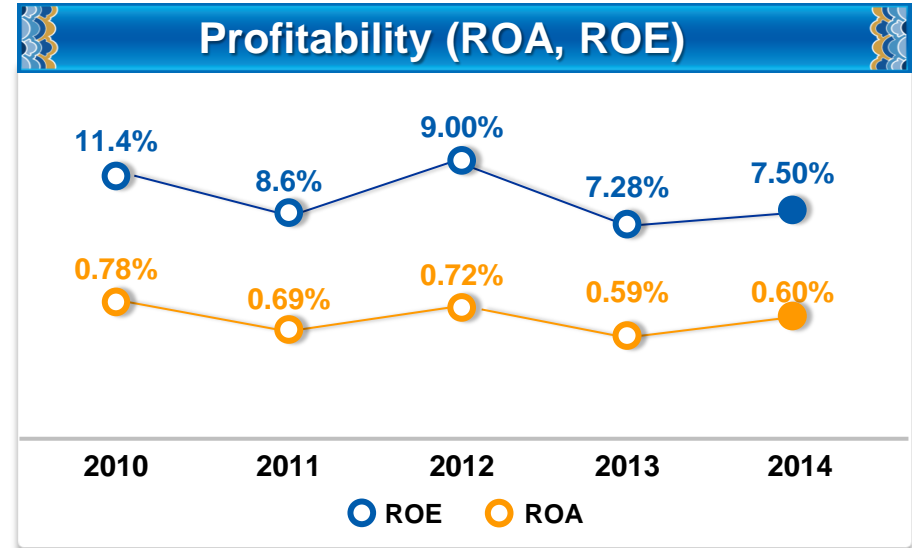
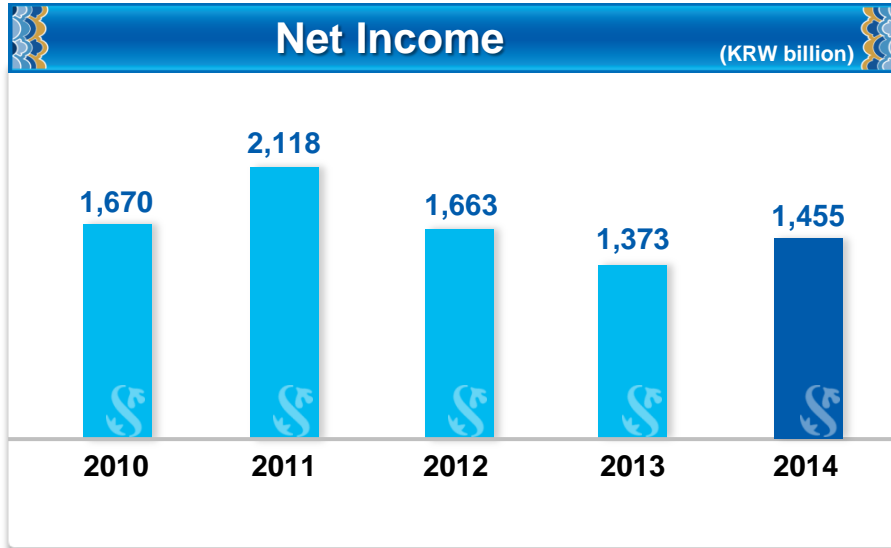




Shinhan Bank Market Position (As of December 31, 2014)

SHINHAN FINANCIAL GROUP





II. Companies in the Group

2. Shinhan Card





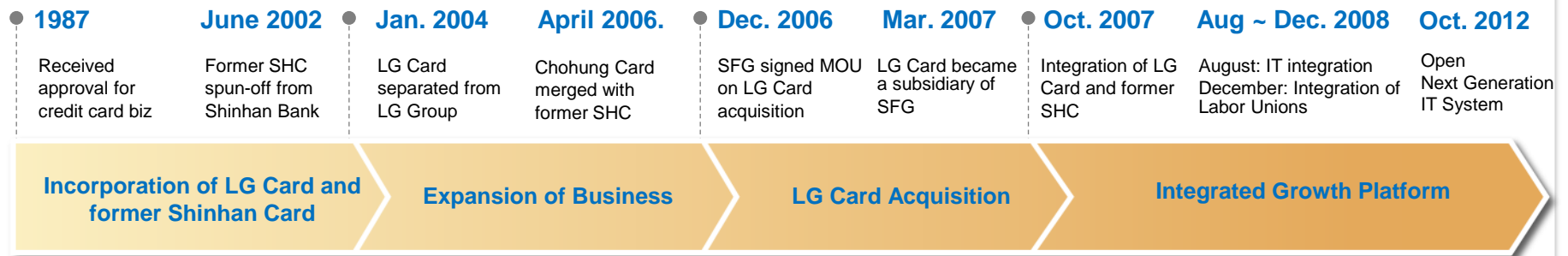
Shinhan Card Company Overview

Number 1 Credit Card Company in Korea

Shinhan Card is the No. 1 credit card company in Korea which encompasses the strengths of both the credit card division of a bank as well as an independent credit card company.



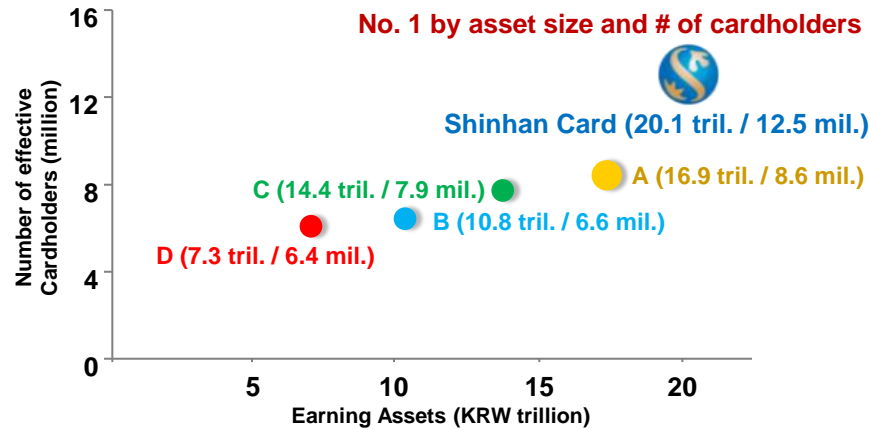
Shinhan Card's Corporate Milestone





Shinhan Card Market Position

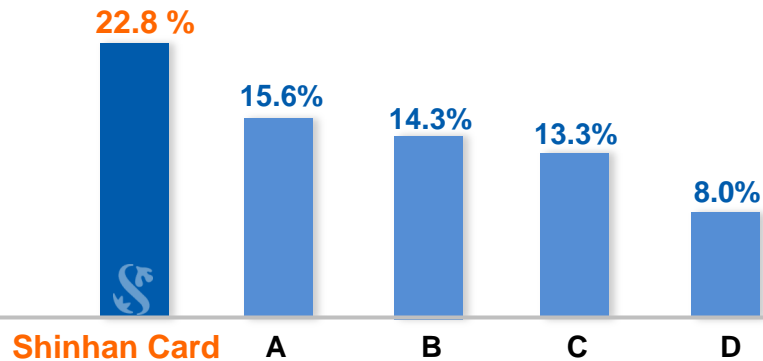
Earning Assets and Cardholders (As of Dec. 31, 2014)



Credit Rating (As of Dec. 31, 2014)

	Shinhan Card	A	B	C	D
Domestic	AA+	AA+	AA+	AA+	AA
S&P	A-	-	BBB	-	-
Fitch	A-	-	BBB	-	-

Market Share by Credit Purchase Volume (As of Dec. 31, 2014)



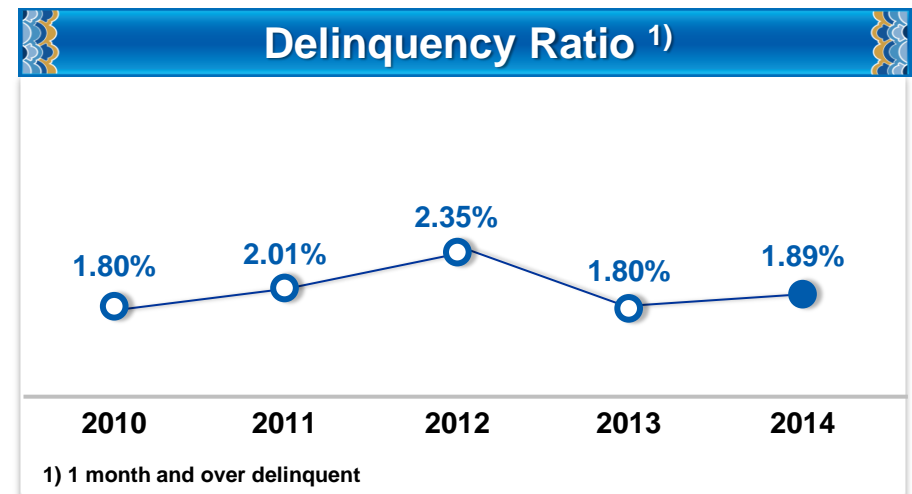
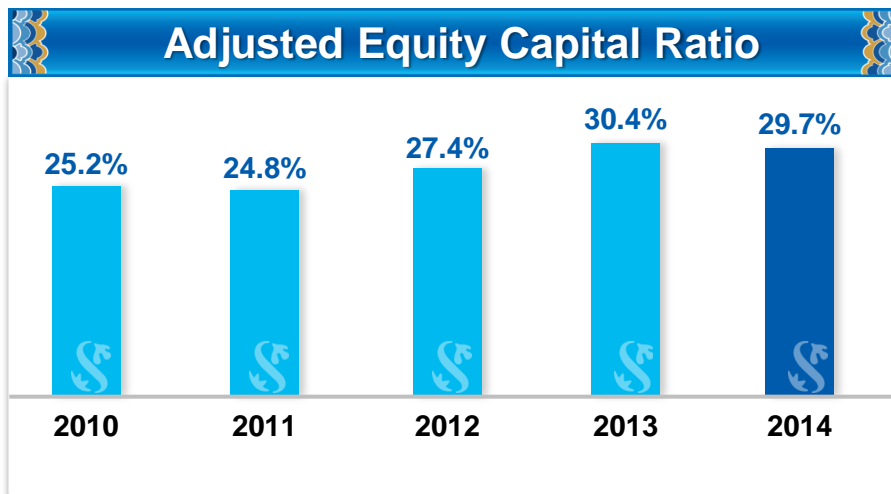
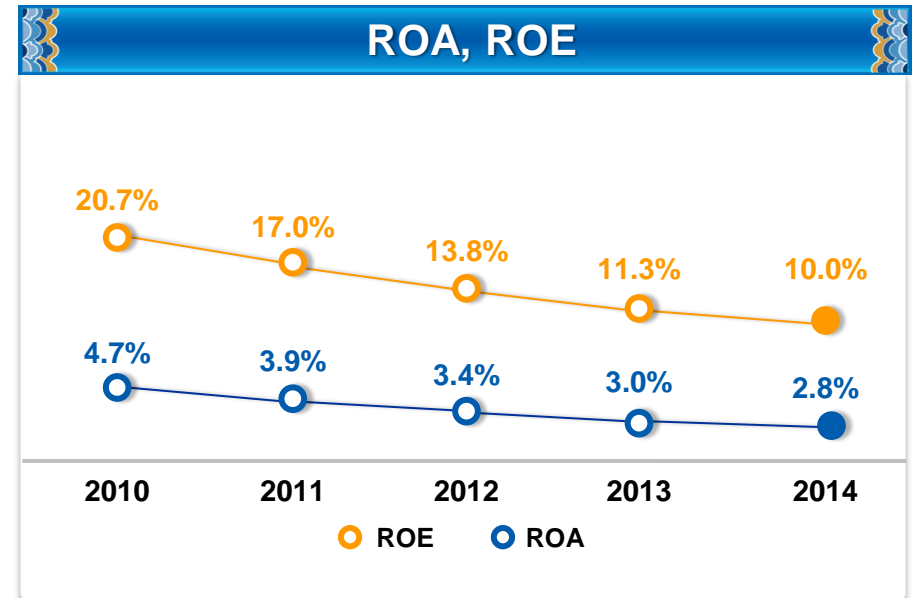
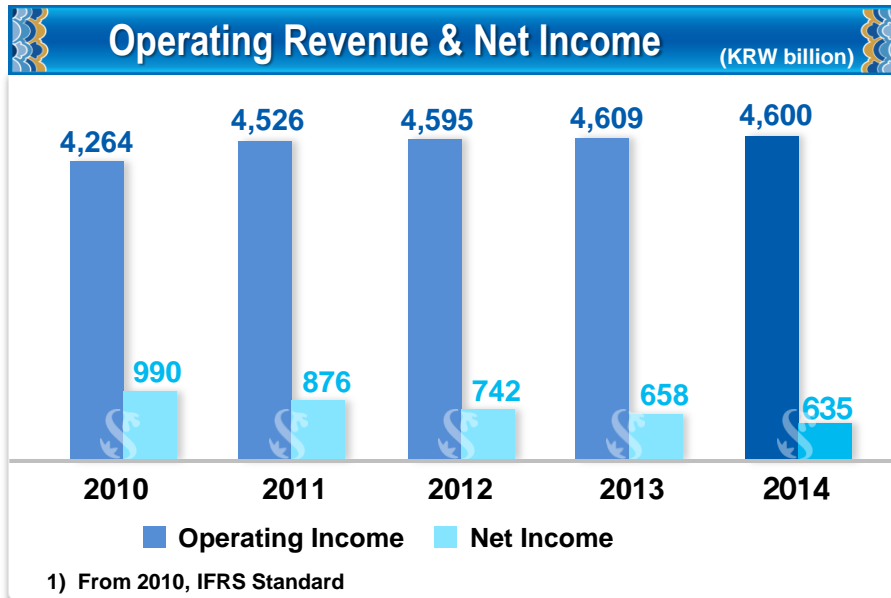
Bona fide No.1 Credit Card Company in Korea



- 2014.07 Awarded the Grand Prize in the Korea Service for 5 consecutive years
- 2014.07 Premium Brand Index (KS-PBI), 1st for 5 consecutive years
- 2014.03 Korea Brand Power Index(K-BPI), No. 1 brand for 3 consecutive years
- 2014.02 Awarded the "Most admired company in Korea" for 7 consecutive years
- 2013.08 National Brand Competitiveness Index(NBCI), 1st for 3 consecutive years



Shinhan Card Financial Highlights



II. Companies in the Group

3. Shinhan Investment Corp.





Overview

Company Overview

Good Morning Shinhan Securities changed its name to 'Shinhan Investment Corporation' to respond to the changes in the financial environment incurred by the enactment of the Financial Investment Services and Capital Market Act.

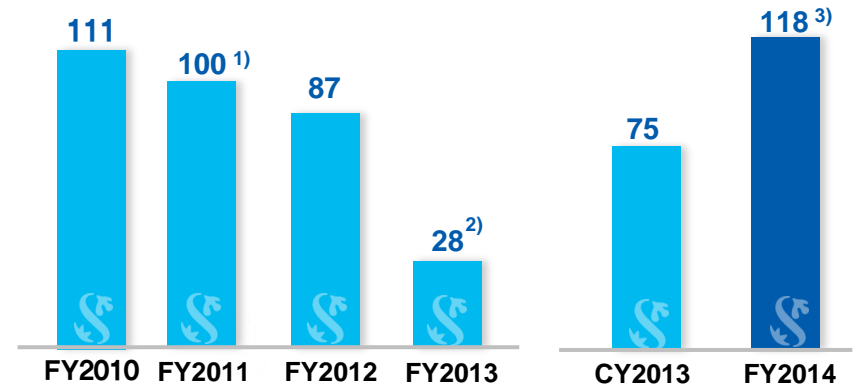
Key Milestones

1973.	Incorporation of Hyosung Securities
1983.	Renamed to Ssangyoung Securities
1999.	Renamed to Good Morning Securities
2002. 04	SFG acquired a 31.7% share of Good Morning Securities
07	Good Morning Securities was merged with Shinhan Sec.
08	renamed to Good Morning Shinhan Securities ("GMSH")
2004. 12	SFG acquired the remaining shares of GMSH
2007. 05	Overseas subsidiary in Hong Kong incorporated
2009. 08	Changed the company's name to 'Shinhan Investment Corporation'

Growth Trend

(KRW billion)

Net Income



1) IFRS was applied from FY11

2) Due to changes in Fiscal Year, FY13 includes 9 months starting from April 1, 2013 to Dec 31, 2013

Year	Total Assets (KRW billion)	Total Equity (KRW billion)	No. of Branches ¹⁾	No of Customers (thousands)
2009	7,552	1,766	86	1,596
2010	9,540	1,898	88	1,714
2011	12,166	2,120	89	1,810
2012	16,465	2,178	91	1,926
2013	19,098	2,236	93	2,079
2014	25,928	2,330	93	2,175

1) Excluding branches collocated within Shinhan Bank branches but, PWW branches are included



Shinhan Investment Corp. Industry Overview & Market Position

Industry Overview

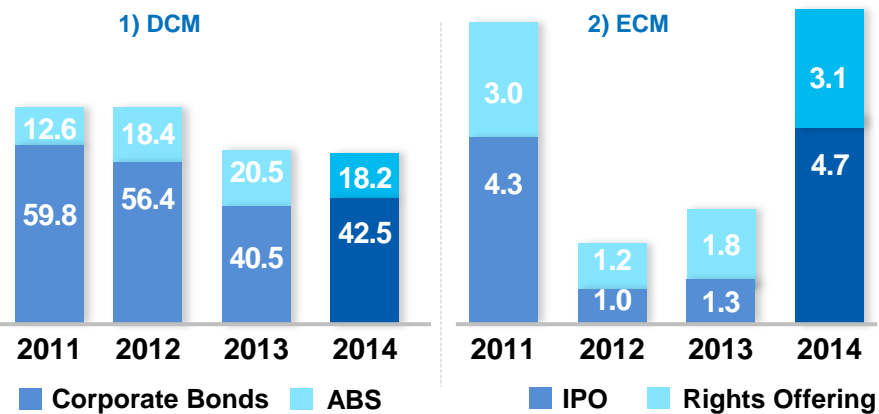
(KRW trillion)

Securities Market

* Source: KRX



Capital Market



Market Position

Market Share for Brokerage Business

	2012	2013	2014
Equities	4.9% (5)	6.0% (3)	6.4% (3)
Futures	6.7% (1)	7.1% (2)	7.8% (2)
Options	4.9% (4)	3.5% (5)	5.0% (4)

* () represents the ranking in the industry

Ranking of IB Business

	2012	2013	2014
ABS	(8)	(1)	(2)
Corporate Bonds	(5)	(5)	(4)
IPO	(8)	(14)	(12)

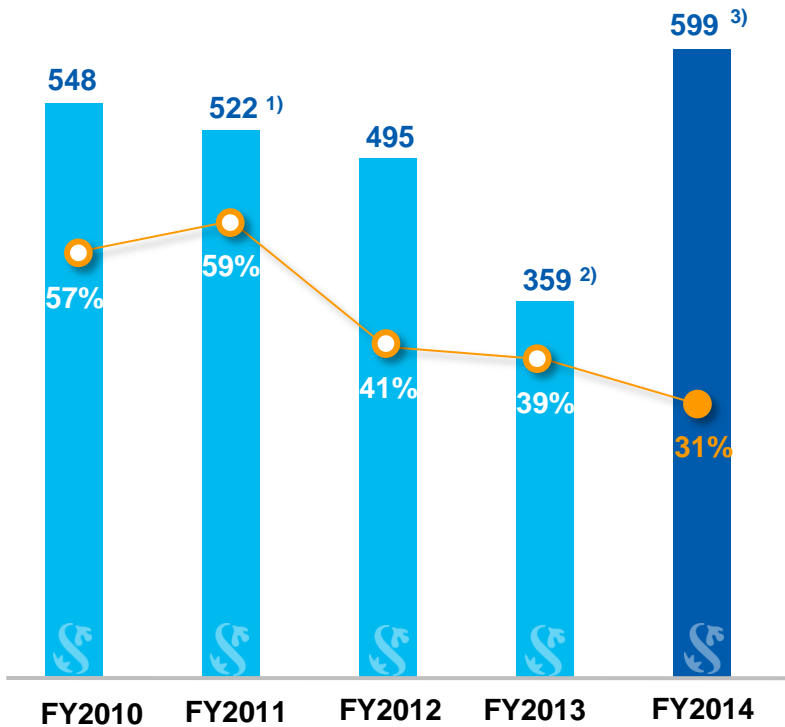
* Source: The Bell

* () represents the ranking in the industry



Operating Revenue Trend

(KRW billion)



1) IFRS was applied from FY11

2) Due to changes in Fiscal Year, FY13 includes 9 months starting from April 1, 2013 to Dec 31, 2013

■ Operating Revenue ○ % of Securities Brokerage Commission

Management Strategy

- **Strategic Objective :**
Building market leading capabilities, solidify our position as the leader in investments and asset management.

Increase customers' return by reinforcing comprehensive asset management sales capabilities

Revamp retirement pension business model and increase returns on retirement pension assets

Optimize business through operating system innovation

Maintain market leadership in wholesale and build a comprehensive service system for institutional clients

Provide creative solutions to corporate clients and expand investment banking

Launch market-leading products through leveraging foreign products and investment diversification

Practice Compassionate Finance based on Creative Finance

II. Companies in the Group

4. Shinhan Life Insurance





Overview

● Company Overview (As of December 31, 2014)

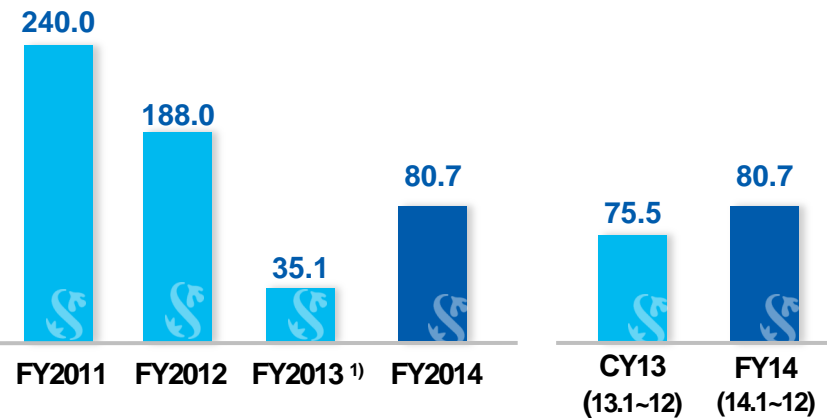
Shinhan Life Insurance provides sophisticated insurance and financial services that meet diversified customers' needs helping customers fulfill their dreams.

1990. 01	Shinhan Life Insurance established
1997. 01	Tele-marketing initiated
2003. 09	Bancassurance initiated
2005. 12	Joined SFG as a subsidiary
2006. 07	Launched Financial Full-service named as "TopsClub" for the first time in the industry
2007. 10	Launched automated insurance payment service for the first time in the industry
2008. 11	Implementation of next generation insurance system(NGS 2008)
2013. 10	Awarded the Excellence Prize in the Knowledge Category by Prime Minister (Ministry of Security & Public Administration)
2013. 11	Awarded the Labor-Management Culture Awards (Ministry of Employment and Labor)
2014. 05	Awarded the Grand Prize in Asset Management, Insurance sector (Financial Supervisory Service)
2014. 05	Acquired AAA, the best grade for Insurance solvency for 7 consecutive years
2014. 12	Awarded the Grand Prize in the Korea's Best Financial Company, life Insurance sector (Maeil Business Newspaper)

Net Income and Financial Positions

(KRW billion)

● Net Income Trend



(KRW billions)	FY2011	FY2012	FY2013	FY14
Distributors ³⁾	9,325	11,621	11,085	11,271
YoY(% ²⁾)	9.5	24.6	-4.6	1.7
Insurance Premium	4,210	5,149	3,532	4,892
YoY(% ²⁾)	7.3	22.3	-5.7	0.7
Total Assets	14,682	17,766	19,385	21,940
YoY(%)	16.8	21.0	9.1	13.2

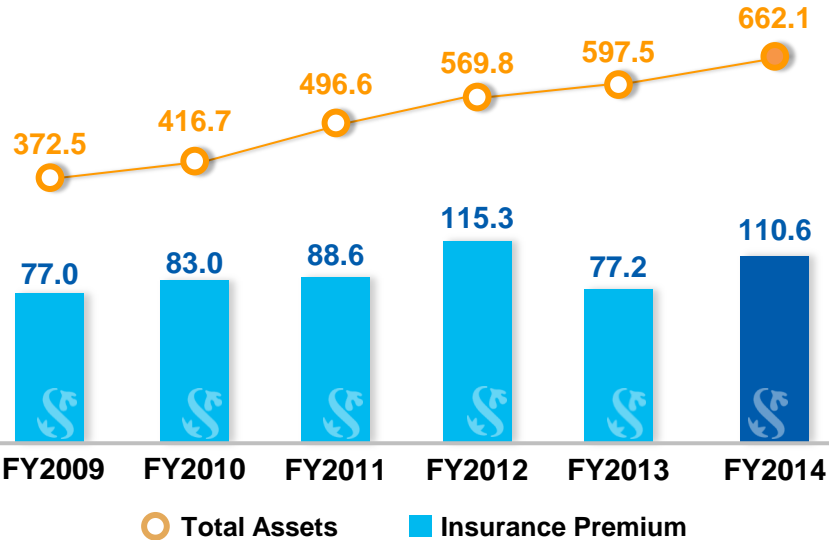
- 1) Due to changes in Fiscal Year, FY13 includes 9 months starting from April 1, 2013 to Dec 31, 2013
- 2) For comparison purposes, FY2013 is calculated on a Cash Year basis
- 3) Includes financial planners and agents



Shinhan Life Insurance Industry Overview & Market Position

Industry Overview

(KRW trillion)

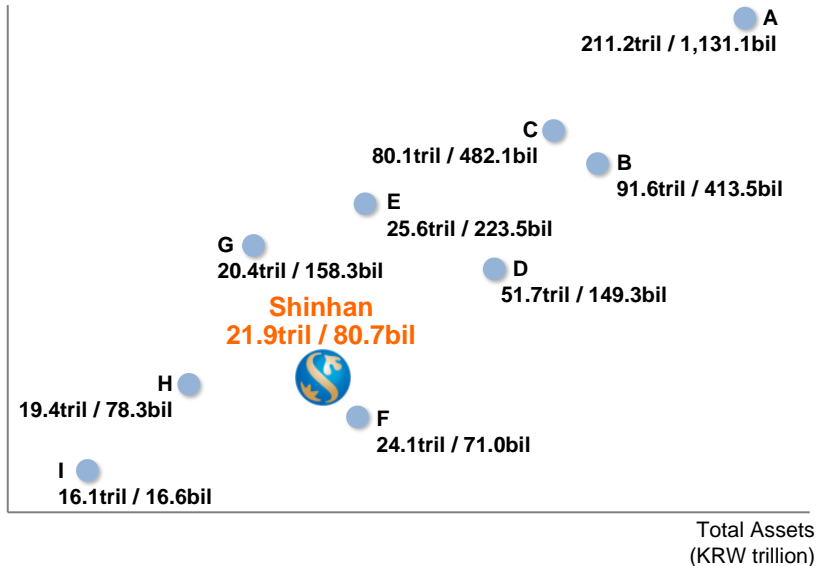


Note) Due to changes in Fiscal Year of Insurance Companies, FY2013 includes 9 months starting from April 1, 2013 to Dec 31, 2013

- Insurance premium increased by 8.5% YoY to 111 trillion attributed to growth in new premiums from separate accounts such as retirement pension
- Total assets increased by 10.8% YoY to 662 trillion on the back of growing insurance premiums

Market Position

Net Income (KRW billion)



Notes) Total Assets as of Dec 31, 2014 and Net income for the FY2014

Source : Korea Life Insurance statistics, Top 10 based on total assets

- Total assets of Shinhan Life increased by 13.2% YoY marking 21.9 tril. as of Dec 31, 2014 (7th largest)
- Net income for 2014 was KRW 80.7 billion, KRW 5.2 billion (+6.9%) higher than last year despite a number of negative drivers such as the change in new contract cost deferral method and additional accrual per IBNR. (7th among Top 10 life insurance companies)



Condensed Income Statements

(KRW billion)		FY2011	FY2012	FY2013 ¹⁾	FY2014
Insurance	Insurance Margin	1,555.1	2,180.7	1,074.7	1,429.6
	Premium Income	3,607.5	4,584.8	3,033.3	4,203.9
	Claims Paid	2,052.4	2,404.1	1,958.6	2,774.3
Net Investment Income		618.8	695.1	503.8	754.1
Policy Reserve (Δ)		1,901.1	2,680.8	1,561.2	2,100.5
Operating Income		272.8	194.9	17.2	83.2
Non-operating Income		40.2	42.1	28.3	28.8
Net Income before tax		313.0	237.0	45.5	112.1
Net Income		240.0	188.0	35.1	80.7

Note) FY2013 includes 9 months starting from April 1, 2013 to Dec 31, 2013

Policies in Force

(KRW billion, %)		FY2013	%	FY2014	%
General Accounts	Individual Insurance	95,618	98.6	99,291	98.6
	Pure Endowmen	10,447	10.8	12,624	12.5
	Against Death	70,270	72.5	72,812	72.3
	Endowment	14,901	15.3	13,854	13.8
	Group Insurance	993	1.0	857	0.9
	Sub total	96,611	99.6	100,148	99.5
Separated Account		349	0.4	512	0.5
Total		96,960	100	100,660	100.0

Note) based on subscription value of an insurance contract

Condensed Balance Sheets

(KRW billion)		FY2011	FY2012	FY2013	FY2014
General Accounts	Cash & Equivalent	864	1,253	917	1,483
	Securities	6,647	9,136	10,541	11,626
	Loans	3,059	3,677	4,160	4,843
	Others	2,332	1,745	1,659	1,630
Separated Account		1,779	1,955	2,109	2,357
Total Assets		14,682	17,766	19,385	21,940

Key Financials

(%)	FY2011	FY2012	FY2013	FY2014
Solvency Ratio	309.0	287.8	253.1	230.7
ROA	1.76	1.17	0.28	0.39
ROE	20.89	14.44	3.89	5.81

II. Companies in the Group

5. Shinhan BNPP Asset Management





Shinhan BNPP Asset Management Company Overview

Your Investment Partner, Shinhan BNPP AM

Shinhan BNP Paribas Asset Management was launched in January 2009 through an integration of two outstanding asset management companies; SH Asset Management, specialized in investment in domestic equities and bonds, and Shinhan BNP Paribas Trust Investment, whose specialty was foreign equity funds.

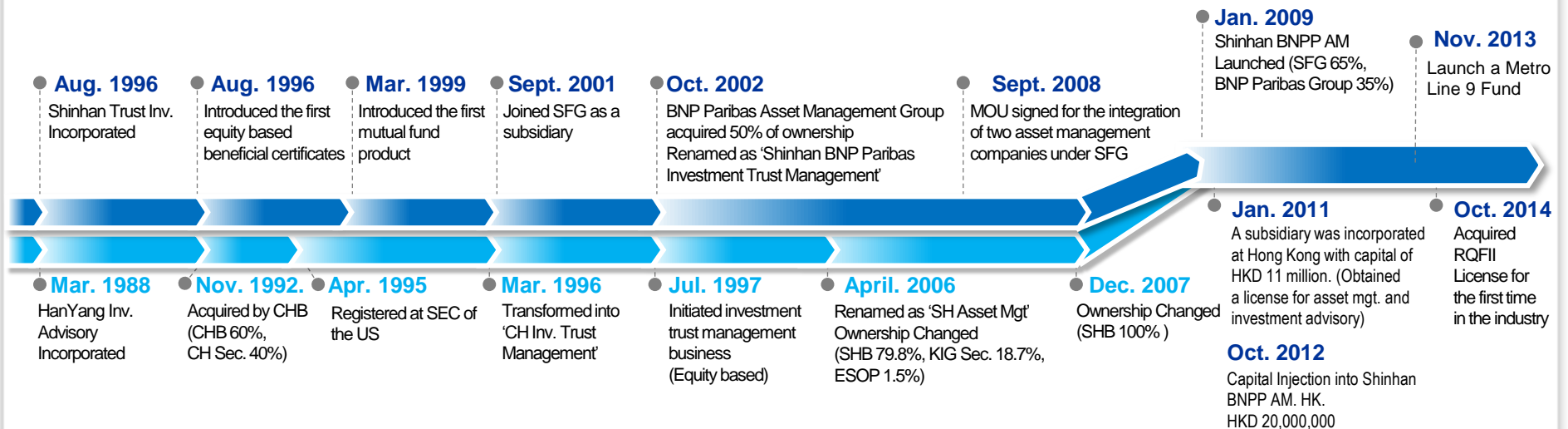
We are trying our very best to pursue our utmost goal of 'customer satisfaction' on the back of global standard investment know-how, efficient system and the best crew in our investment team.

Overview

(As of December 31, 2014)

- **Incorporation** : August 26, 1996
- **Paid-in Capital** : KRW 75.4 billion
- **Employees** : 186
- **Major Shareholders** : SFG(65%), BNPP IP (35%)
- **AUM** : KRW 39.3 trillion (including discretionary accounts)

Key Milestone of Shinhan BNP Paribas Asset Management

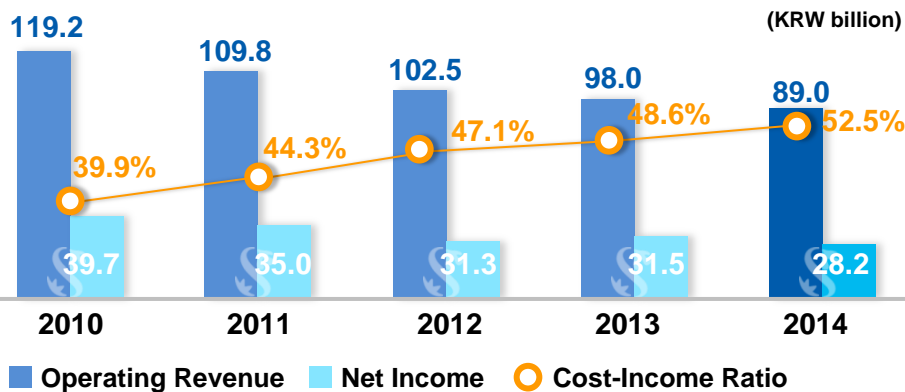




Shinhan BNPP Asset Management Financial Highlights & Market Position

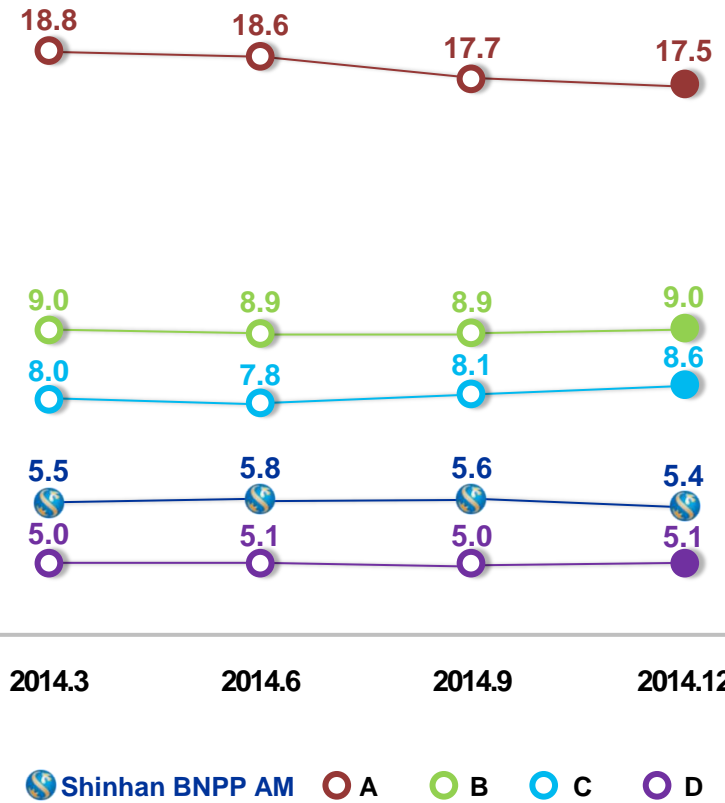
Financial Highlights

(KRW billion)	CY 2010	CY 2011	CY 2012	CY 2013	CY2014
Condensed IS					
Operating Revenue	119.2	109.8	102.5	98.0	89.0
Operating Expense	65.5	61.7	59.2	57.9	53.6
SG&A	35.7	38.2	38.6	37.9	39.2
Operating Income	53.7	48.1	43.3	40.1	35.4
Net Income	39.7	35.0	31.3	31.5	28.2
Condensed BS					
Total Asset	172.1	170.7	168.9	169.6	188.9
Total Equity	147.2	146.3	145.7	148.6	156.5
Key Financial Indications					
ROE	27.59%	23.89%	21.44%	21.38%	18.48%
ROA	23.38%	20.45%	18.43%	18.59%	15.73%
Cost-Income Ratio	39.93%	44.26%	47.13%	48.60%	52.54%



Market Share

Market Share %
(including discretionary account)



II. Companies in the Group

6. Shinhan Capital





Profile

● Overview

- **Incorporation Date** : April 19, 1991
- **Shareholders' Equity** : KRW 570.4 billion (Paid in Capital: KRW 180 billion)
- **Total Assets** : KRW 3.9 trillion
- **Networks** : Headquarter (Seoul) /
Branches (Gangnam, Yeouido, Busan, Ansan, Daejeon)
- **Key Milestones**

1991. 04	Incorporation of Shinhan Capital
2005. 11	Selected as the fund of funds mgt. company for SMBA
2006. 11	Rating upgrade (A+ → AA-)
2007. 12	Assumed Shinhan Card's Corporate leasing assets
2010. 05	Selected as Investment Trust Management Agency for KoFC Fund to foster New Growth Driver Corporation
2013. 02	Opened Yeouido Finance Center Network
2014. 05	Implementation of Next-generation IT system "WINK"

● Business

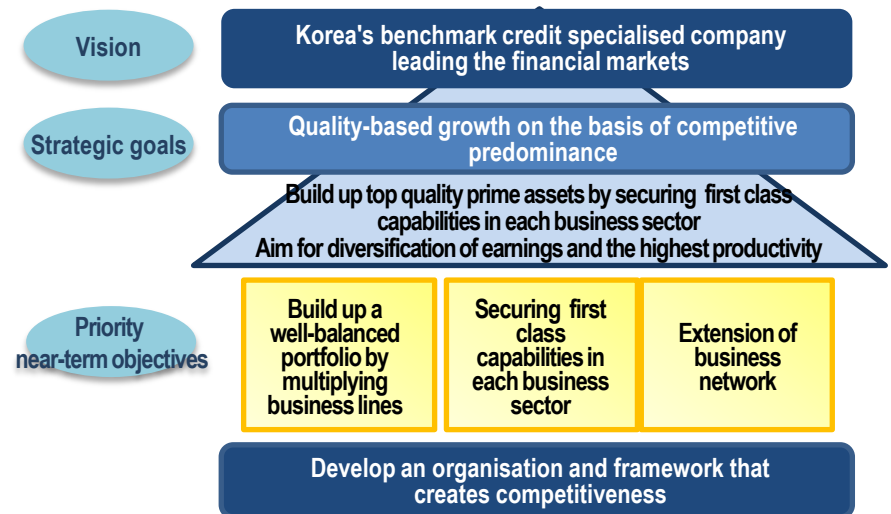
- Leasing in relation to ships, medical instruments, and other PP&Es
- Installment Financing / Venture Capital / Corporate restructuring financing
- Real Estate PF / Loans / Factoring, etc.

Vision & Strategy

No.1 credit-specialized financial company in Korea leading the financial market

Shinhan Capital has set out its vision of emerging as Korea's benchmark credit specialized company, a leader of the financial markets, and playing a major role in achieving Shinhan Financial Group's goal of becoming a 'World Class Financial Group' and firmly establishing itself as 'Korea's Flagship Financial Brand' by 2015.

For 2014, in line with its strategic target of "Change for the Future II – Qualitative Improvement and New Challenges", it is striving to achieve its anticipated outcomes by way of 1) Building market- leading business lines, 2) Heightening efficiency and improving quality, and 3) Establishing three values to be emphasised for creative finance in practice.



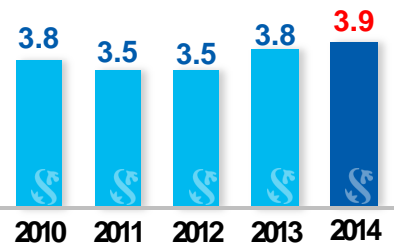


Shinhan Capital Financial Highlights & Market Position

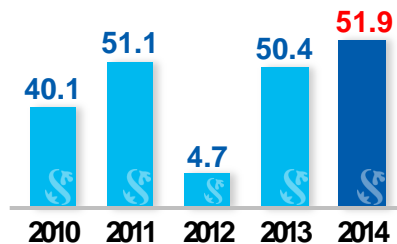
Financial Highlights

(KRW billion)	2010	2011	2012	2013	2014
Condensed B/S					
Total Assets	3,734.7	3,518.3	3,526.2	3,772.4	3,939.5
Total Liabilities	3,288.3	3,037.9	3,053.9	3,252.6	3,369.1
Total Shareholders' Equity	446.5	480.4	472.3	519.8	570.4
(Paid in Capital)	180.0	180.0	180.0	180.0	180.0
Condensed P/L					
Operating Revenue	403.4	365.9	376.3	319.7	328.1
Operating Income	52.9	67.4	3.9	65.4	64.2
Net Income	40.1	51.1	4.7	50.4	51.9
Key Financial Indicators					
ROE	9.5%	11.3%	1.0%	10.2%	9.6%
ROA	1.1%	1.4%	0.1%	1.4%	1.4%
Capital Adequacy Ratio	14.2%	14.5%	15.0%	15.1%	15.6%
NPL ratio	2.4%	2.2%	3.0%	2.2%	2.9%

● Total Assets (KRW trillion)



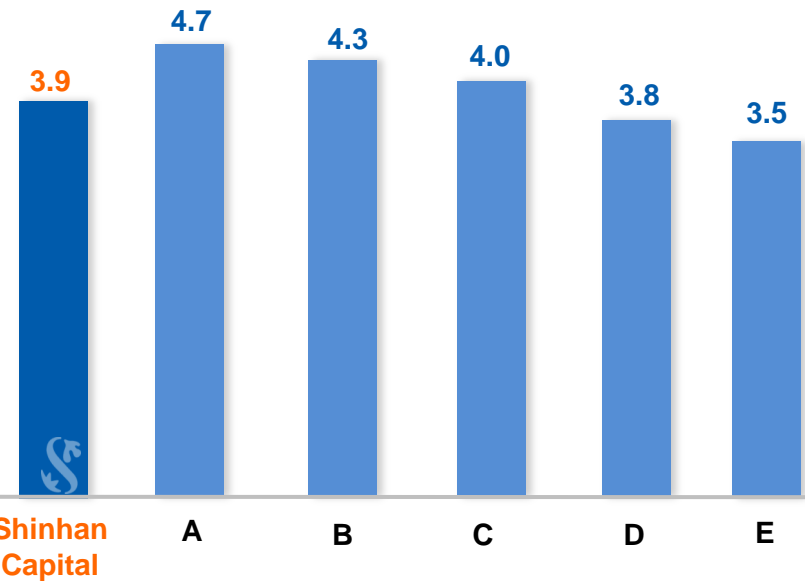
● Net Income (KRW billion)



Market Position

● Total Assets

(KRW trillion, As of December 31, 2014)



※ As of December 31, 2014, Shinhan Capital is 4th largest among its peers in terms of total assets.

II. Companies in the Group

7. Jeju Bank

8. Shinhan Savings Bank

9. Shinhan Data System

10. Shinhan AITAS

11. Shinhan Credit Information

12. Shinhan Private Equity





Jeju Bank Company Overview

Profile

● Overview (As of December 31, 2014)

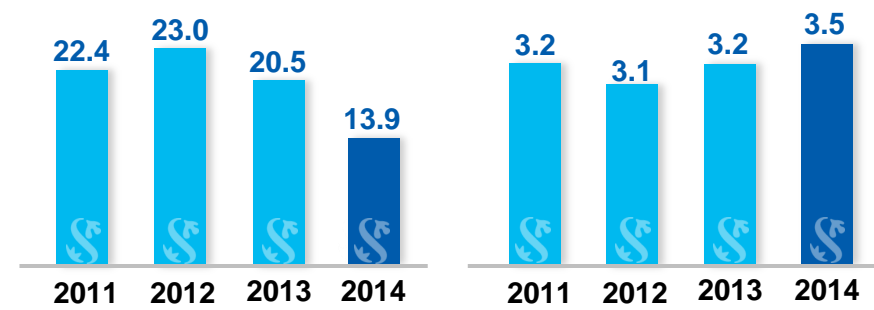
Incorporated in Jeju Island in 1969, Jeju Bank had been posting healthy growth amid strong support of the Jeju residents, playing a central role in the development of the Island's local economy.

- Major Shareholders : SFG (68.88%), KB Asset Mgmt. (3.10%), National Pension Service (2.42%)
- Shareholders' Equity : 305.5 billion
- Total Assets : KRW 3.5 trillion
- Networks : total of 38 branches and sub-branches (35 in the Jeju region)
- Market share in the Jeju region: 32.7% of deposits and 27.9% of loans
- Key Milestones

1969. 03	Cheju Bank (Ltd) founded
1972. 12	Shares listed on the Korean Stock Exchange
2002. 05	Became subsidiary of Shinhan Financial Group
2009. 10	Launched pension fund operations
2010. 08	Launched smartphone banking service
2012. 12	Commended by the Minister of Public Administration and Security of the Republic of Korea for best CSR
2013. 12	Awarded the Korea Nanum Prize by the Minister of Health & Welfare
2014. 03	Launched tax-deductible long-term mutual funds

Financial Highlights

● Net Income (KRW billion) ● Total Assets (KRW trillion)



Vision & Strategy

Create customer value to grow as the "Local Best Bank" by enhancing value for customers and for Jeju and enshrined them in in basic business guidelines

Vision

Quality based
Local Top Bank

Strategic Goal

Differentiation through competitive advantages as a regional bank specialized in retail banking



Profile

● Company Overview (As of December 31, 2014)

Shinhan Savings Bank was launched on April 1, 2013 following the merger of Shinhan Savings Bank(established December 2011) and Yehanbyeol Savings Bank(established November 2012)

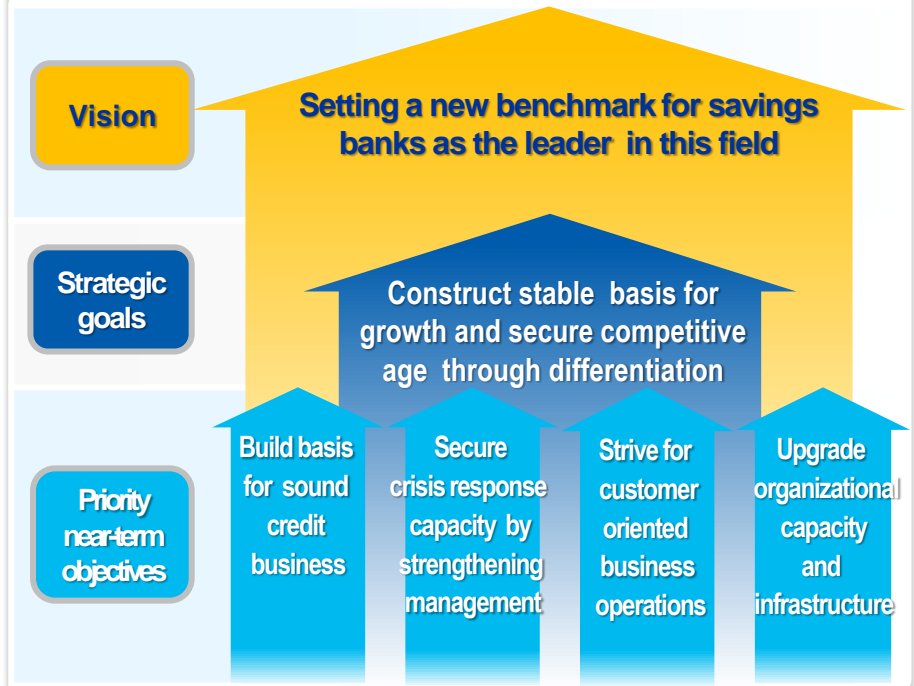
- Shareholders' Equity : 96.1 billion
- Total Assets : KRW 785.6 billion
- Networks : 8 branches (Seoul metropolitan area)
- Key Milestones

2011. 12	Acquired a savings bank licenses and changed its name to Shinhan Savings Bank upon joining Shinhan Financial Group
2012. 01	Launched business operations
2013. 01	Yehanbyeol Savings Bank joined the Shinhan Financial Group
2013. 04	The former Shinhan Savings Bank and Yehanbyeol Savings Bank were merged and a new Shinhan Savings Bank was launched

Vision & Strategy

"Bringing a bright smile to the face of the people through compassionate finance"

Shinhan Savings Bank will exert every effort to become Korea's benchmark financial company for the customers by conducting business centering on micro-and community finance in tune with the rhythm of the local community under sound and transparent management.





Profile

● Company Overview (As of December 31, 2014)

Sine establishment in 1991 as a specialized financial IT company, Shinhan Data System has been reinforcing generation of IT synergies within Shinhan Financial Group and offering the best-of-its kind financial IT services to its customers.

- Incorporation Date : May 13, 1991
- Shareholders' Equity : KRW 9.4 billion
- Total Assets : KRW 25.8 billion
- Key Milestones

1991. 05	Shinhan System(Ltd.) established
2003. 10	Changed its name to Shinhan Data System (Ltd.)
2009. 10	Operation of Shared Service Center providing SFG's group IT infrastructure
2010. 01	Joined SFG as a subsidiary
2012. 11	ISO/IEC 20000 (services management), BS 100012 (individual information protection) certification acquired
2013. 02	Established(Constructed) a total systems for the Credit
2014. 06	Implementation of Next-generation IT system "WINK"
2014. 07	Obtained Shinhan Bank's electronic-document system project

● Business Scope

- SI(System Integration), SM(System Management)
- ITO(IT Outsourcing), BPO(Business Process Outsourcing)
- IT consulting business

Vision & Strategy

Mission

Compassionate ICT sharing future

Vision

Business Value Creator
Your IT Partner Creating Business Value

2015
Strategic
goal

ICT expert leading smart finance

Strategic
Priorities

Secure
Smart
ICT
Leadership

Enhance
customer
satisfaction
through
Upgrading
service
Capabilities

Strategic
cost saving

Establish
foothold
for
continous
growth

Build IT Shared Service Center within the Group



Shinhan AITAS Company Overview

Number 1, Fund Service Company In Korea

Shinhan AITAS, founded in June 2000, is the best fund service specialty provider with unparalleled market competitiveness and the largest domestic market share.

Shinhan AITAS provides general fund related administrative services as well as comprehensive system for asset management, including Accounting System, Trading System, and Asset Management System.

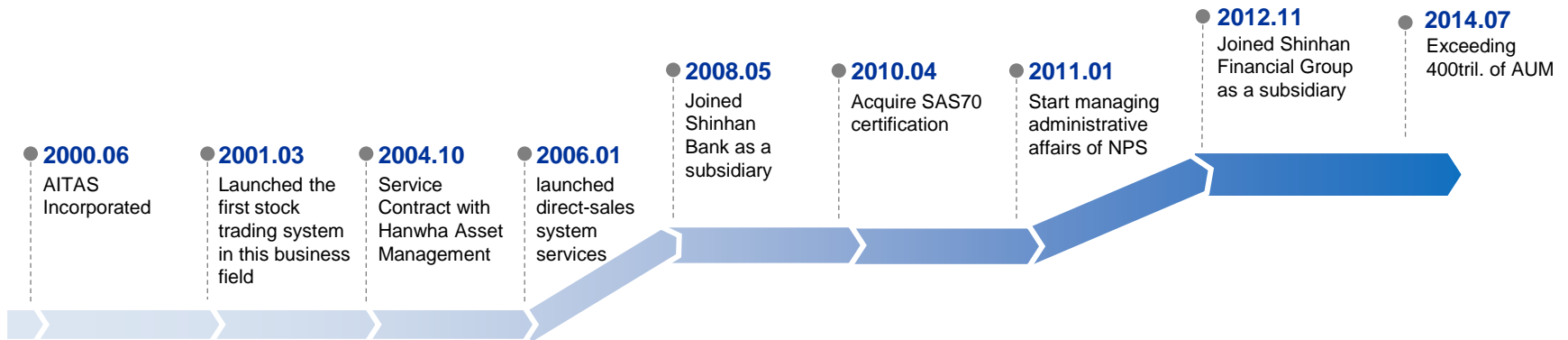
Shinhan AITAS will provide the best differentiated services to its customers based on know-how accrued from supporting them in system, consulting, and solutions for various securities businesses, and its in-house specialists.

Overview

(As of December 31, 2014)

- **Incorporation** : June 15, 2000
- **Paid-in Capital** : KRW 31.4 billion
- **Employees** : 184
- **Major Shareholders** : SFG(99.79%), Others (0.21%)

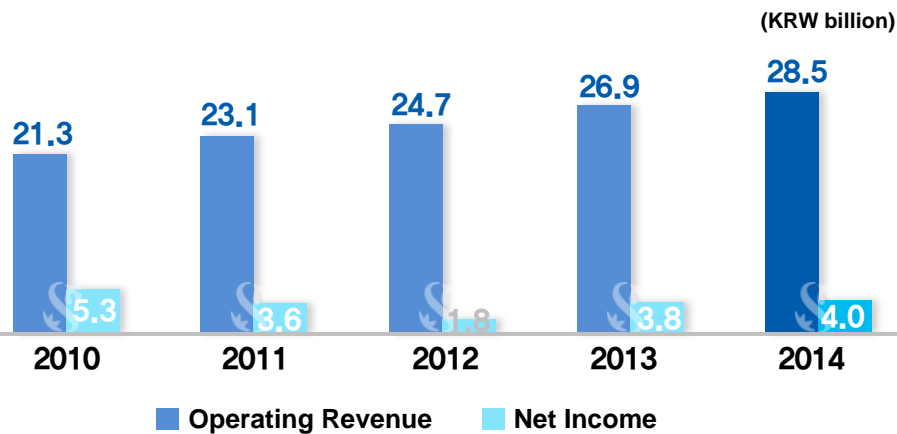
Key Milestone of Shinhan AITAS





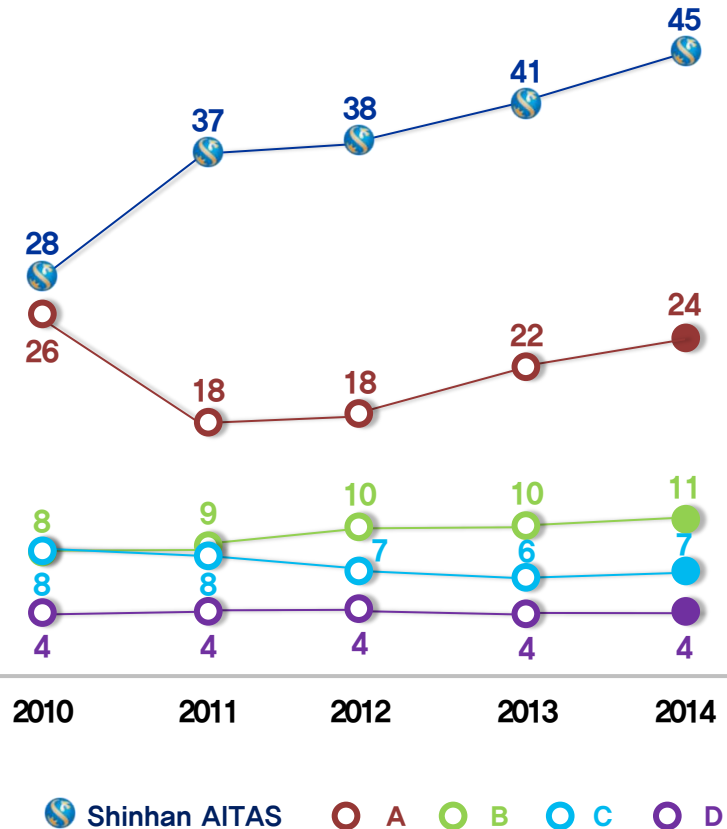
Financial Highlights

(KRW billion)	FY2010	FY2011	FY2012	FY2013	FY2014
Condensed IS					
Operating Revenue	21.3	23.1	24.7	26.9	28.5
Operating Expense	14.7	18.8	23.1	22.7	24.0
SG&A	14.7	18.8	23.1	22.7	24.0
Operating Income	6.7	4.3	1.6	4.1	4.6
Net Income	5.3	3.6	1.8	3.8	4.0
Condensed BS					
Total Asset	25.6	28.3	31.0	34.6	37.7
Total Equity	21.3	24.9	26.7	30.4	31.4
Key Financial Indications					
ROE	20.71%	12.73%	5.76%	10.90%	10.59%
ROA	24.94%	14.47%	6.70%	12.39%	12.69%
Cost-Income Ratio	45.61%	22.73%	7.13%	18.15%	19.04%



Market Share

Market Share %
(including discretionary account)





Profile

● Company Overview (As of Dec 31, 2014)

A specialist credit information business founded for the integrated management of the non-performing assets of SFG that seeks to realize a credit-based society

- Incorporation Date : July 8, 2002
- Shareholders' Equity : KRW 14.6 billion
- Total Assets : KRW 23.0 billion
- Key Milestones

2002. 08.	Acquired credit information business license from FSC
2002. 09.	Commenced credit information business operations (Administering the credits of the group companies)
2007. 07.	Launched credit management of former LG credit card after Acquisition
2009. 01.	Launched credit management of KAMCO's credit recovery fund
2011. 07.	Launched business assisting in administering UAMCO's assets
2013. 02.	Commenced business assisting in administering the assets of the KDIC
2013. 08.	Commenced credit management of KAMCO's National Happiness Fund
2014. 03	Commenced credit management of KAMCO's Hope Fund
2014. 06.	Commenced management of KAMCO's Unsecured Public Bond

● Business Scope

- Debt collection and credit reporting
- Civil application/petition services, Receiving documents as an agent and CRM operation
- Operations in support of the National Happiness Fund

Operation Overview

Group Companies

- Credit under management : KRW 2.7 trillion
- No. of credit research : 190 thousand
- Launched application/petition services and CRM operation starting from 2012

Public Credit

- Credit under management : KRW 3.4 trillion
- Launched supporting business for the National Happiness Fund in 2013
- Asset Management Auxiliary Service

External Credit

- Credit under management : KRW 0.5 trillion
- No. of credit research : 80 thousand
- Comprehensive credit information service



Profile

● Company Overview (As of Dec 31, 2014)

Shinhan Private Equity is the first local private equity company in Korea established in Dec. 2004 with a 100% capital contribution by Shinhan Financial Group.

- Incorporation Date : December 8, 2004
- Shareholders' Equity : KRW 11.5 billion
- Asset under Management : KRW 1.3 trillion
- Key Milestones

2004. 12.	Shinhan Private Equity Established
2004. 12	Joined Shinhan Financial Group as a subsidiary
2005. 08	Established Shinhan NPS private Equity Fund 1 st
2008. 06	Established Shinhan Private Equity Fund 2 nd
2008. 12	KOREA Capital Market the bell League Table Awards– Best M&A Deal by PEF
2011. 11	Changed its name to Shinhan Private Equity Investment Management
2012. 12	Established Shinhan Stonebridge Petro Equity Fund
2014. 02	Changed its name to Shinhan Private Equity
2015. 02	Moved its headquarter to Yeongdeungpo-gu

Operation Overview

● Private Equity Funds managed by Shinhan PE

Shinhan NPS private Equity Fund 1st

- Investment Amount : KRW 300 billion
- Independently managed by Shinhan PE
- Currently in liquidation proceedings

Shinhan Private Equity Fund 2nd

- Investment Amount : KRW 460 billion
- Independently managed by Shinhan PE
- Invested KRW 323.8 billion in domestic market no 1 newsprint paper manufacturing company Jinju paper and other 5 companies

Shinhan Stonebridge Petro Equity Fund

- Investment Amount : KRW 818.2 billion
- jointly invested and operated by Shinhan PE & Stonebridge
- Invested KRW 800 billion in SK Incheon Petrochem

Forward-Looking Statements

Shinhan Financial Group's 2014 e-Brochure may contain forward-looking statements to provide value-added account of Shinhan Financial Group's businesses and results of operations.

These forward-looking statements reflect our current views with respect to future events and performance, and are generally identified by the use of forward-looking terminology, such as "expect", "plan", "intend", and similar expressions.

You are cautioned not to place undue reliance in these forward-looking statements, which reflect management's current analysis of future events.

We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.



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