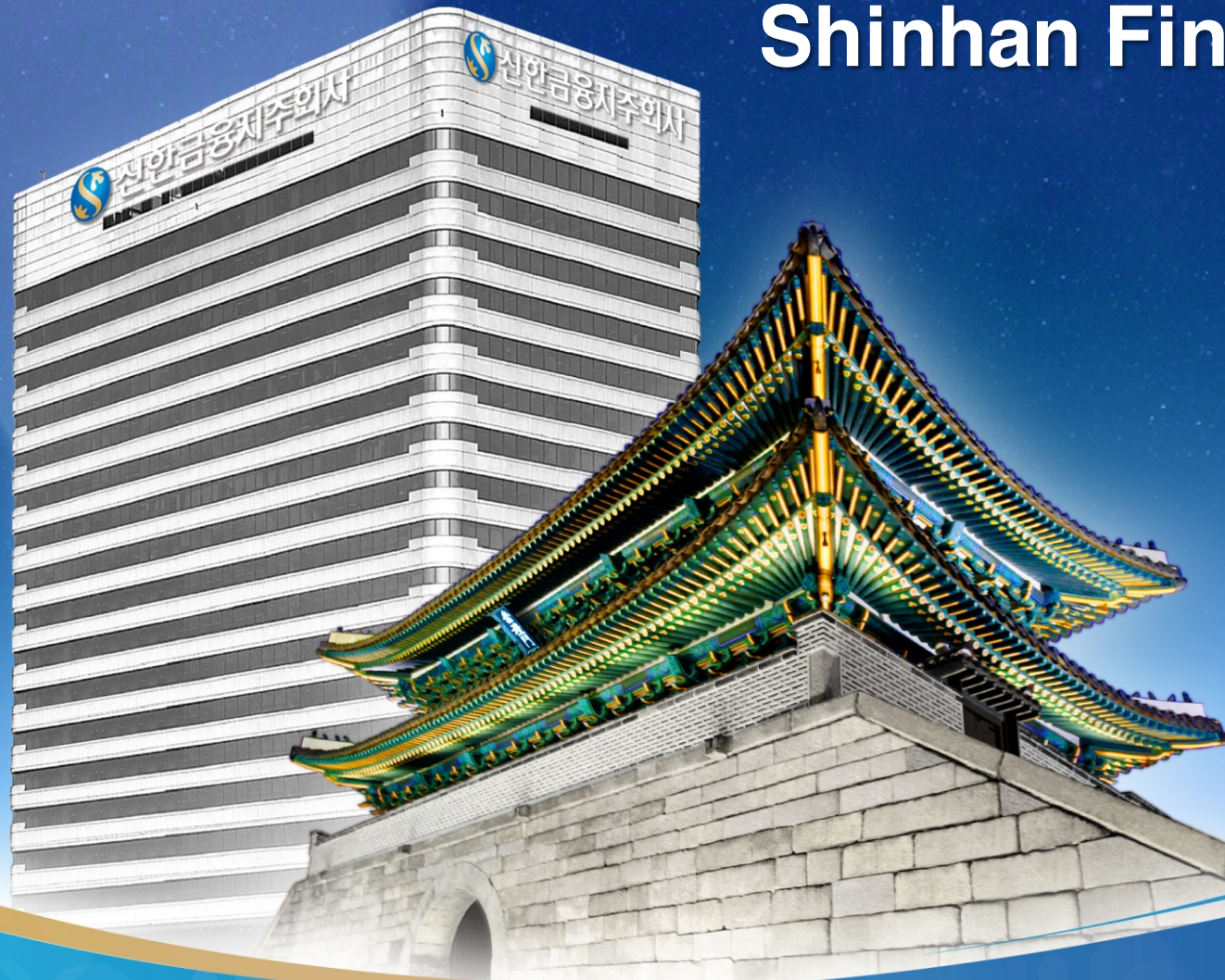




Compassionate Finance, Your Companion for the Future

Shinhan Financial Group



Contents

I. Shinhan Financial Group

1. Overview
2. Vision, Strategy & Core Capability
3. Financial Highlights

II. Companies in the Group

1. Shinhan Bank
2. Shinhan Card
3. Shinhan Investment Corp.
4. Shinhan Life Insurance
5. Shinhan BNP Paribas Asset Management
6. Shinhan Capital
7. Jeju Bank
8. Shinhan Savings Bank
9. Shinhan Data System
10. Shinhan AITAS
11. Shinhan Credit Information
12. Shinhan Private Equity



I. Shinhan Financial Group

1. Overview & History





Korea # 1 Financial Institution

Realizing highest net income among peers (consecutive 8 years since 2008)
Market Cap ranked 1st place among peers (18.8 trillion as of Dec. 31, 2015)



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 2.4 trillion**
- **Total Consolidated Assets : KRW 371 trillion**
- **Total Market Cap: KRW 18.8 trillion**
- **ROA : 0.7%**
- **ROE : 8.0%**
- **13 direct subsidiaries, 24 indirect subsidiaries**
- **Number of Employees : 26,000**
- **Major Shareholders**
 - Korea National Pension Service 9.25%
 - BNP Paribas 5.35%
 - SFG ESOP 4.49%

As of Dec. 31, 2015



Well-diversified Business Portfolio



Top 500 Banking Brands

Bank Ranking	Company	Nationality
1	Wells Fargo	US
2	ICBC	China
5	Chase	US
9	HSBC	UK
44	Shinhan Financial Group	Korea
60	Nomura	Japan
62	KB Financial Group	Korea

* Source: The Banker (Feb. 2016)



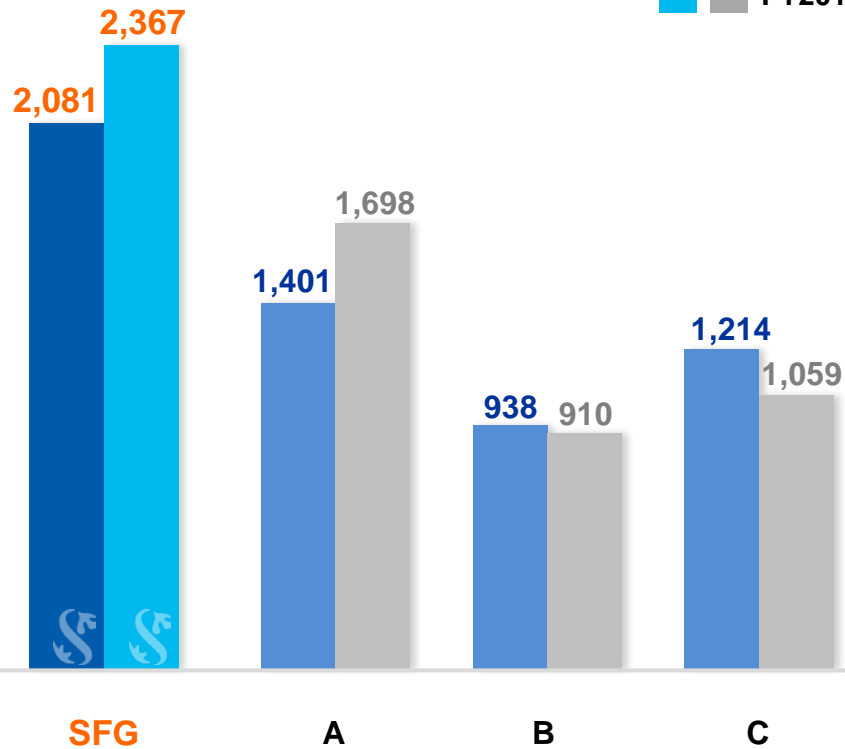
About SFG Market Position

Outstanding Profitability

● Net Income (FY2014/ FY2015)

(KRW billion)

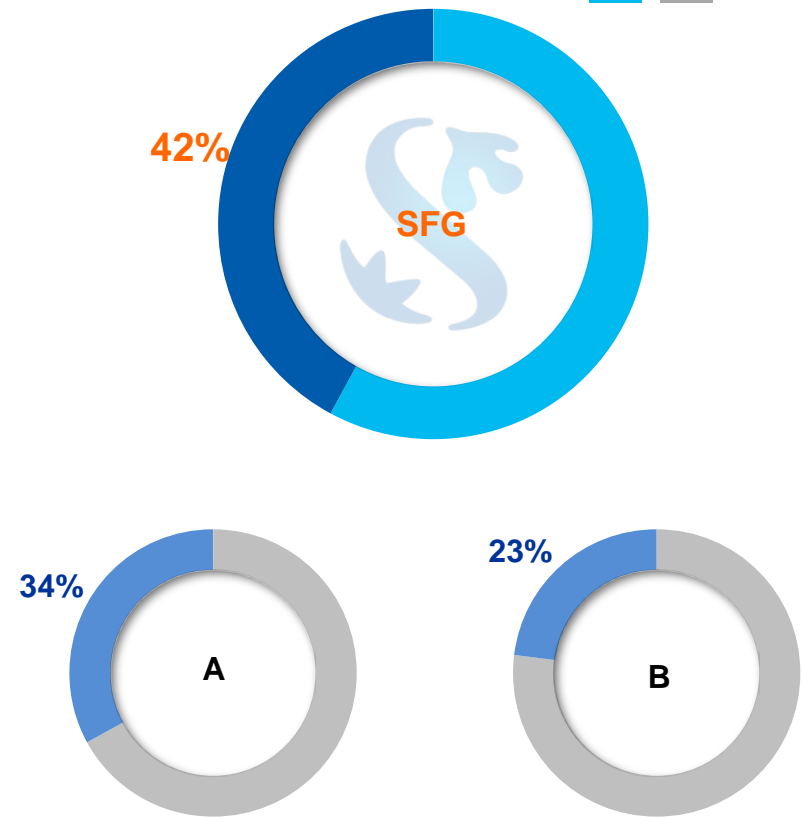
■ FY2014
■ FY2015



Diversified Profit Base

● Net Income Contribution by Non-bank Subsidiaries (FY2015)

■ Non-bank
■ Bank



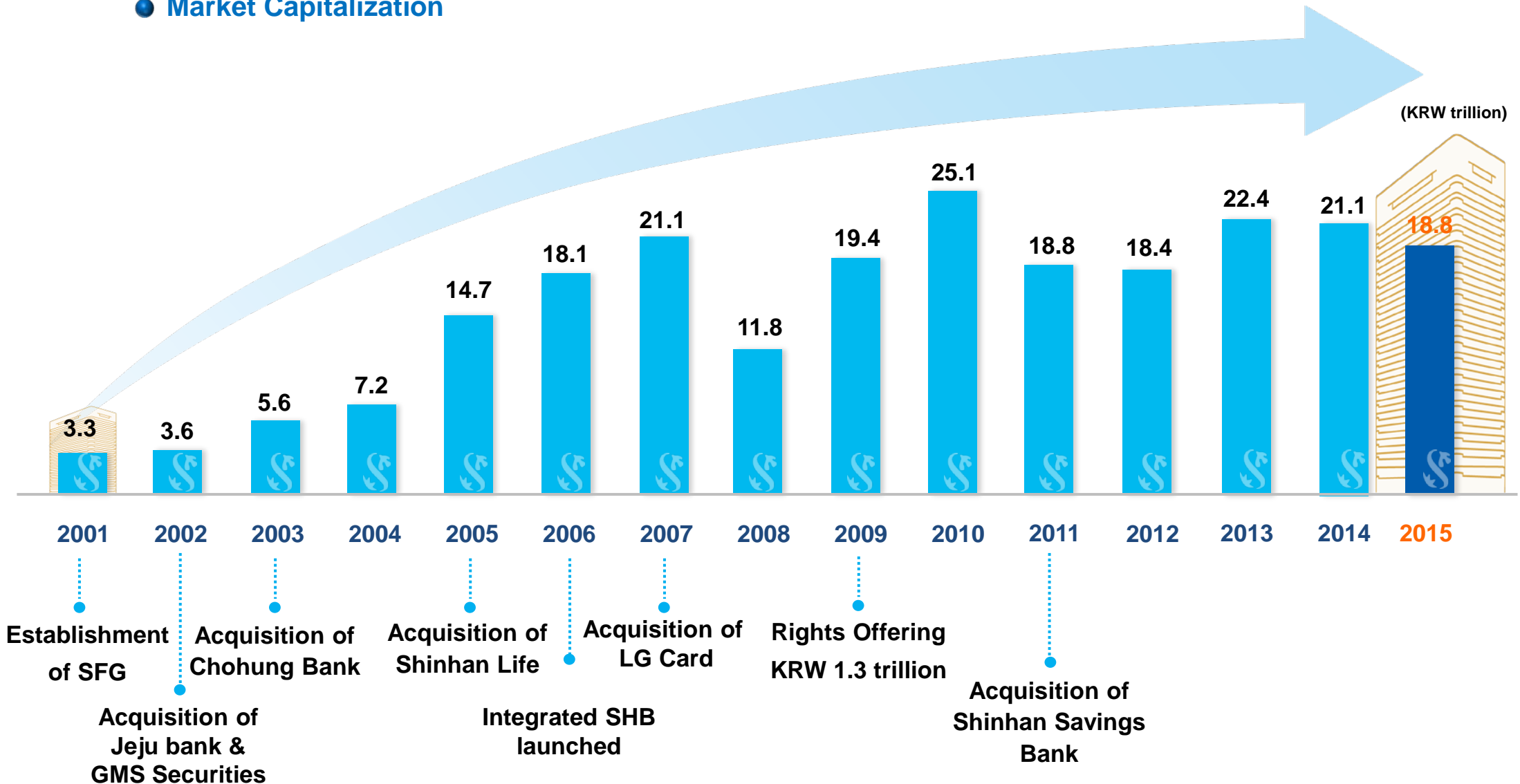


About SFG

Persistent Growth and M&A

SHINHAN FINANCIAL GROUP

● Market Capitalization

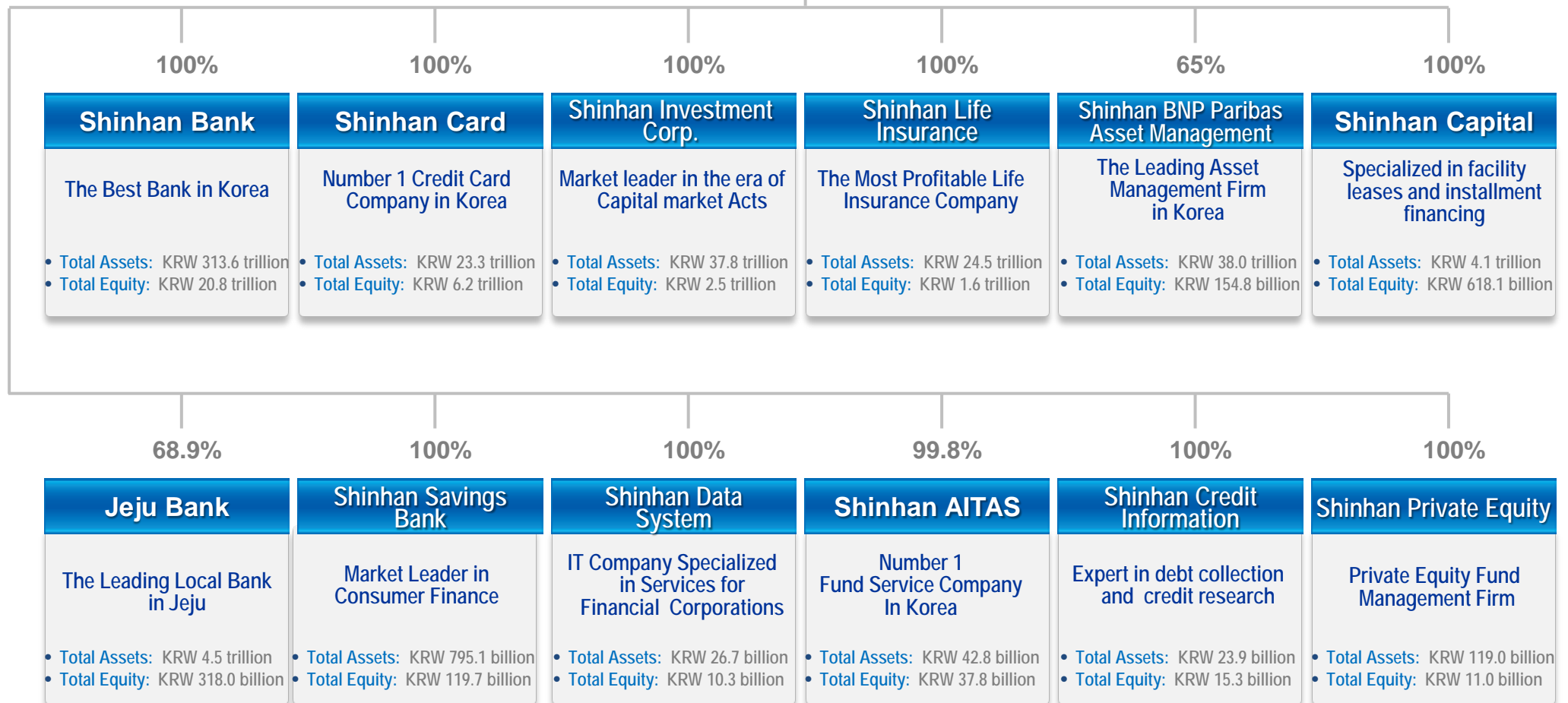




No. 1 Financial Group in Korea



SHINHAN
FINANCIAL GROUP



Note) Based on Consolidated Financial Statements, Trust A/C and AUM are included in Total Assets.



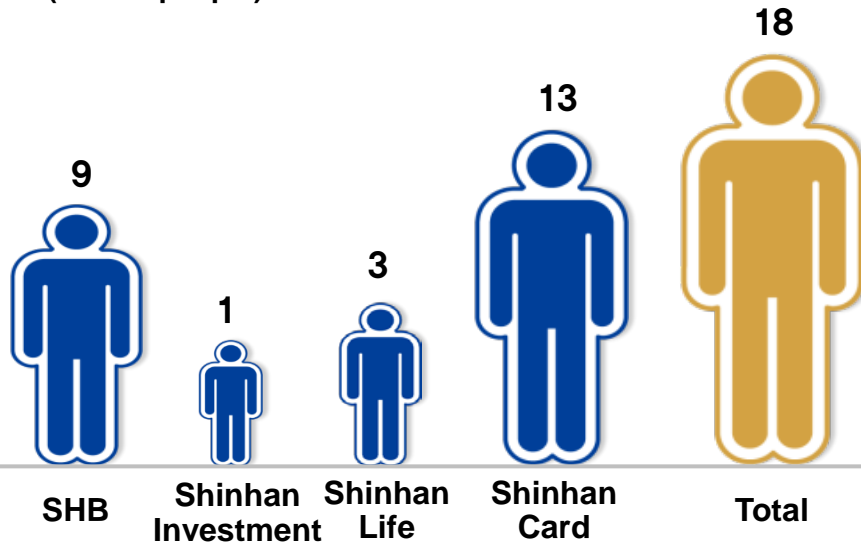
Customers



SFG serves 18* million Active customers.

* Excluding overlapping customers (As of Dec. 31, 2015)

(million people)

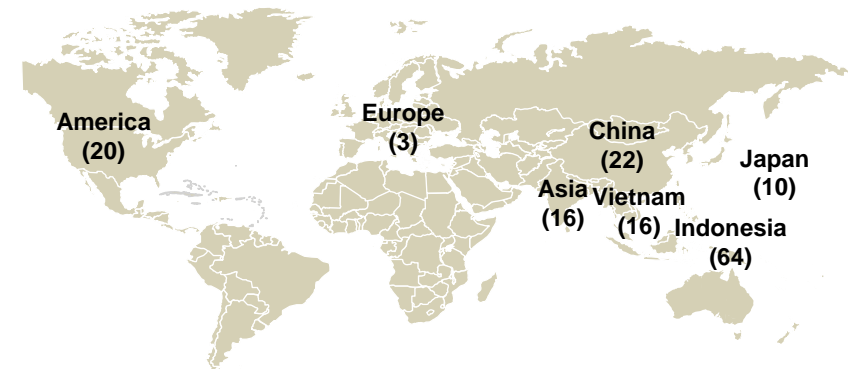


Branch Networks

Domestic Network

Company	# of Branches
Shinhan Bank	899
Shinhan Life Insurance	198
Shinhan Investment Corp.	108
Shinhan Card	29
Jeju Bank / Others	69
Total	1,303

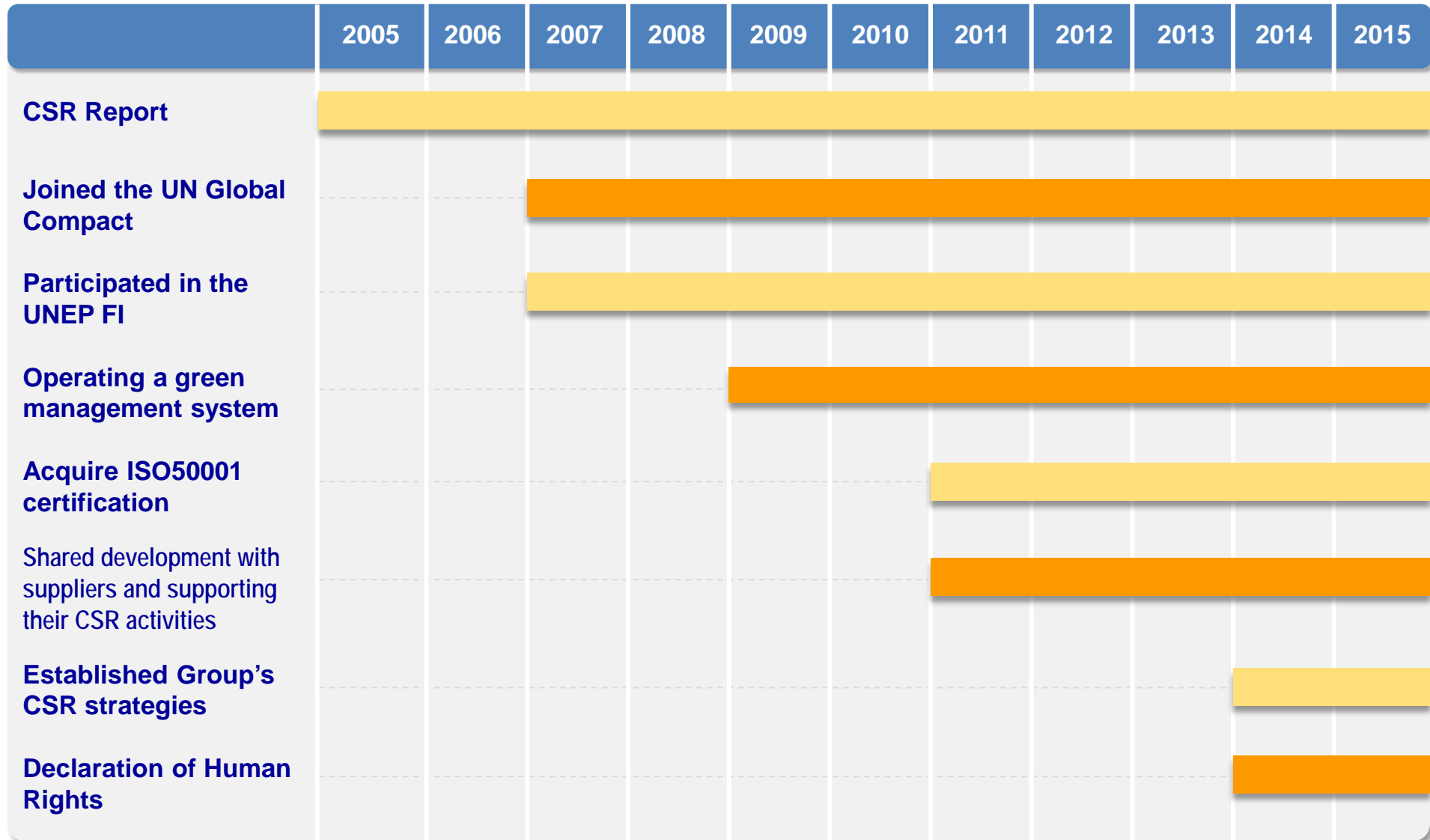
Global Network (151 Networks in 19 Countries)



* As of Dec. 31, 2015



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





About SFG CSR Governance

CSR Committee is to be formed with one inside director and four outside directors. The committee will set the direction of major issues of the Group's CSR in the fields of the economy, environment, and society. The committee will also revise the existing codes related to the group's socially responsible management, ponder upon and makes decisions on the enactment of these new codes, review a social responsibility report, and monitor the results of the external evaluation related to socially responsible management and its current status.

(The Board of Directors of the Holding Company) CSR Committee

- Direction setting for CSR.
- Designation, enactment, and abolishment of codes/ policies

(CEO Council) Group CSR Council

- The establishment of CSR strategies.
- Monitoring major issues of the Group's CSR.

CSR Affairs Council

- Discussion regarding the issues of the CSR the group is facing.
- Response to the evaluation, coming up with issues in need of the improvements, etc.

(Holding Company) CSR Team

- Supervision over subcommittees and councils.
- CSR operation monitoring and reporting.

Affiliates Social Contribution (CSR) Team

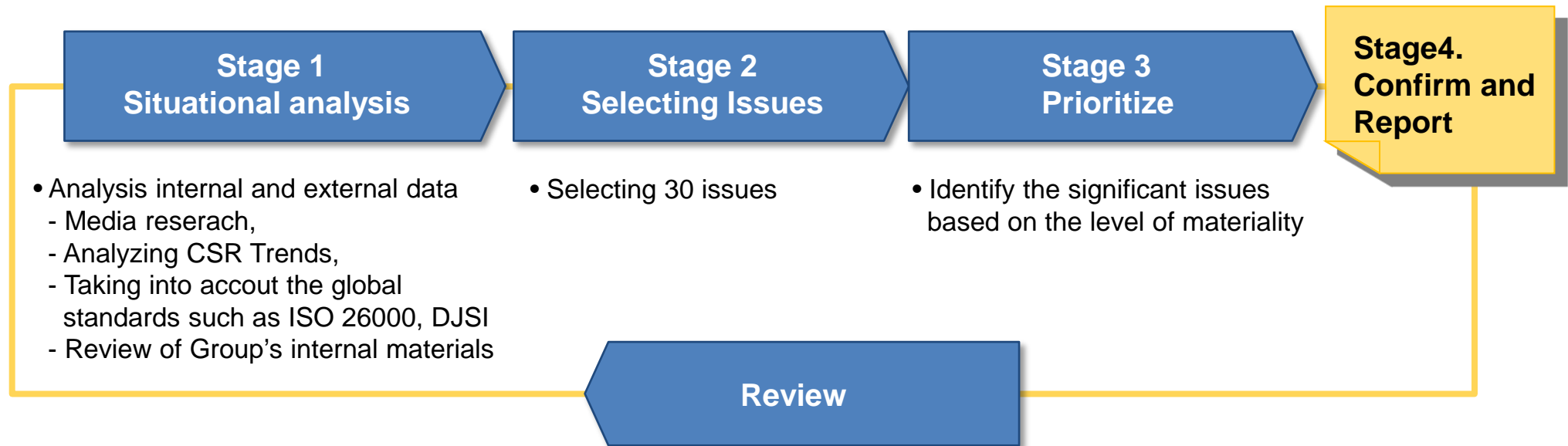
- Takes charge of affairs related to the CSR of each affiliate.



About SFG CSR Materiality Test

Shinhan Financial Group is currently reflecting the results of its analysis on the subjects that stakeholders are interested in, as well as the subjects regarding the elements make an impact on the group.

● Process of Materiality Test



● Core Issues

- Protection and leakage prevention of customers' information
- Expansion of supports to SME and low-income customers
- Working environment improvement
- Enhancing customers' satisfaction
- Enhancing business portfolio
- Product and service development with consideration given to environmental impacts
- Social contribution activities for the support of those who are socially underprivileged and community development

● Potential Issues

- Reinforcing Financial risk management
- Capacity development of employees and human resource training
- Constructing sound labor-management relations
- Enhancing brand value
- Sound governance
- Loans and investments with a consideration on the social and environmental impacts
- Balance between work and life



About SFG

Group CSR Strategy

Shinhan Financial Group established nine CSR strategies in eight areas, including economy, society and environment, to implement management activities in a responsible manner and create sustainable value.

Group CSR Strategy

Value Creation through Responsible Management



- 1 Economy**
 - 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 Society**
 - 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 . Increasing financial inclusion for the financially underserved people
 - VII . Striving to work together in harmony with partner companies and support CSR activities
- 3 Environment**
 - VIII . Develop environment-friendly products and services
 - IX . Use resources efficiently and reduce environmental footprint



About SFG CSR evaluation

Shinhan Financial Group is included in global CSR initiatives, as well as composed of Socially Responsible Investment funds following ESG index. Due to continuous CSR activities, Our group is recognized as a role model corporation that fits the global CSR standard by global investment and research firms. The evaluation is above the industrial average.

Index		Grade/Score	Following Index	Award/Certification
<p>MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM</p>	DJSI	Score: 88 (Industrial average: 61)	DJSI World DJSI Asia-Pacific DJSI Korea	Included in DJSI World index for the first time among Korean financial groups for three consecutive years
	Global 100	Rank: 18th Score: 68.80	Global 100	Selected Global 100 Most Sustainable Corporations by the Davos Forum for three Consecutive Year
<p>CGS Corporate Governance Service 한국기업지배구조원</p>	Korea Corporate Governance Service (CGS)	A+ (No.1 in Korean firms)	KRX SRI KRX Governance KRX Eco	Awarded the Grand Prize in the Korea Corporate Governance Service in 2015
<p>CDP DRIVING SUSTAINABLE ECONOMIES</p>	CDP	Score: 100 Grade: A	-	First financial group in Korea to be included in the Honors Club for 2 consecutive years
<p>MSCI ESG Research</p>	MSCI ESG	Grade: A (Highest: AAA)	MSCI ACWI ESG MSCI Emerging Markets ESG MSCI Korea ESG	-
<p>FTSE4Good</p>	FTSE4Good	Grade: 3 (Highest: 5)	FTSE ACWI ESG FTSE Asia Pacific ESG FTSE Korea ESG	-

I. Shinhan Financial Group

2. Vision, Strategy & Core Capability



SHINHAN FINANCIAL GROUP





SHINHAN WAY

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

Mission

A Better World through the Power of Finance



Core Value



Customer



Respect



Change



Excellence



Ownership

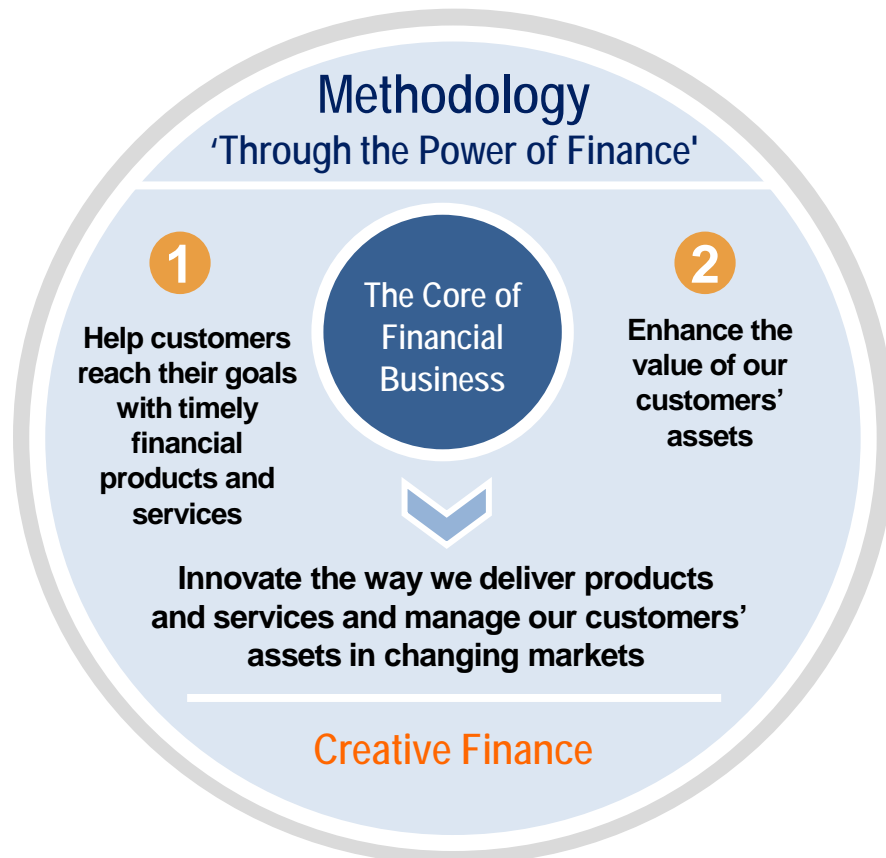
Vision

World Class Financial Group



Compassionate Finance, Your Companion for Future

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

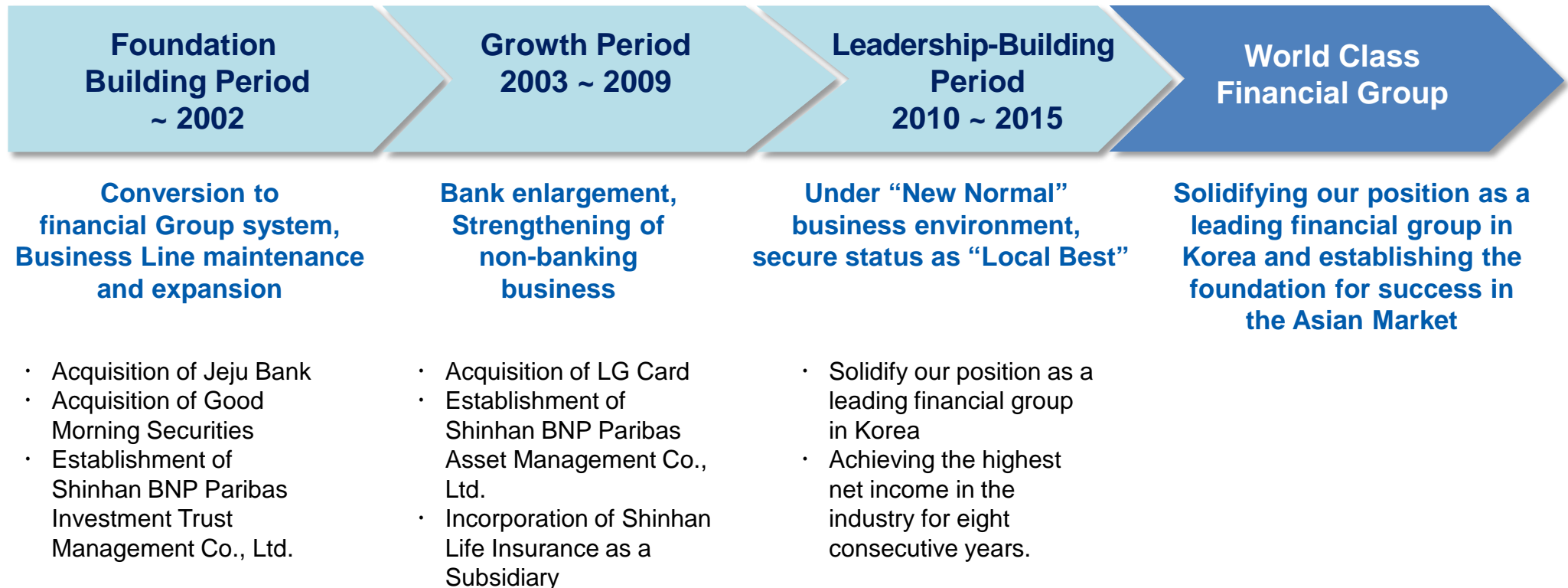




Group Vision

“World Class Financial Group”

Since the establishment of the financial holding company in 2001, Shinhan Financial Group has strived to become Korea’s leading world-class financial group.





Shareholders

(As of Dec.31, 2015)



Major Shareholders

(As of Dec. 31, 2015)

Shareholder	Ownership %
National Pension Fund of Korea	9.25
BNP Paribas	5.35
SFG ESOP	4.49
Citibank N.A.(ADR dept.)	2.88
The Government of Singapore	2.43
Saudi Arabian Monetary Agency	1.56
Abu Dhabi Investment Authority	1.38
The Lazard Fund	1.36
Mizuho	1.26
National Westminster Bank AsiaPacific	1.08

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

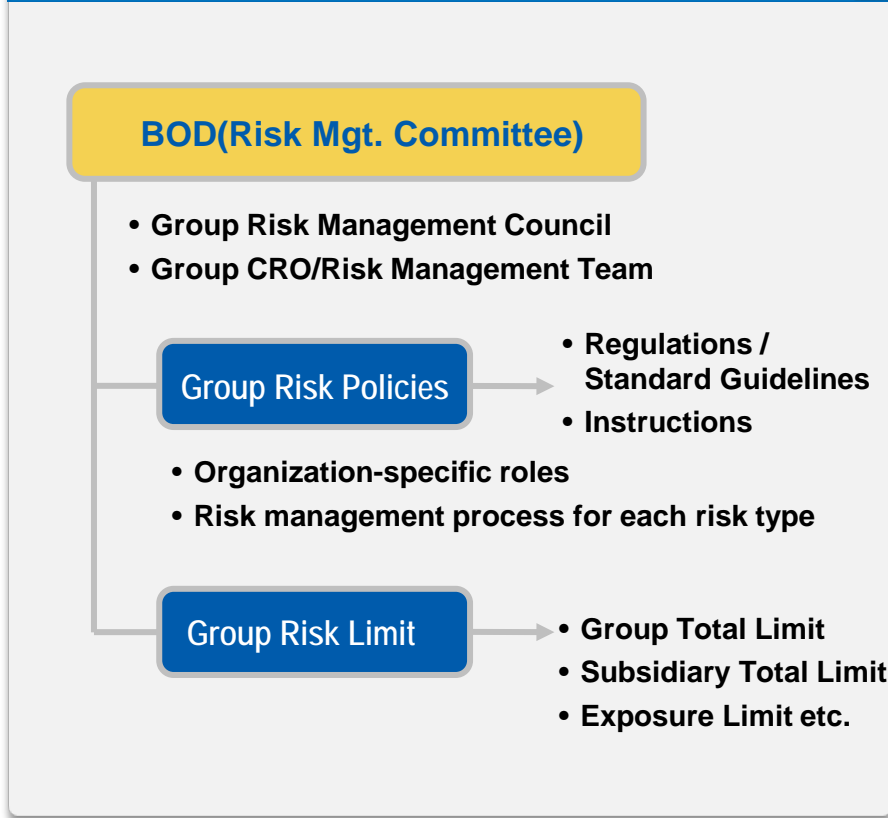
- President & CEO, Shinhan Bank (incumbent)
- Non-executive Director, SFG (Incumbent)
- Main Work Experience
2013 – CEO, Shinhan BNPP
Asset Management
2011 – Deputy President,
Shinhan Bank
2009 – Executive Vice President,
Shinhan Bank





SFG Capability Thorough Risk Management

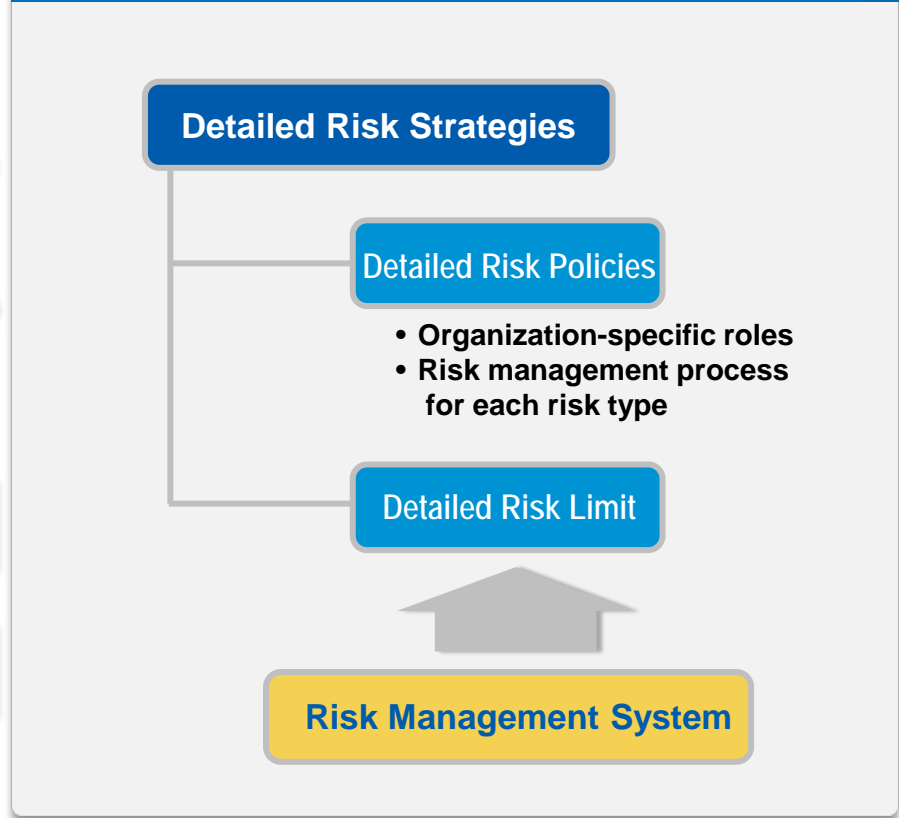
Holding Company Level



- 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

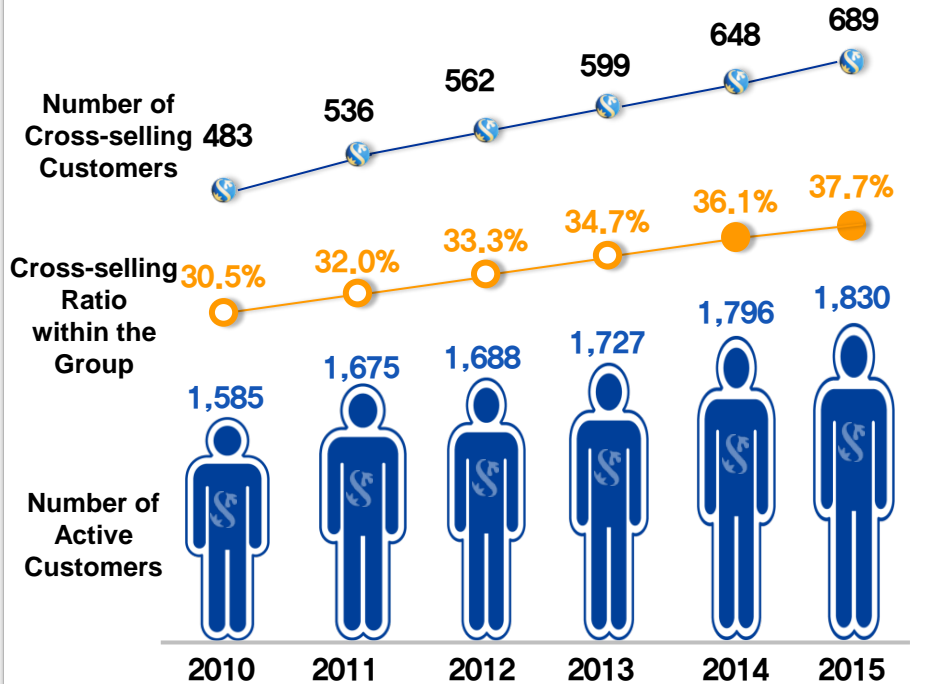


Group Synergy Business Model

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

● Increasing Overlapping Customers

(10 Thousand People)



Synergy Creation Activities and Programs

Increase Cross-selling Customers

- Among 18,301 thousand Group Active Customers, 6,890 thousand customers are Cross-selling customers as of December 31, 2015
- Operating Group Royalty Program to enhance customer value through cross sales (Tops Club Program)

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

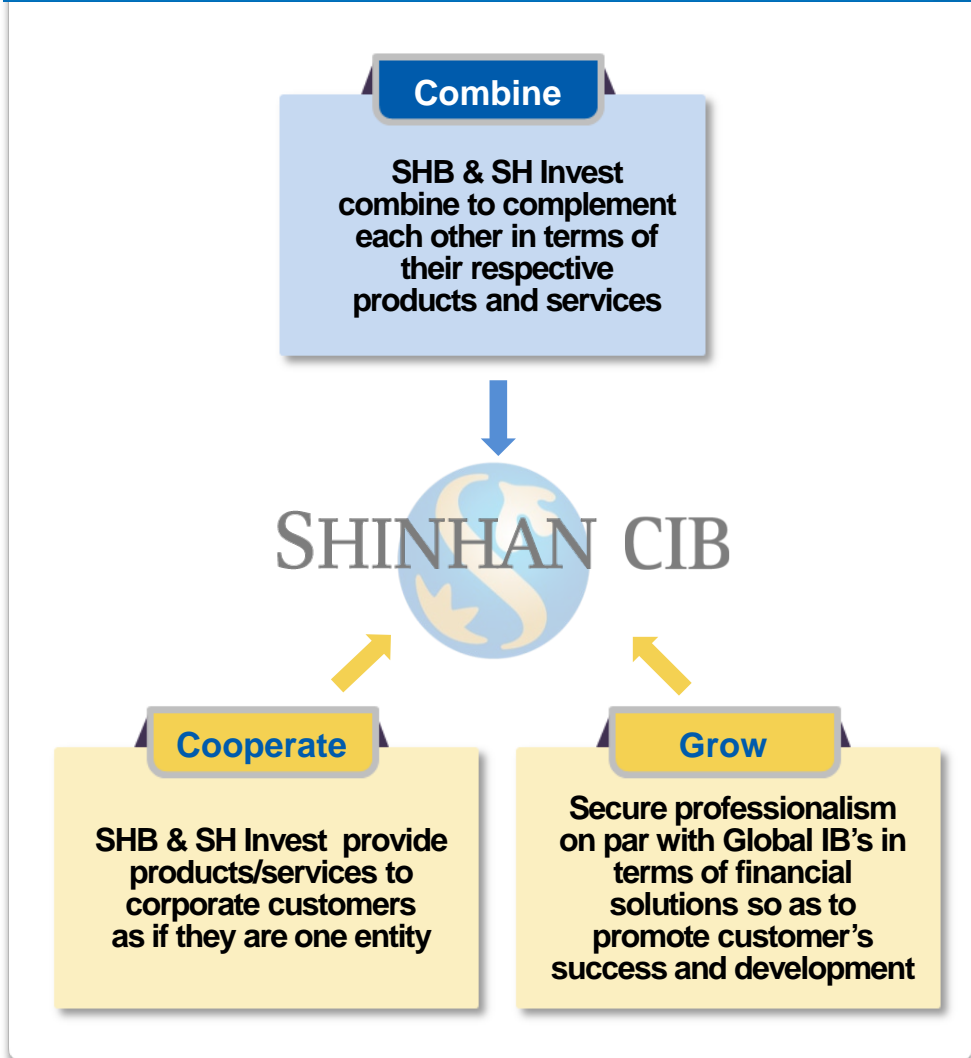
- Non-bank products such as credit card, mutual fund, bancassurance, and FNA are cross-sold via the sales channels of Shinhan Bank

Referral of Customers

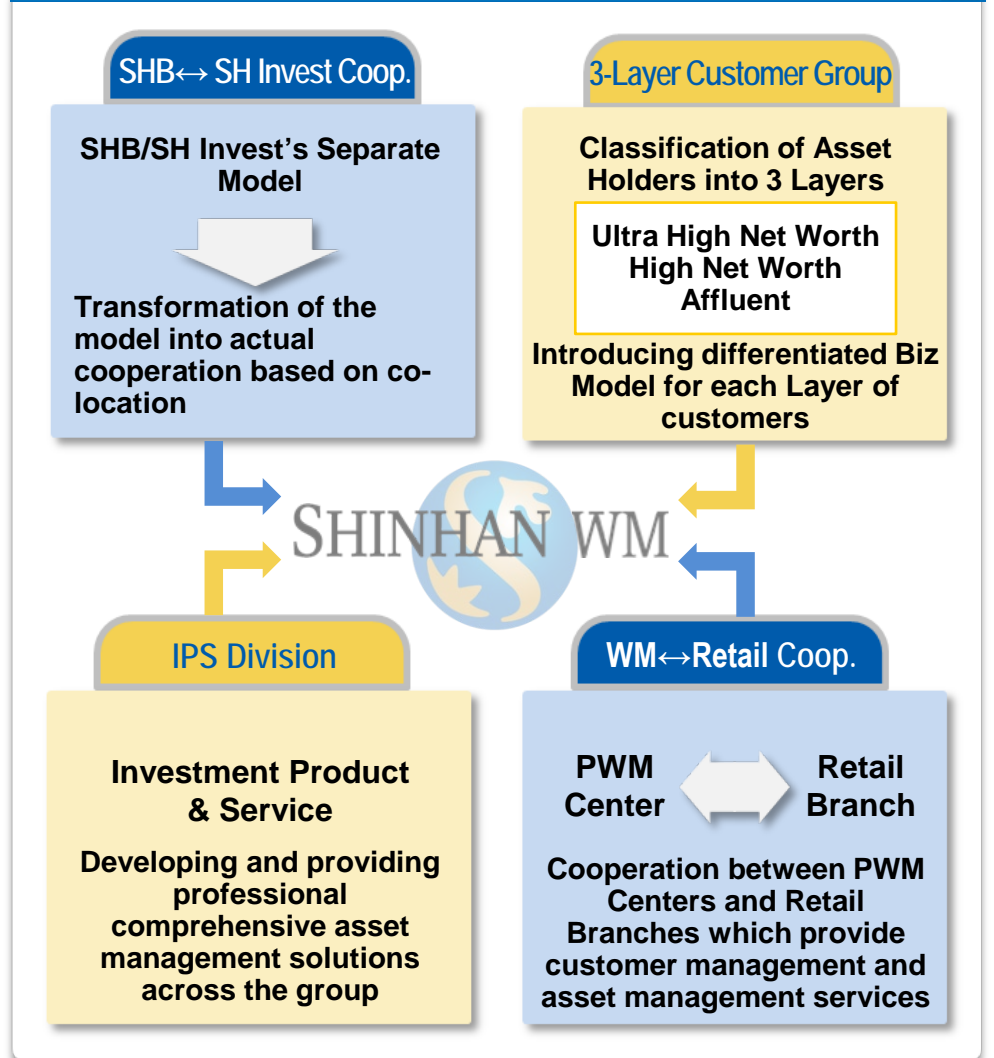
- Introduce customers to sister companies
- Shinhan Bank makes a referral of its corporate customers to Shinhan Investment for IPO services.



Corporate & Investment Banking (CIB)



Wealth Management(WM)



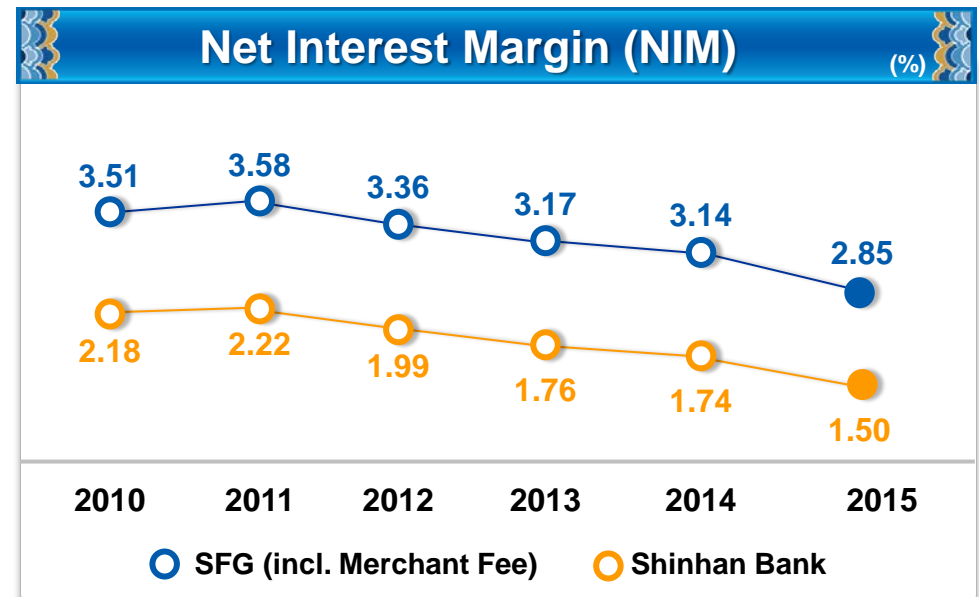
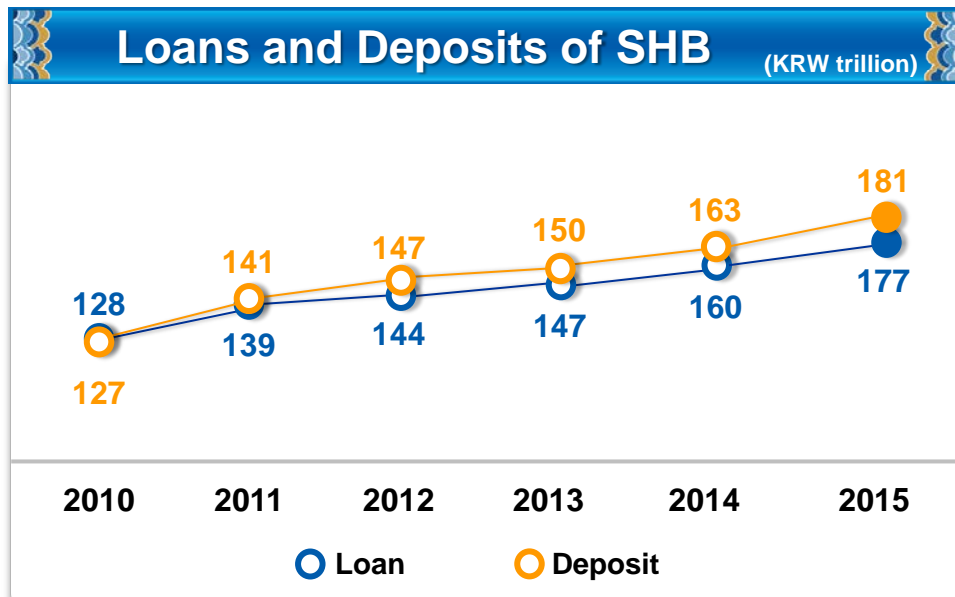
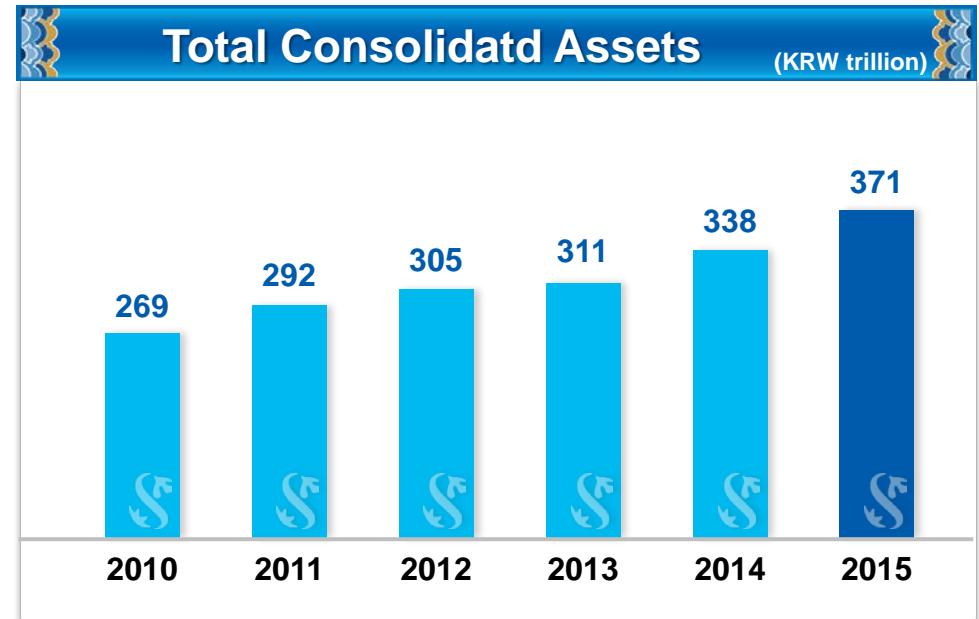
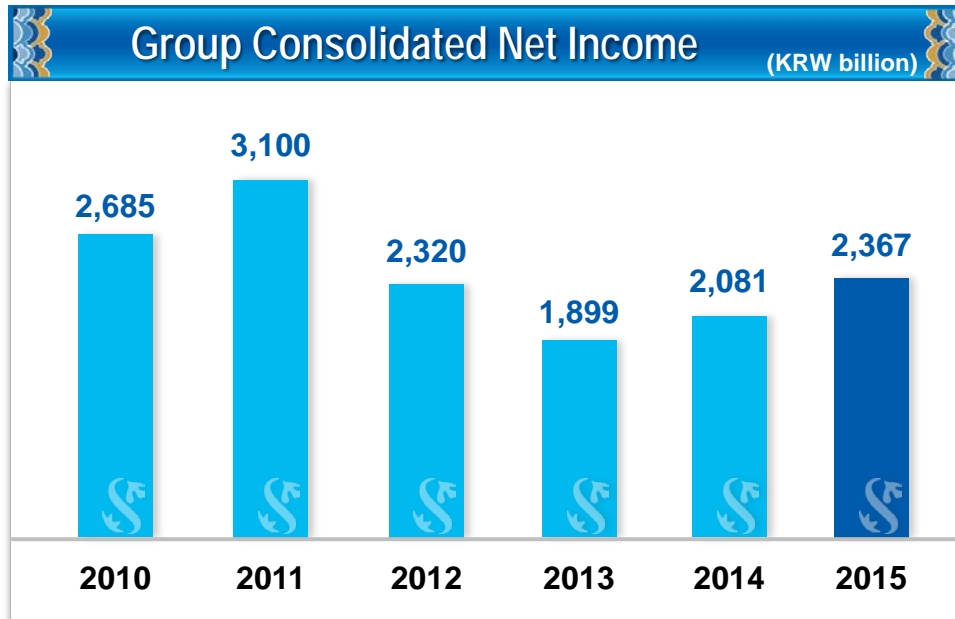
I. Shinhan Financial Group

3. Financial Highlights



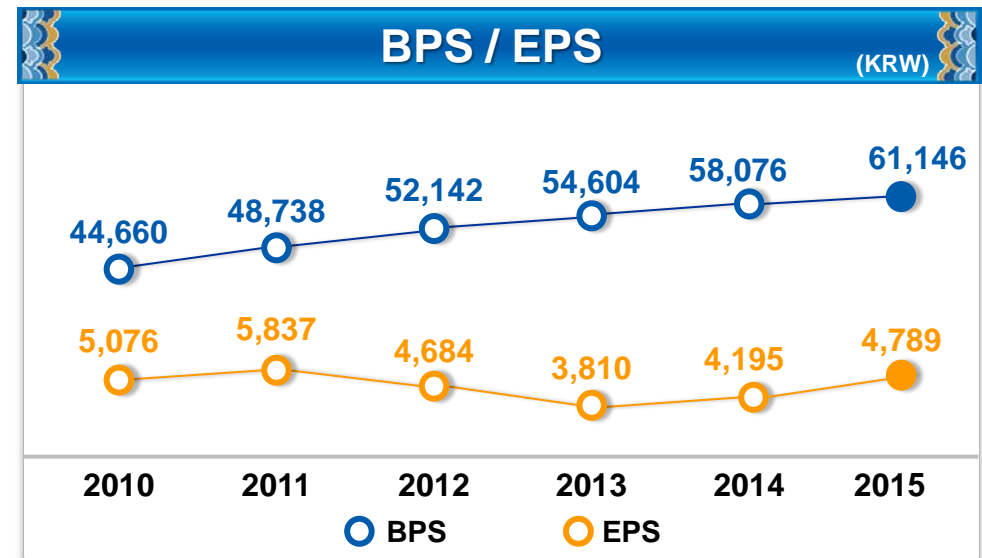
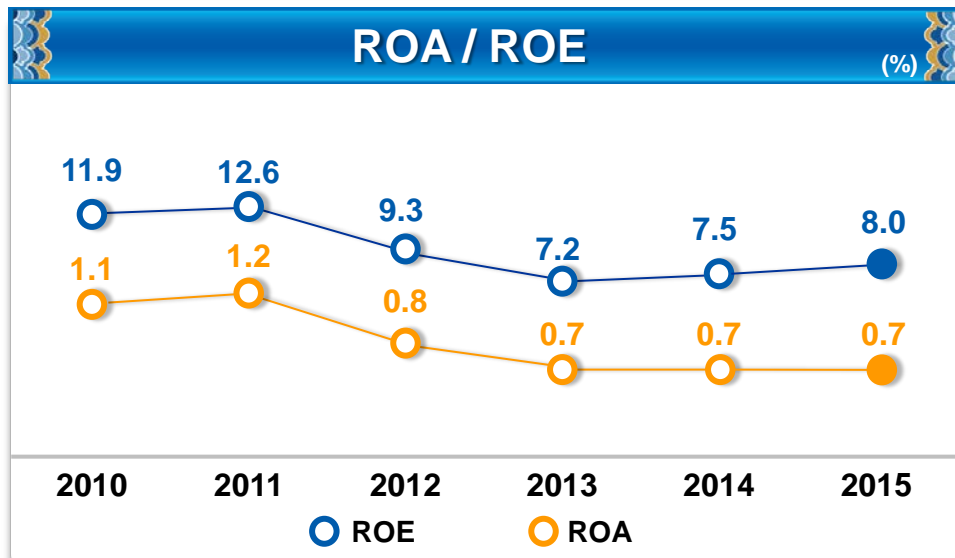
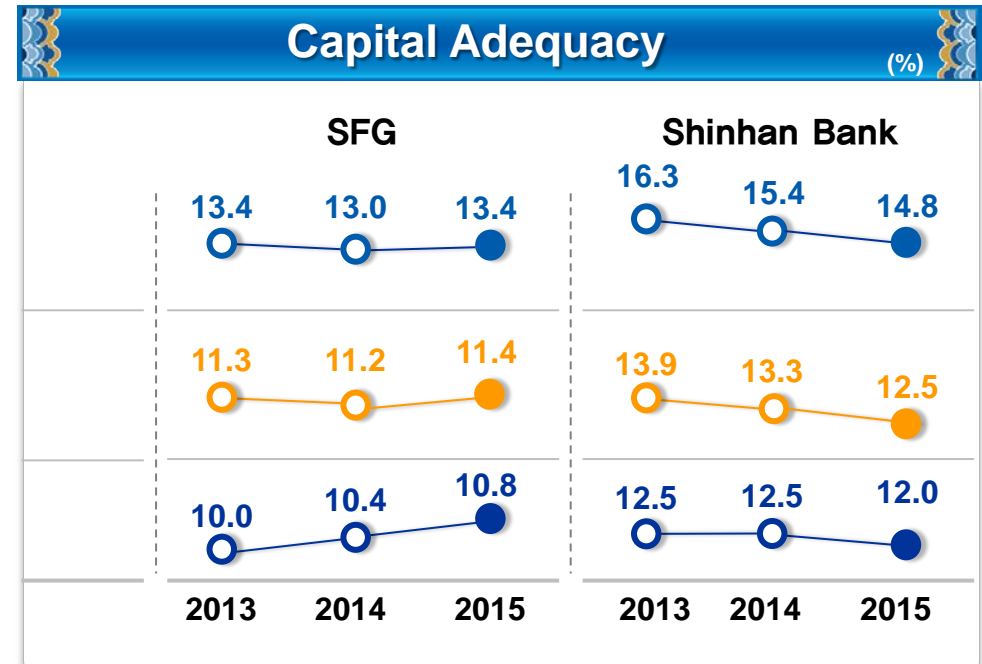
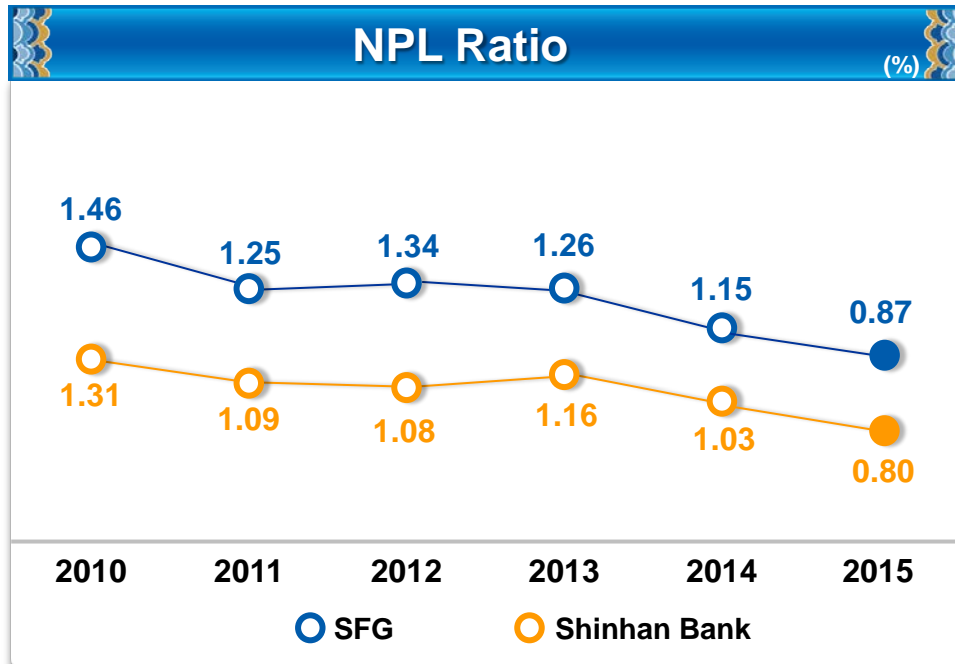


Shinhan Financial Group Financial Highlights





Shinhan Financial Group Financial Highlights



II. Companies in the Group

1. Shinhan Bank





Shinhan Bank Company Overview

Corporate Profile

(As of Dec 31, 2015)

Shinhan Bank is the flagship company of Shinhan Financial Group

- Total Assets (including trust account): KRW 301.5 trillion¹⁾
- Net Income for FY15: KRW 1,489.7 billion²⁾ (1st among peers)

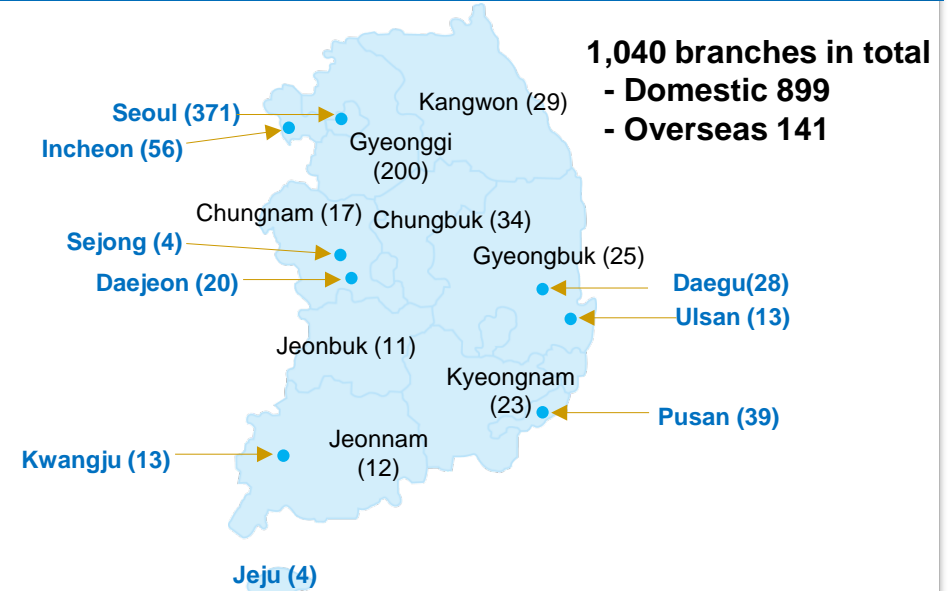
Note ¹⁾ Total Assets : Banking Account(Separate) + Merchant Banking Account + Trust Account

²⁾ Net Income derived on consolidated bases

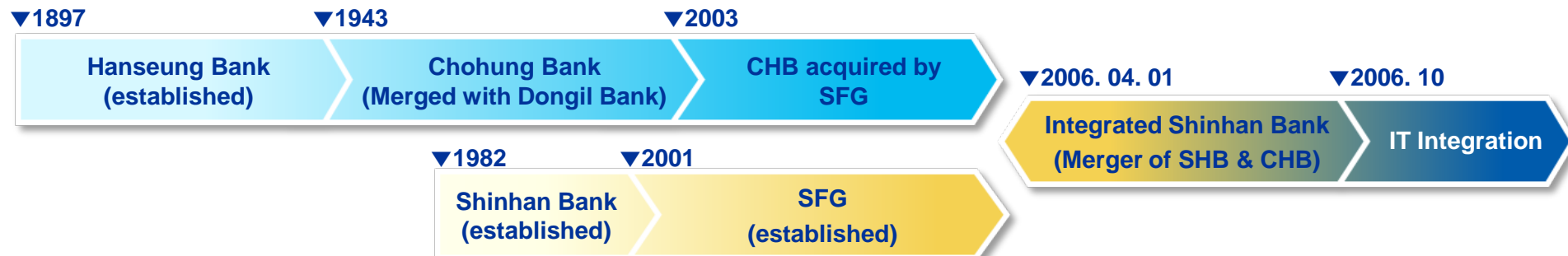
Rating Agency	F/C LT Debt Rating
MOODY'S	Aa3 (Stable)
S&P	A (Stable)
FITCH RATINGS	A (Stable)

Nation-wide Channel

(As of Dec 31, 2015)



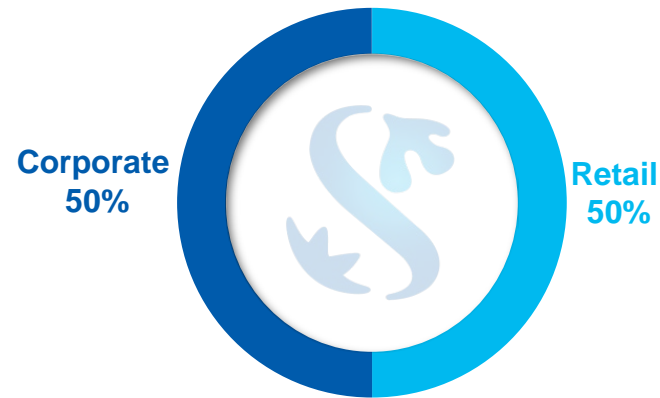
Shinhan Bank's Key milestones





Balanced Loan Portfolio

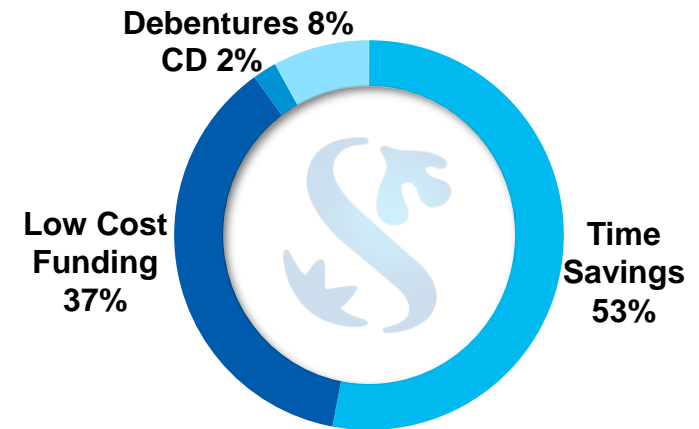
● Loan Composition



Note) based on Loan in Korean Won

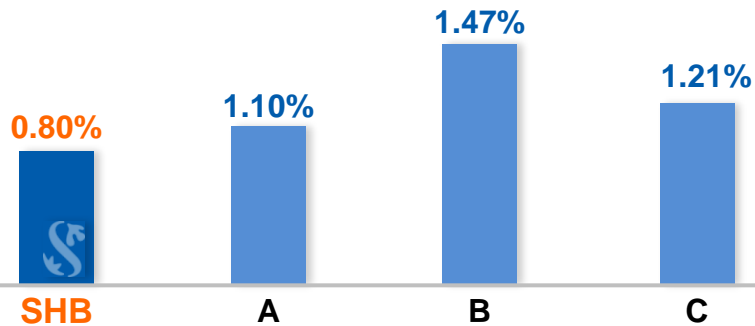
Stable Funding Base

● Funding Composition



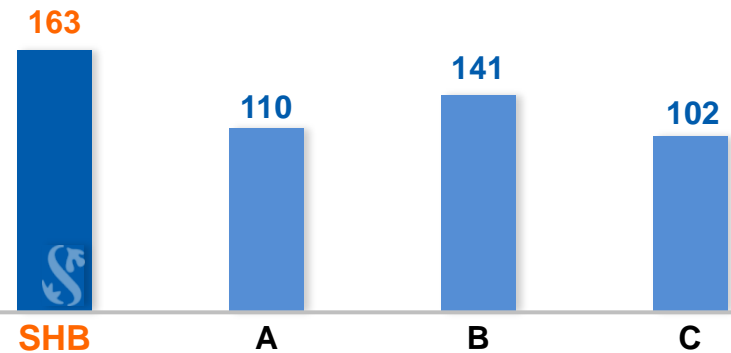
Outstanding Risk Management

● NPL Ratio



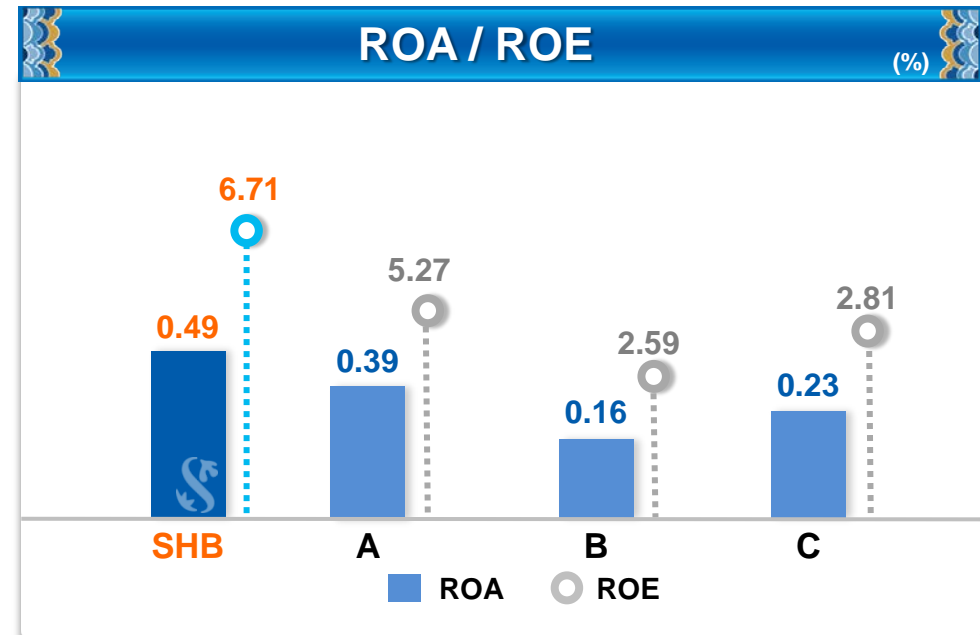
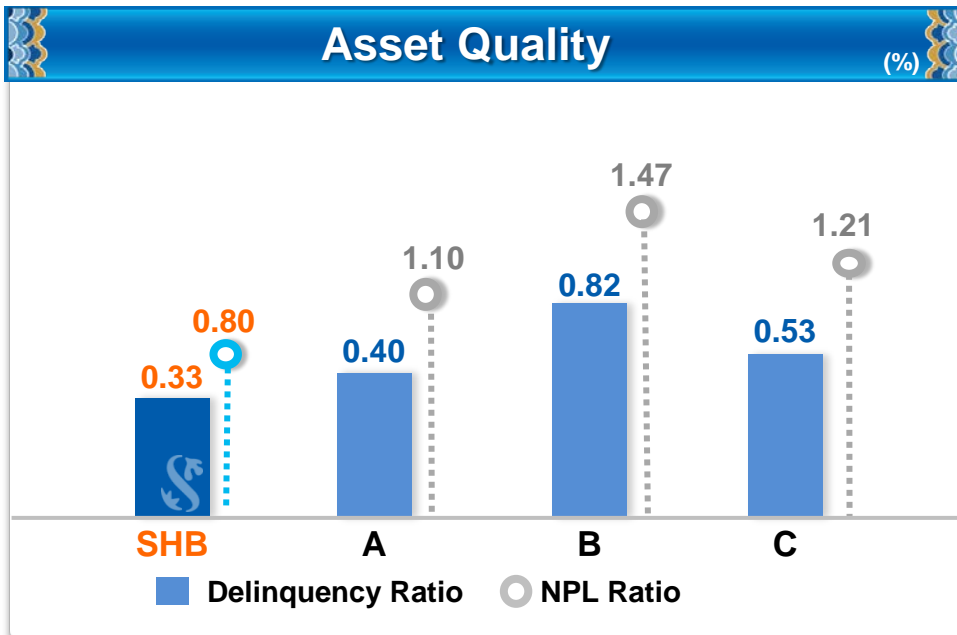
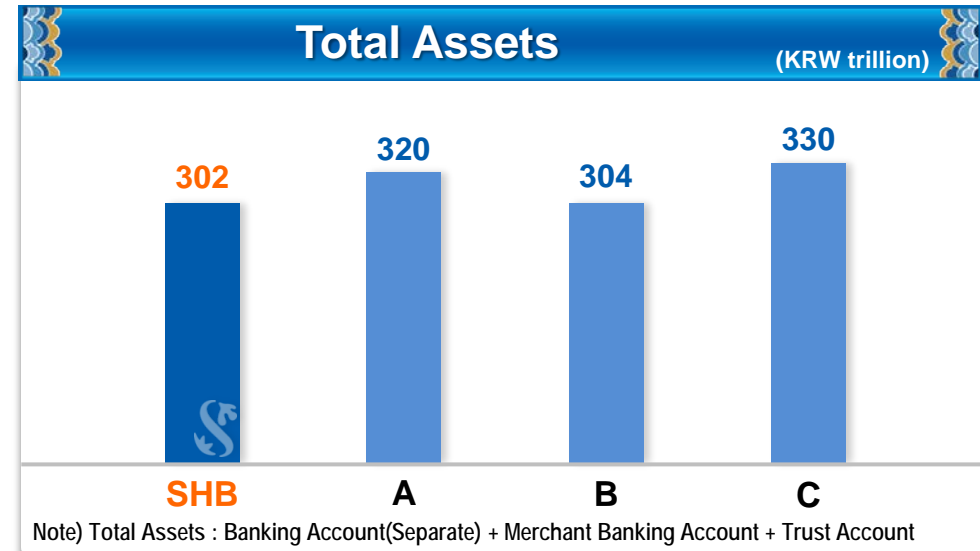
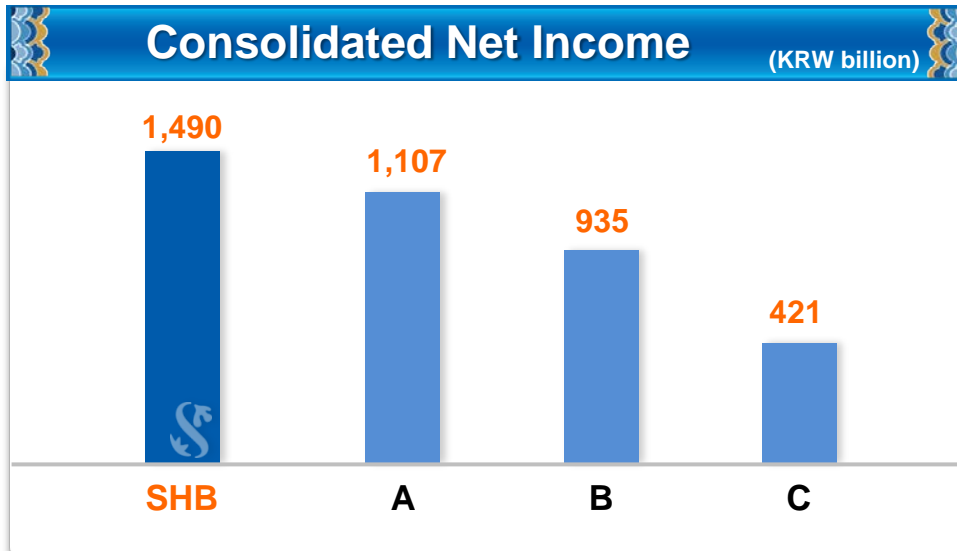
High Per Capita Productivity (KRW million)

● Per Capita Pre-provisioning Income





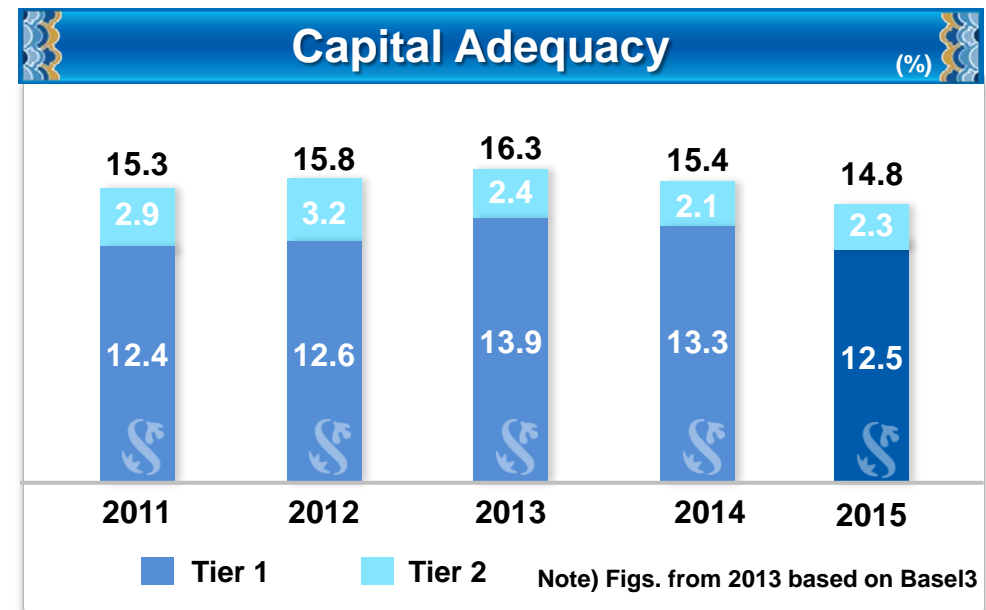
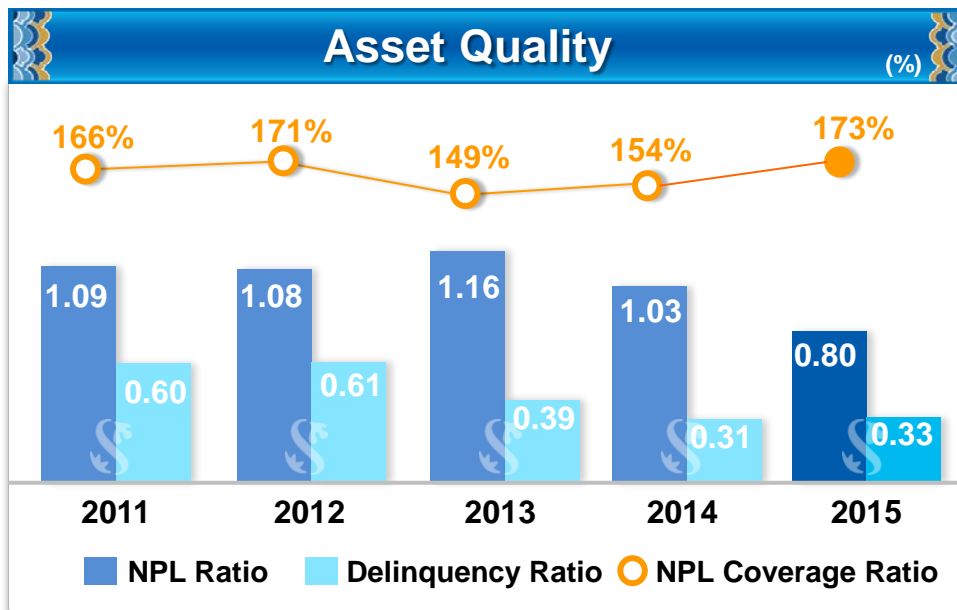
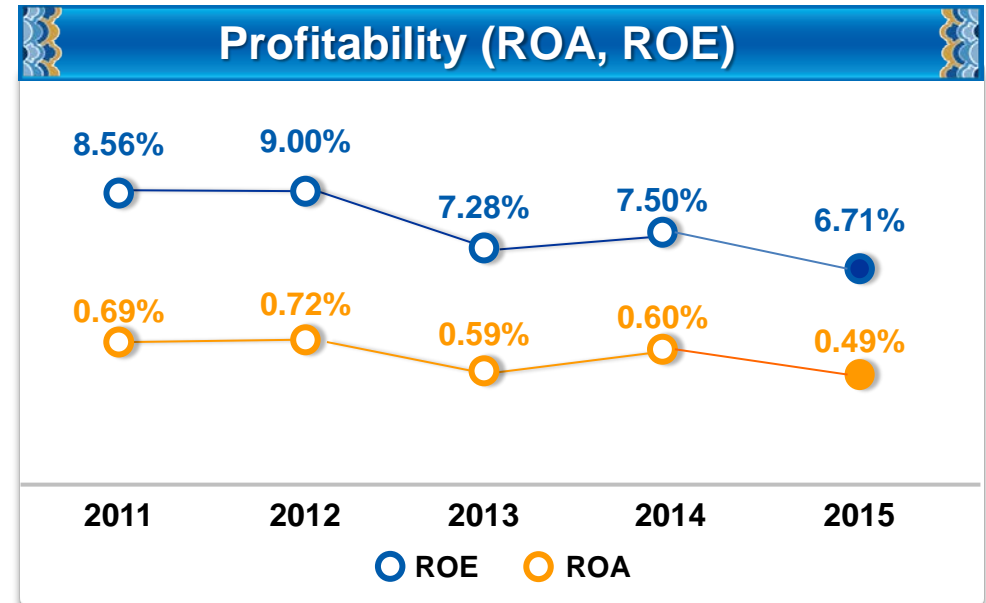
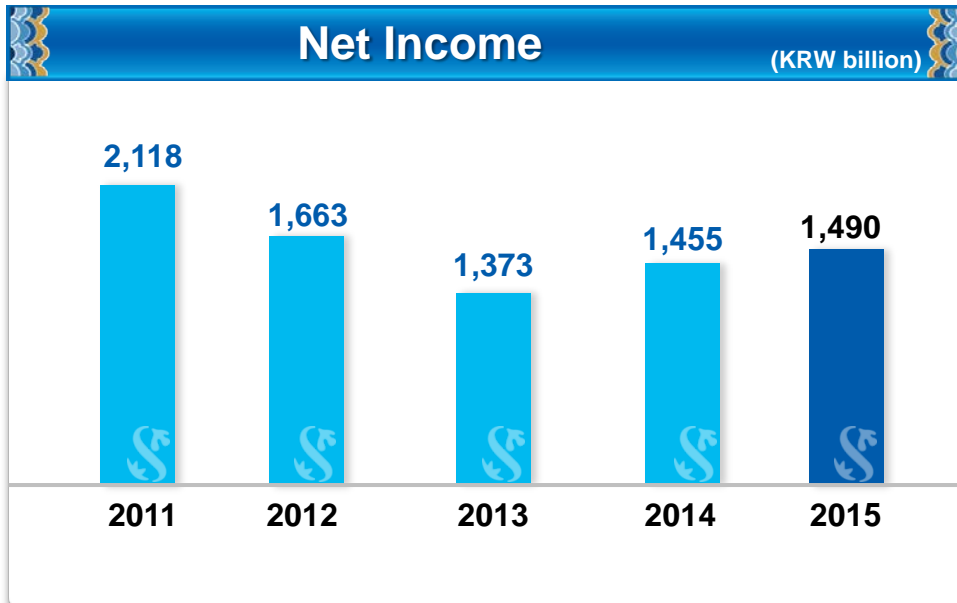
Shinhan Bank Market Position (As of Dec. 31, 2015)





Shinhan Bank

Financial Highlights (As of Dec. 31, 2015)



II. Companies in the Group

2. Shinhan Card





Shinhan Card Company Overview

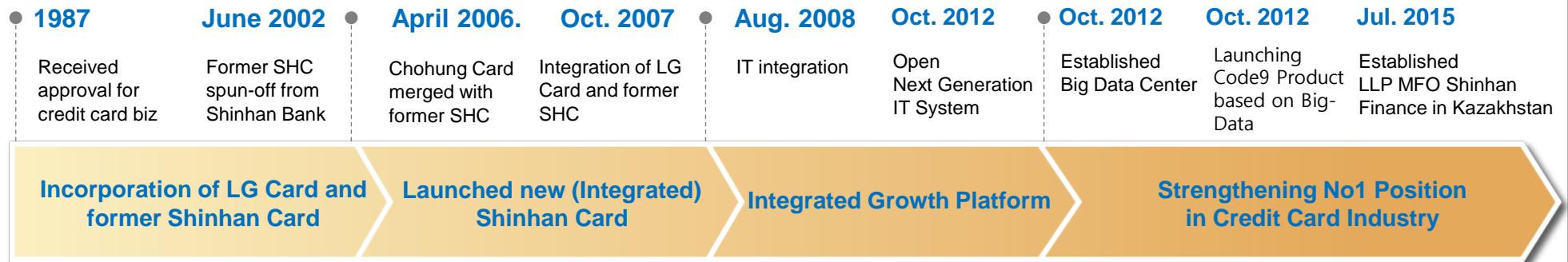


Number 1 Credit Card Company in Korea

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.



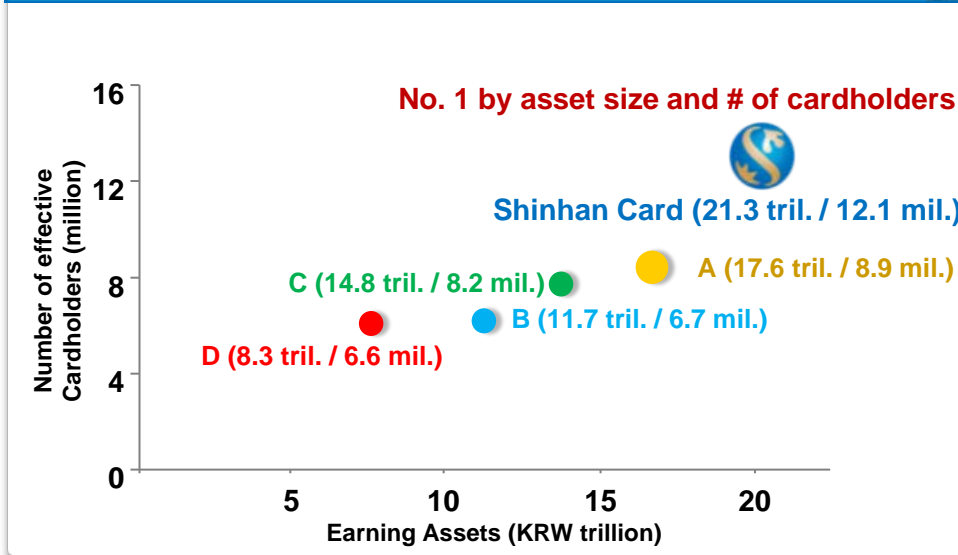
Shinhan Card's Corporate Milestone





Shinhan Card Market Position

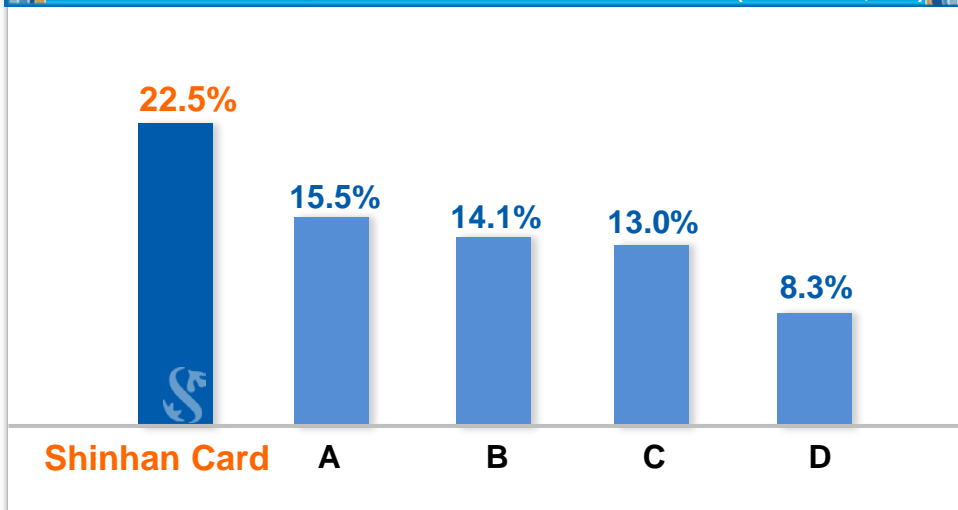
Earning Assets and Cardholders (As of Dec. 31, 2015)



Credit Rating (As of Dec. 31, 2015)

	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, 2015)



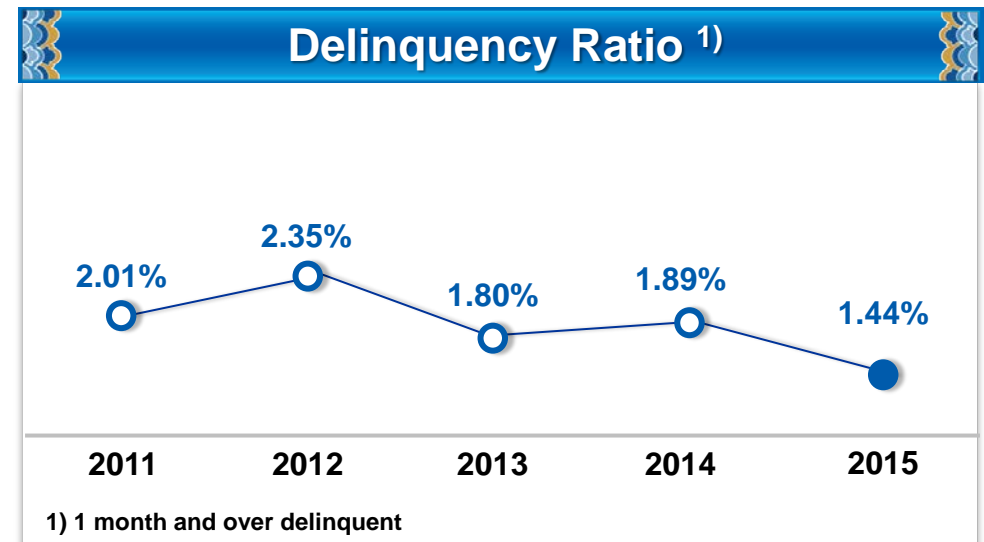
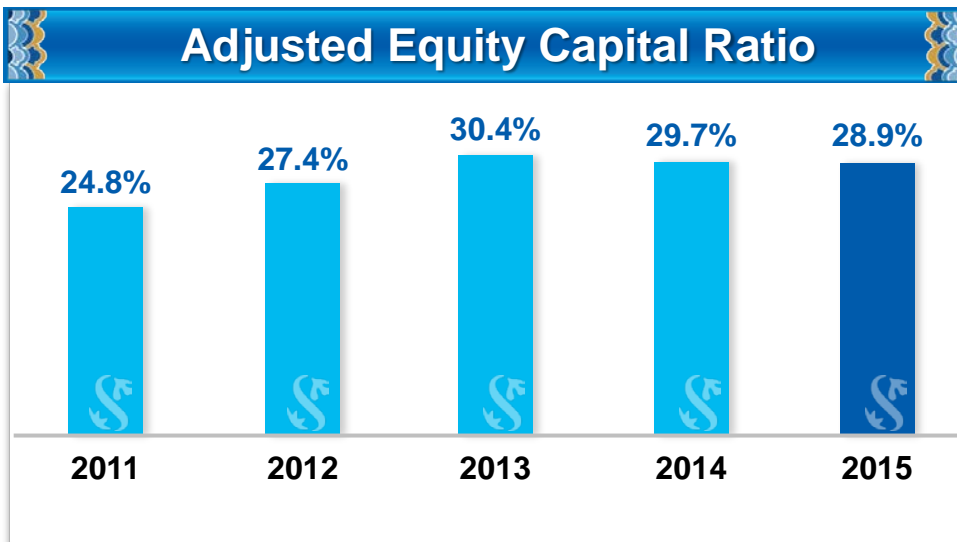
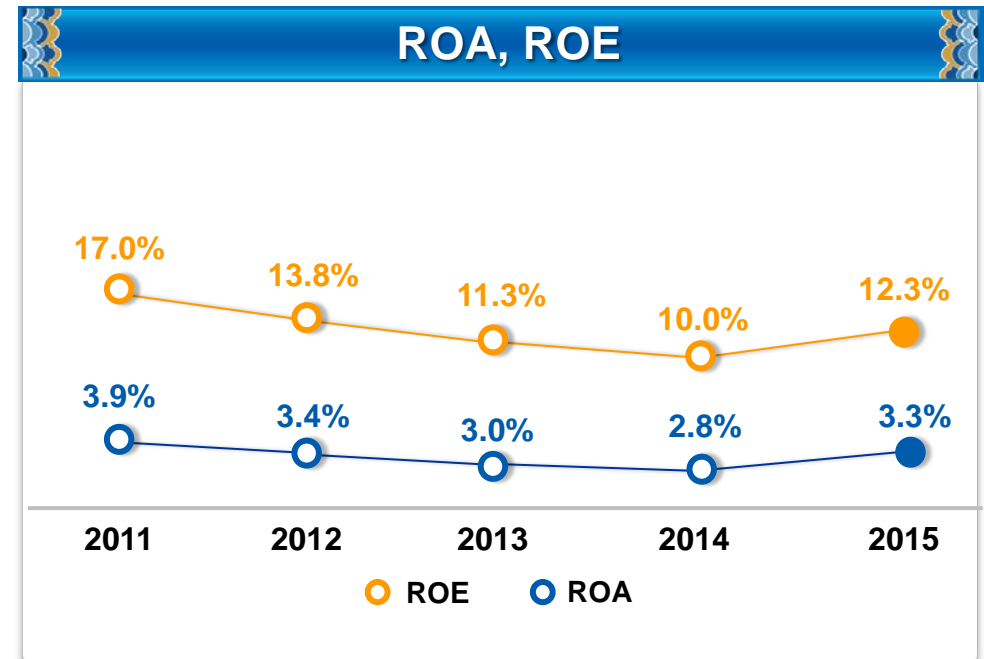
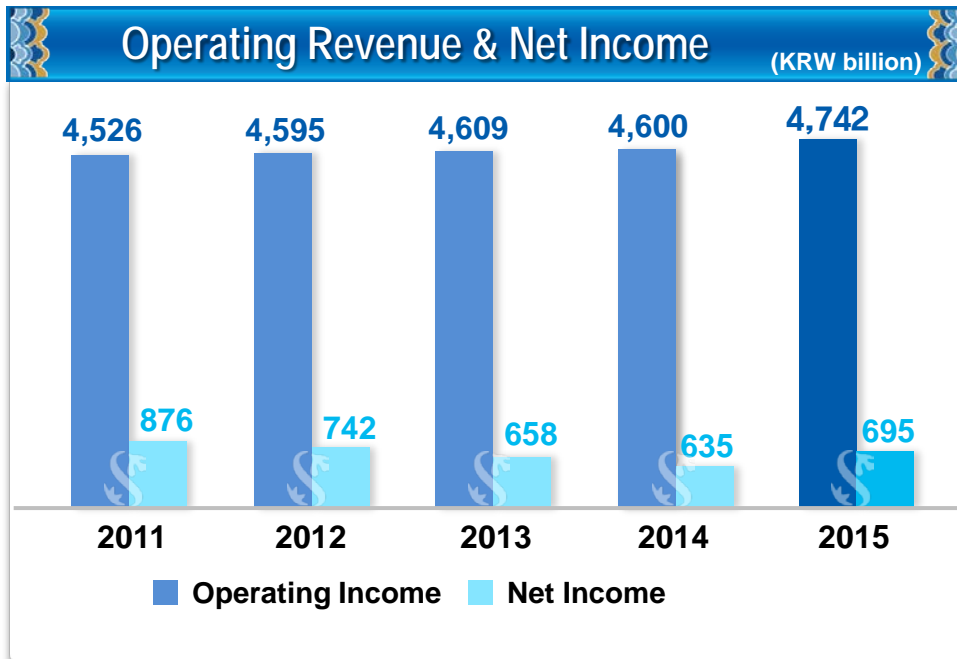
Bona fide No.1 Credit Card Company in Korea



- 2015.11 Awarded Minister Prize in the Korea Master Brand Awards
- 2015.08 National Brand Competitiveness Index(NBCI), 1st for 5 consecutive years
- 2015.07 Awarded the Grand Prize in the Korea Service for 6 consecutive years
- 2015.07 Premium Brand Index (KS-PBI), 1st for 6 consecutive years
- 2015.03 Korea Brand Power Index(K-BPI), No. 1 brand for 4 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.

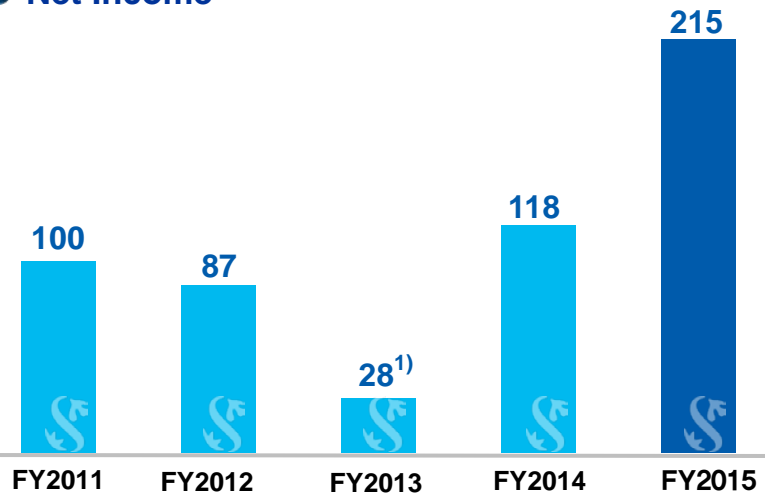
● Key Milestones

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
2002. 07	Good Morning Securities was merged with Shinhan Sec.
2002. 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



Note) Due to change in Fiscal Year,
FY2013 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)
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
2015	24,337	2,526	108	2,247

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



Shinhan Investment Corp. Industry Overview & Market Position



Industry Overview

(KRW trillion)

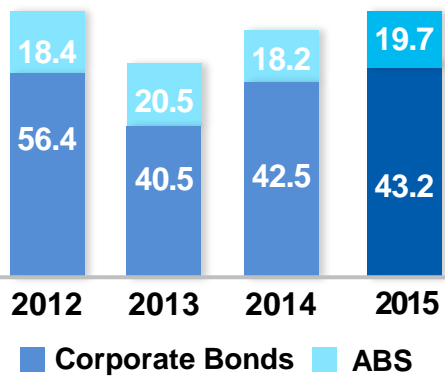
Securities Market

* Source: KRX

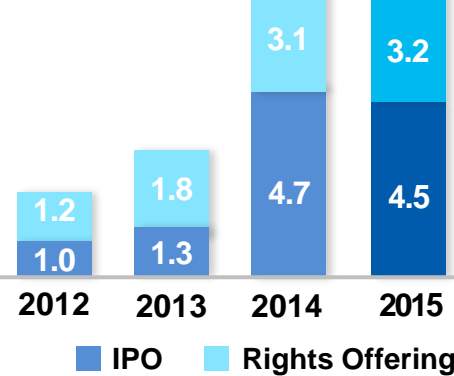


Capital Market

1) DCM



2) ECM



Market Position

Market Share for Brokerage Business

	2013	2014	2015
Equities	6.0% (3)	6.4% (3)	5.9% (3)
Futures	7.1% (2)	7.8% (2)	5.7% (3)
Options	3.5% (5)	5.0% (4)	6.3% (2)

* () represents the ranking in the industry

Ranking of IB Business

	2013	2014	2015
ABS	(1)	(2)	(2)
Corporate Bonds	(5)	(4)	(5)
IPO	(14)	(12)	(12)

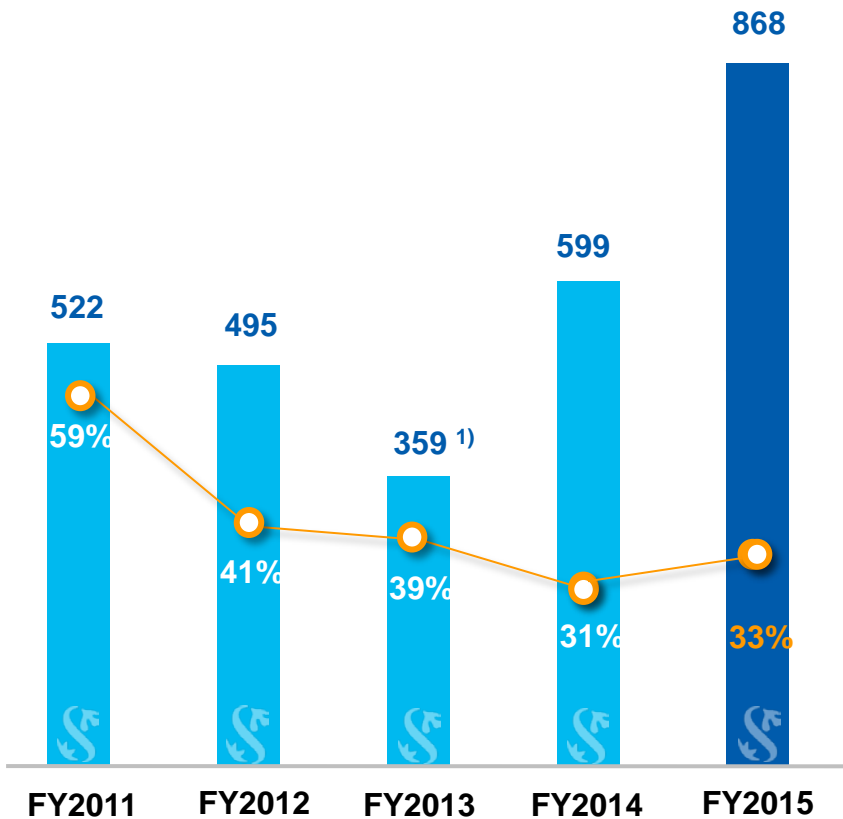
* Source: The Bell

* () represents the ranking in the industry



Operating Revenue Trend

(KRW billion)



Note) Due to change in Fiscal Year,
FY2013 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 Dec. 31, 2015)

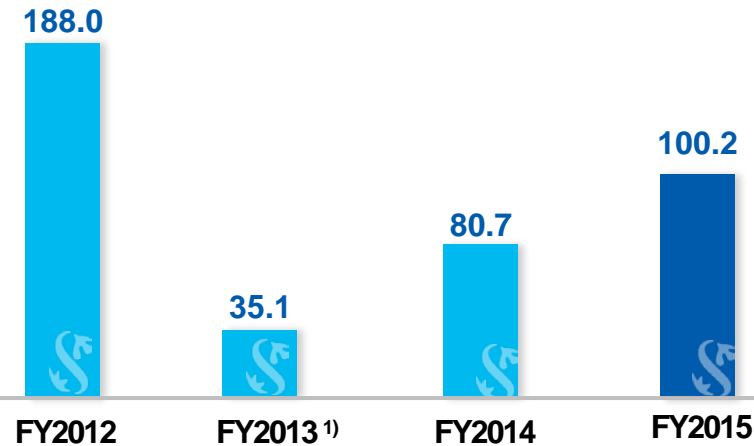
Shinhan Life Insurance provides sophisticated insurance and financial services that meet diversified customers' needs helping customers fulfill their Dreams.

● Key Milestones

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
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. 12	Awarded the Grand Prize in the Korea's Best Financial Company, life Insurance sector (Maeil Business Newspaper)
2015. 05	Acquired AAA, the best grade for Insurance solvency for 8 consecutive years
2015. 06	Open an overseas office in Vietnam Hanoi

Net Income and Financial Positions (KRW billion)

● Net Income Trend



(KRW billions)	FY2012	FY2013	FY2014	FY2015
Distributors ³⁾	11,621	11,085	11,095	11,301
YoY(% ²⁾)	24.6	-4.6	0.1	1.9
Insurance Premium	5,149	3,532	4,892	5,011
YoY(% ²⁾)	22.3	-5.7	0.7	2.4
Total Assets	17,766	19,385	21,940	24,545
YoY(%)	21.0	9.1	13.2	11.9

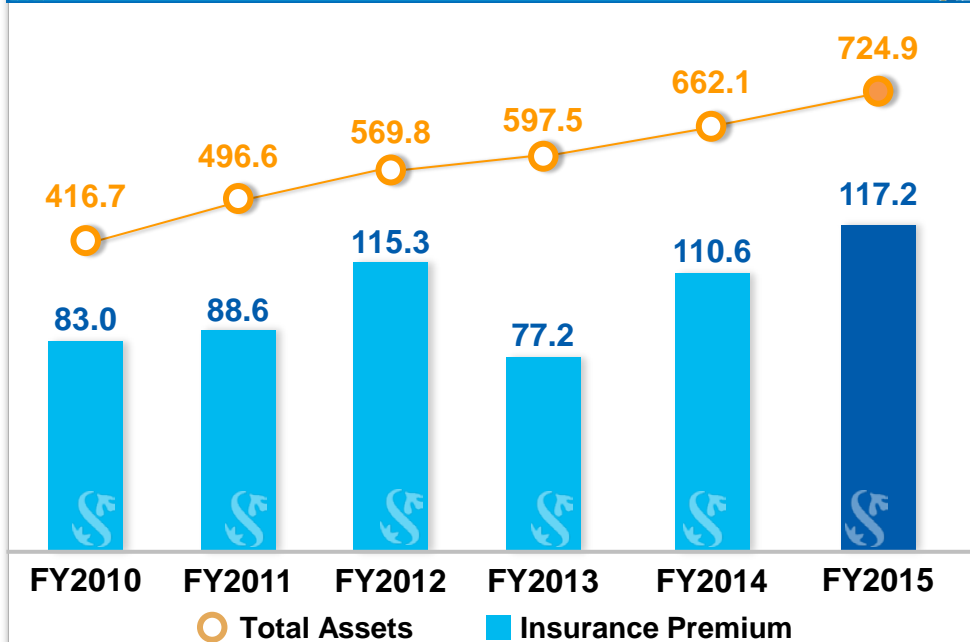
1) Due to changes in Fiscal Year, FY13 includes 9 months starting from April 1, 2013 to Dec. 31, 2013

2) For comparison purposes, FY2013 is calculated on a Cash Year basis

3) Includes financial planners and agents



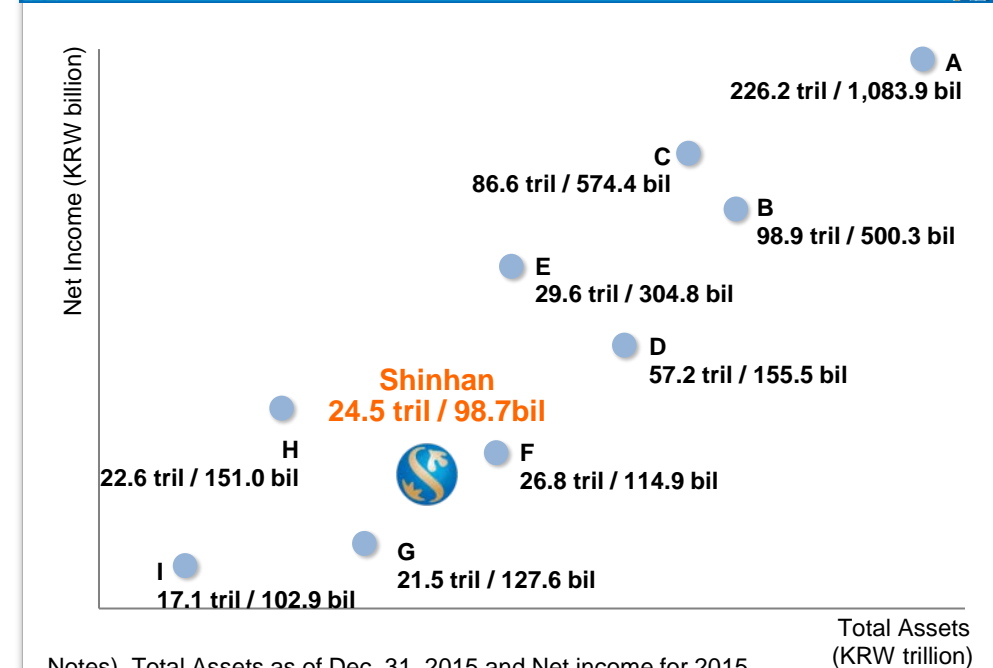
Industry Overview (KRW trillion)



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 6.0% YoY to 117.2 trillion attributed to growth in new insurance premiums
- Total assets increased by 9.5% YoY to 724.9 trillion on the back of growing insurance premiums

Market Position



- Total assets of Shinhan Life increased by 11.9% YoY marking 24.5 tril. as of Dec. 31, 2015 (7th largest)
- Net income increased by 24.5% YoY to 98.7 billion (8th among Top 10 life insurance companies)



Shinhan Life Insurance Financial Highlights

Condensed Income Statements

(KRW billion)		FY2012	FY2013 ¹⁾	FY2014	FY2015
Insurance	Insurance Margin	2,180.9	1,074.7	1,429.6	1,584.9
	Premium Income	4,585.5	3,034.4	4,203.9	4,426.6
	Claims Paid	2,404.6	1,959.7	2,774.3	2,841.8
Net Investment Income		695.3	504.3	752.3	769.7
Policy Reserve (△)		2,678.8	1,559.9	2,100.5	2,277.5
Operating Income		197.5	19.1	81.4	77.0
Non-operating Income		42.1	28.3	28.8	53.6
Net Income before tax		239.6	47.4	110.2	130.6
Net Income		190.0	36.6	79.3	98.7

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

Policies in Force

(KRW billion, %)		FY2014	%	FY2015	%
General Accounts	Individual Insurance	99,291	98.6	106,388	98.6
	Pure Endowment	12,624	12.5	14,842	13.8
	Against Death	72,812	72.3	78,803	73.1
	Endowment	13,854	13.8	12,743	11.7
	Group Insurance	857	0.9	818	0.8
	Sub total	100,148	99.5	107,206	99.4
Separated Account		512	0.5	594	0.6
Total		100,660	100.0	107,800	100.0

Note) based on subscription value of an insurance contract

Condensed Balance Sheets

(KRW billion)		FY2012	FY2013	FY2014	FY2015
General Accounts	Cash & Equivalent	1,250	916	1,483	1,828
	Securities	9,146	10,533	11,625	13,362
	Loans	3,668	4,160	4,843	5,297
	Others	1,744	1,659	1,630	1,583
Separated Account		1,955	2,109	2,357	2,474
Total Assets		17,764	19,377	21,939	24,543

Key Financials

(%)	FY2012	FY2013	FY2014	FY2015
Solvency Ratio	287.9	253.1	230.7	204.2
ROA	1.13	0.29	0.41	0.42
ROE	14.00	3.94	6.12	6.45

II. Companies in the Group

5. Shinhan BNP Paribas Asset Management





Shinhan BNP Paribas Asset Management Company Overview



Your Investment Partner, Shinhan BNP Paribas 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.

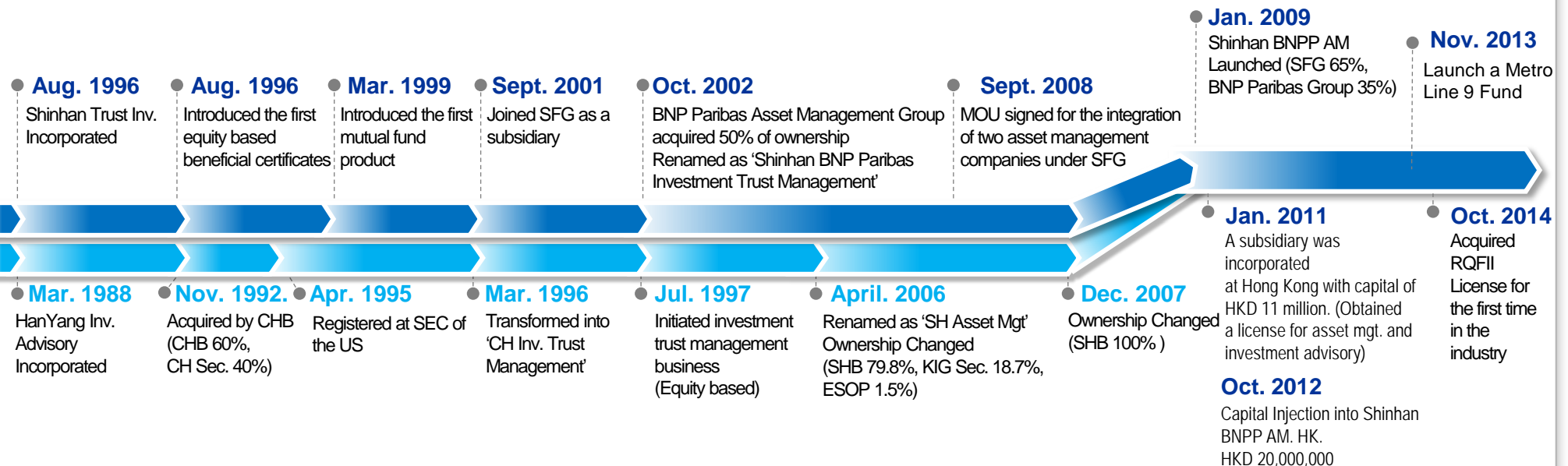
Shinhan BNP Paribas Asset Management has provided trustworthy asset management services to our clients for several years and showed fundamentally solid management skills and performance. Beloved 48 million people in Korea, We will strive to be recognized as the best asset management company in Korea.

Overview

(As of Dec. 31, 2015)

- **Incorporation** : August 26, 1996
- **Total Equity** : KRW 154.8 billion
- **Employees** : 193
- **Major Shareholders** : SFG(65%), BNP Paribas IP (35%)
- **AUM** : KRW 37.8 trillion (including discretionary accounts)

Key Milestone of Shinhan BNP Paribas Asset Management

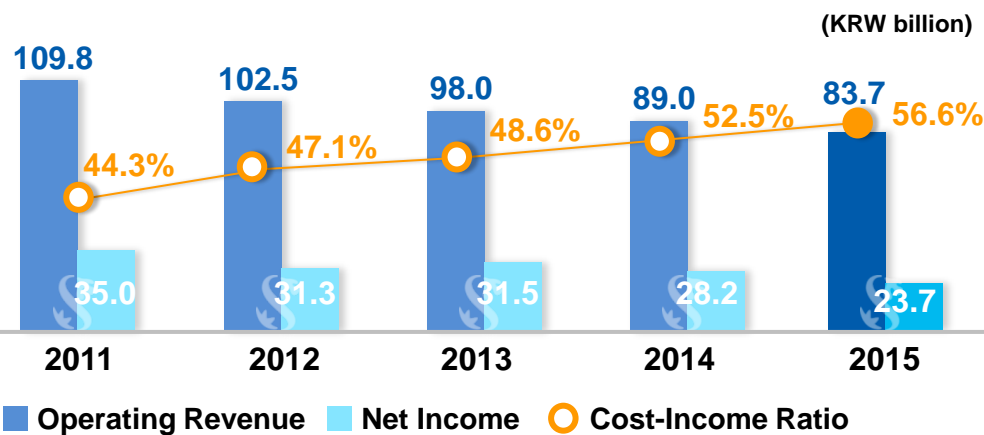




Shinhan BNPP Asset Management Financial Highlights & Market

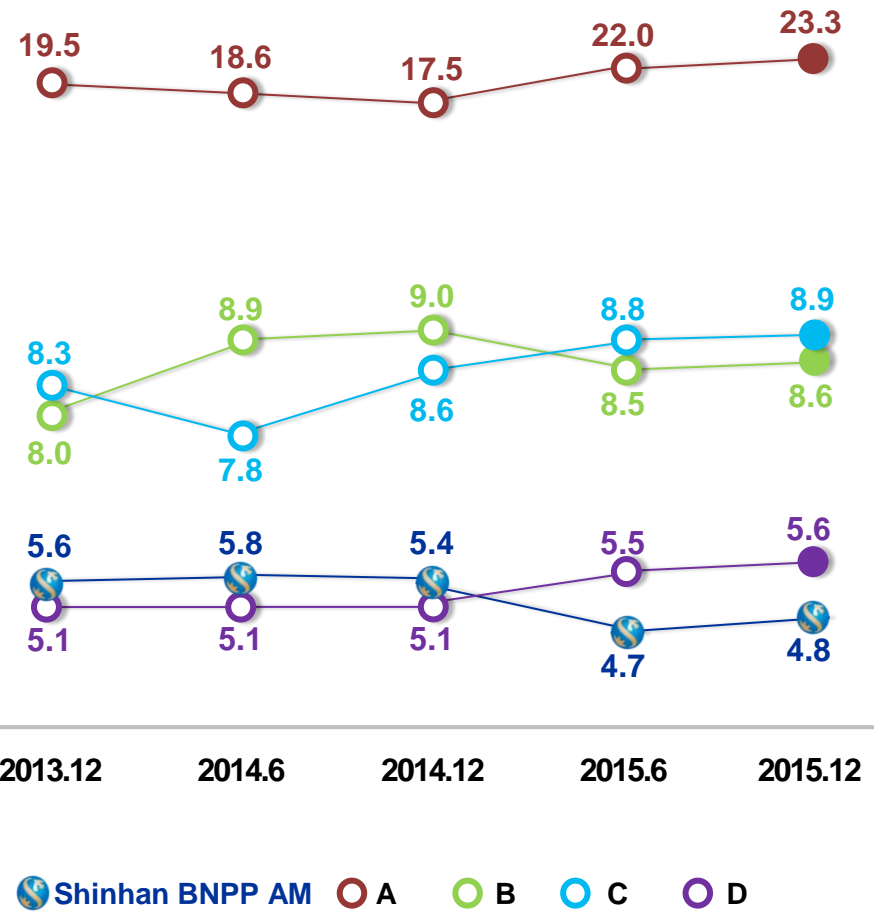
Financial Highlights

(KRW billion)	CY 2011	CY 2012	CY 2013	CY2014	CY2015
Condensed IS					
Operating Revenue	109.8	102.5	98.0	89.0	83.7
Operating Expense	61.7	59.2	57.9	53.6	51.8
SG&A	38.2	38.6	37.9	39.2	41.6
Operating Income	48.1	43.3	40.1	35.4	31.9
Net Income	35.0	31.3	31.5	28.2	23.7
Condensed BS					
Total Asset	170.7	168.9	169.6	188.9	170.2
Total Equity	146.3	145.7	148.6	156.5	154.8
Key Financial Indications					
ROE	23.90%	21.44%	21.75%	18.94%	15.20%
ROA	20.81%	18.44%	18.80%	16.52%	13.18%
Cost-Income Ratio	44.26%	47.13%	48.60%	52.54%	56.57%



Market Share

Market Share %
(including discretionary account)



II. Companies in the Group

6. Shinhan Capital





Profile

● Overview

- Incorporation Date : April 19, 1991
- Total Equity : KRW 618.1 billion (Paid in Capital: KRW 180 billion)
- Total Assets : KRW 4.1 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

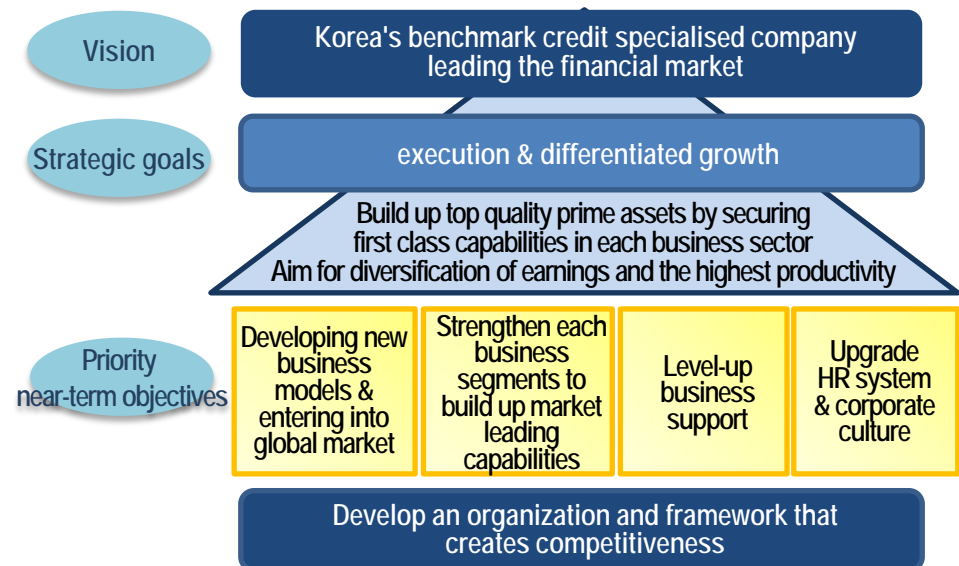
- Leasing in relation to ships, medical instruments, and other PP&Es
- Installment Financing / Venture Capital / Corporate restructuring financing
- Real Estate PF / Loans / Factoring, etc.

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 and playing a major role in achieving Shinhan Financial Group's goal of becoming a 'World Class Financial Group'

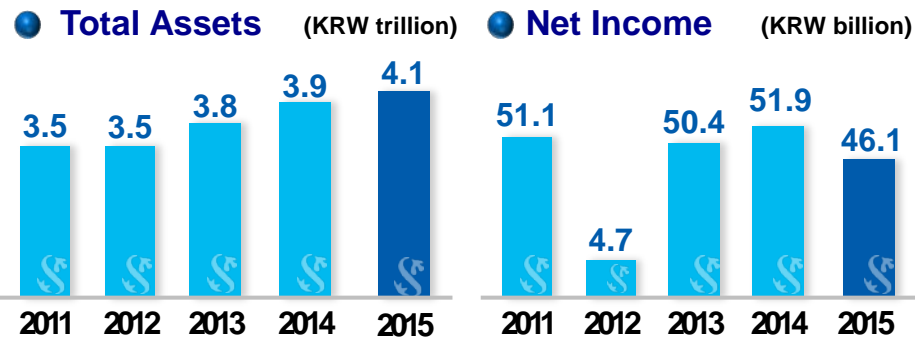
For 2016, in line with its strategic target of "execution & differentiated growth", it is striving to achieve its anticipated outcomes by way of 1) Developing new business models & entering into global market, 2) Strengthen each business segments to build up market leading capabilities, and 3) Level-up business support, 4) Upgrade HR system and corporate culture





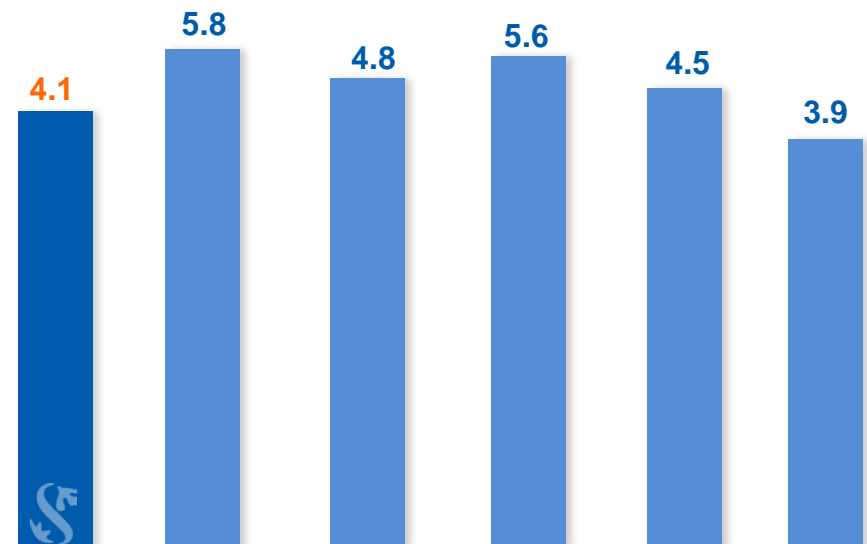
Financial Highlights

(KRW billion)	2011	2012	2013	2014	2015
Condensed B/S					
Total Assets	3,518.3	3,526.2	3,772.4	3,939.5	4,076.6
Total Liabilities	3,037.9	3,053.9	3,252.6	3,369.1	3,458.4
Total Shareholders' Equity	480.4	472.3	519.8	570.4	618.1
(Paid in Capital)	180.0	180.0	180.0	180.0	180.0
Condensed P/L					
Operating Revenue	365.9	376.3	319.7	321.8	374.7
Operating Income	67.4	3.9	60.6	64.2	56.2
Net Income	51.1	4.7	50.4	51.9	46.1
Key Financial Indicators					
ROE	11.3%	1.0%	10.2%	9.6%	7.7%
ROA	1.4%	0.1%	1.4%	1.4%	1.2%
Capital Adequacy Ratio	14.5%	15.0%	15.1%	15.6%	16.8%
NPL ratio	2.2%	3.0%	2.2%	2.9%	3.1%



Market Position

Total Assets (KRW trillion, As of Dec. 31, 2015)



Shinhan Capital A B C D E

※ As of Dec. 31, 2015, Shinhan Capital is 5th 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 Dec. 31, 2015)

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.

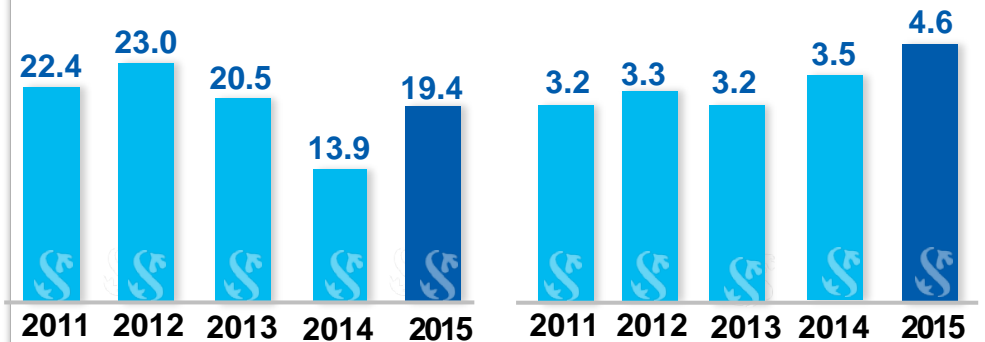
- **Major Shareholders** : SFG (68.88%), National Pension Service (7.67%)
- **Total Equity** : 318.0 billion (Paid in Capital: KRW 180 billion)
- **Total Assets** : KRW 4.6 trillion
- **Networks** : total of 38 branches and sub-branches (35 in the Jeju region)
- **Market share in the Jeju region**: 36.4% of deposits and 29.7% of loans

● Key Milestones

1969. 03	Jeju 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
2015. 01	Implementation of call center system
2015. 04	Launched barcode payment system on Bankwallet Kakao
2015. 12	Contracted with Jeju Techno Park for Venture & SME support

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 Dec. 31, 2015)

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)

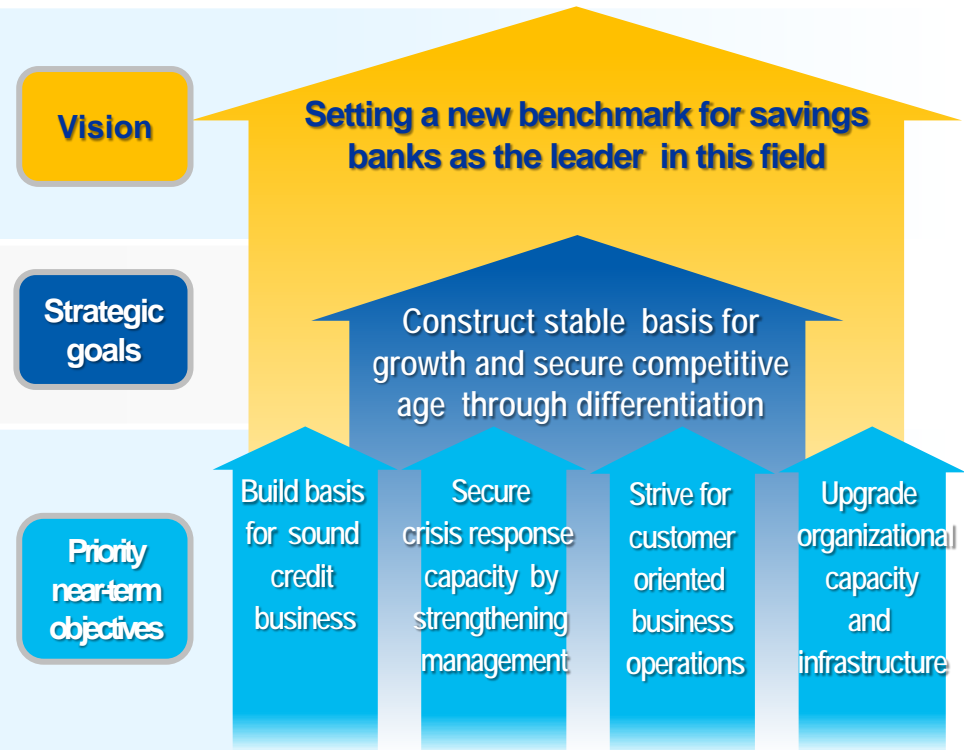
- Total Equity : KRW 119.7 billion
- Total Assets : KRW 795.1 billion
- Networks : 8 branches (Seoul metropolitan area)
- Key Milestones

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.





Shinhan Data System Company Overview

Profile

● Company Overview (As of Dec. 31, 2015)

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

- Incorporation Date : May 13, 1991
- Total Equity : KRW 10.3 billion
- Total Assets : KRW 26.7 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
2014. 06	Implementation of Next-generation IT system "WINK"
2014. 07	Obtained Shinhan Bank's electronic-document system project
2015. 04	Implementation of main bank system in SEMAS

● 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

Building a foundation of sustainable growth through strengthening collaboration between strategic and core business

Strategic
Priorities

Implement the foundation for sustainable growth

Strengthen qualitative competitiveness

Optimize business management system & Strategic cost saving

strengthen the execution of compassionate finance

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.

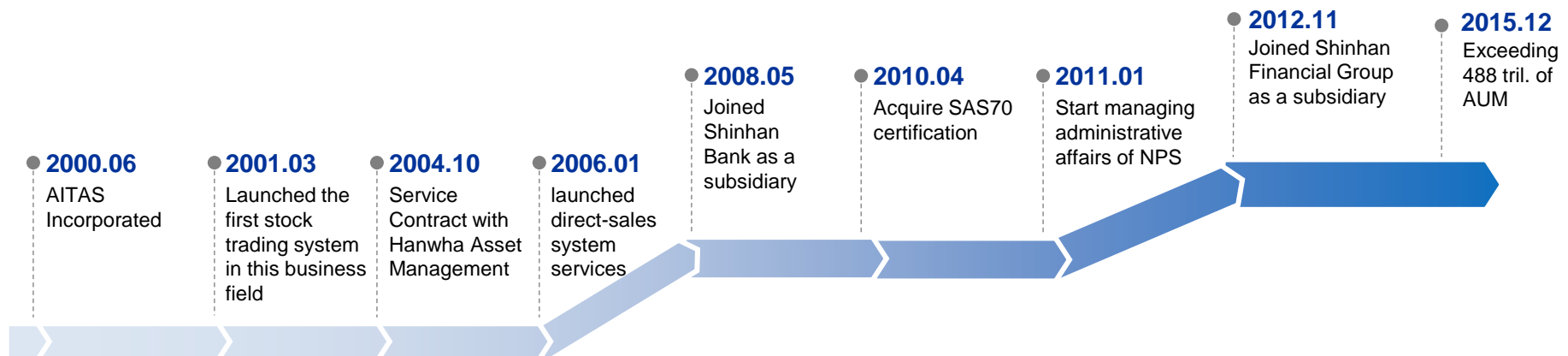
Shinhan AITAS will provide the best differentiated services to its customers based on know-how accrued from supporting them in system, consulting, and solutions for various securities businesses, and its in-house specialists.

Overview

(As of Dec. 31, 2015)

- **Incorporation** : June 15, 2000
- **Total Equity** : KRW 37.8 billion
- **Employees** : 193
- **Major Shareholders** : SFG(99.79%), Others (0.21%)

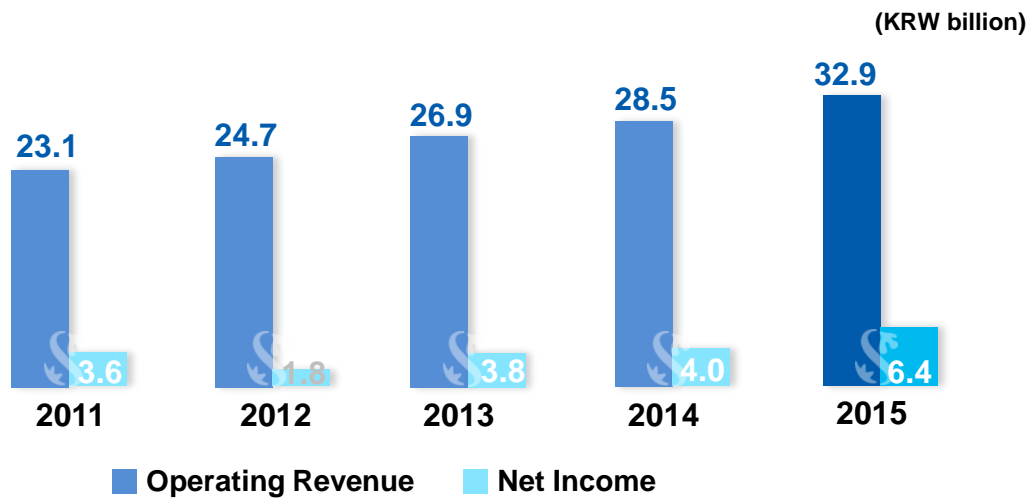
Key Milestone of Shinhan AITAS



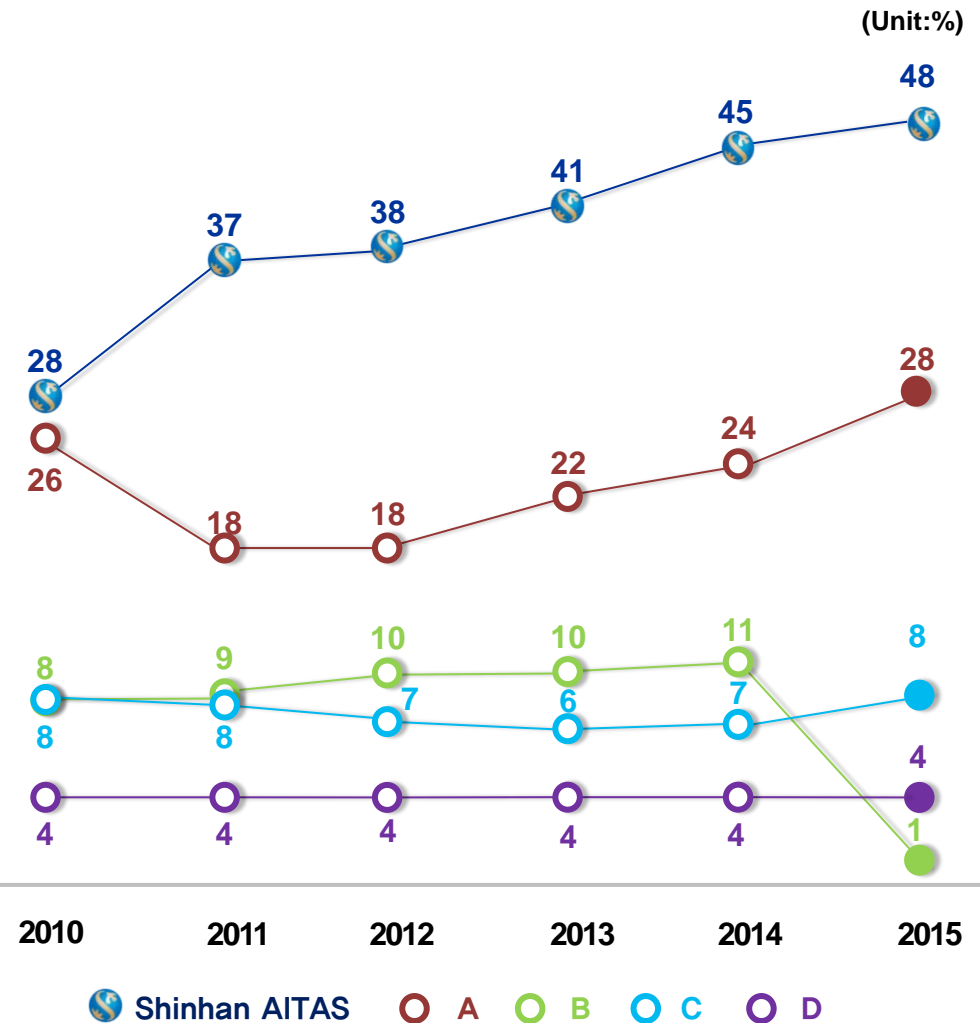


Financial Highlights

(KRW billion)	FY2011	FY2012	FY2013	FY2014	FY2015
Condensed IS					
Operating Revenue	23.1	24.7	26.9	28.5	32.9
Operating Expense	18.8	23.1	22.7	24.0	25.1
SG&A	18.8	23.1	22.7	24.0	25.1
Operating Income	4.3	1.6	4.1	4.6	7.8
Net Income	3.6	1.8	3.8	4.0	6.4
Condensed BS					
Total Asset	28.3	31.0	34.6	37.7	42.7
Total Equity	24.9	26.7	30.4	31.4	37.8
Key Financial Indications					
ROE	14.47%	6.70%	12.39%	12.69%	16.69%
ROA	12.73%	5.76%	10.90%	10.59%	14.99%
Cost-Income Ratio	22.73%	7.13%	18.15%	19.04%	31.27%



Market Share





Profile

● Company Overview (As of Dec. 31, 2015)

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
- Credit under management : KRW 6.1 trillion
- Debt collection in 2015 : KRW 84.1 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
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
2015. 03.	Contracted with Jeju Bank for outsourcing of credit investigation
2015. 12.	Contracted with SH debt collection company in Japan

● 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 2.8 trillion
- No. of credit research : 230 thousand
- CRM Service, Credit Chain Management including Credit consulting and Collection

Public Credit

- Credit under management : KRW 2.9 trillion
- Launched supporting business for the National Happiness Fund
- Asset Management Auxiliary Service

External Credit

- Credit under management : KRW 0.4 trillion
- No. of credit research : 110 thousand
- Asset Management Auxiliary Service



Profile

● Company Overview (As of Dec. 31, 2015)

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
- Total Equity: KRW 11.0 billion
- Asset Under Management : KRW 1.0 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 Head Office 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 2015 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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