

 Aim Higher and Creatively Pioneering Ahead

Shinhan Financial Group



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Shinhan Financial Group

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Korea's Leading Financial Institution

Sustainable Net Income growth driven by solid core earnings and consistent ROE enhancing business strategy (4th consecutive years)



Global Expansion and Diversification

Established the foundation for the sustainable growth through steady and consistent global expansion and business diversification



Thorough Risk Management

Maintaining sound asset qualities through preemptive and proactive risk management



Growth through Corporate Social Responsibility

Implementing the "Compassionate Finance" to build a virtuous cycle of shared prosperity for the company and society



About SFG – SFG at a Glance

Overview

(As of Dec. 31, 2017)

- **Net Income** : KRW 2.92 trillion
- **Total Consolidated Assets** : KRW 426 trillion
- **Total Market Cap**: KRW 23.4 trillion
- **ROA** : 0.71%
- **ROE** : 9.19%
- **14 direct subsidiaries, 25 indirect subsidiaries**
- **Number of Employees** : 26,443
- **Major Shareholders**
 - Korea National Pension Service 9.55%
 - BlackRock Fund Advisors 6.13%¹⁾
 - SFG ESOP 4.71%
 - BNP Paribas 3.55%
 - Citi Bank [ADR Dept.] 3.06%

1) Based on the Large equity ownership disclosure by BlackRock Fund Advisors with the Financial Supervisory Service on Sep. 27, 2018



Well-diversified Business Portfolio

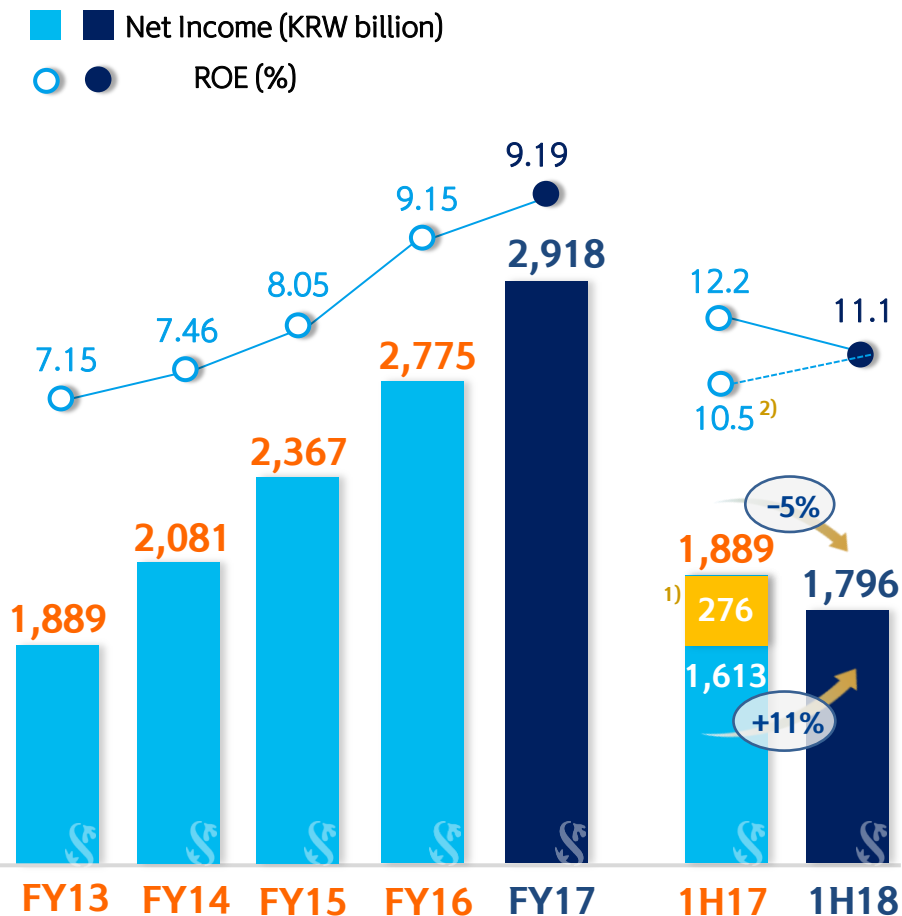


Top 500 Banking Brand

Ranking	Company	Nationality
1	ICBC	China
3	Wells Fargo	US
9	HSBC	UK
40	DBS Group	Singapore
52	Mizuho Financial Group	Japan
67	Shinhan Financial Group	Korea
	:	

* Source: The Banker (Feb. 2018)

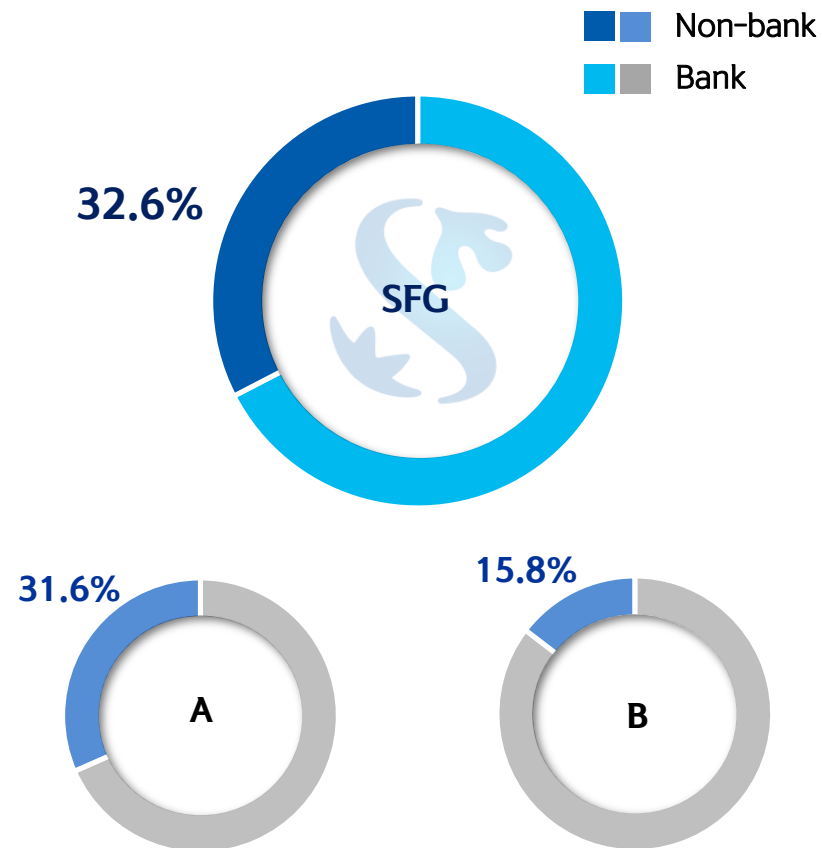
Consistent Net Income Growth



Note 1) Write-backs from SHC in 1Q17
 Note 2) ROE Excluding Write-backs from SHC in 1Q17

Diversified Profit Base

Net Income Contribution by Non-bank Subsidiaries (1H18)

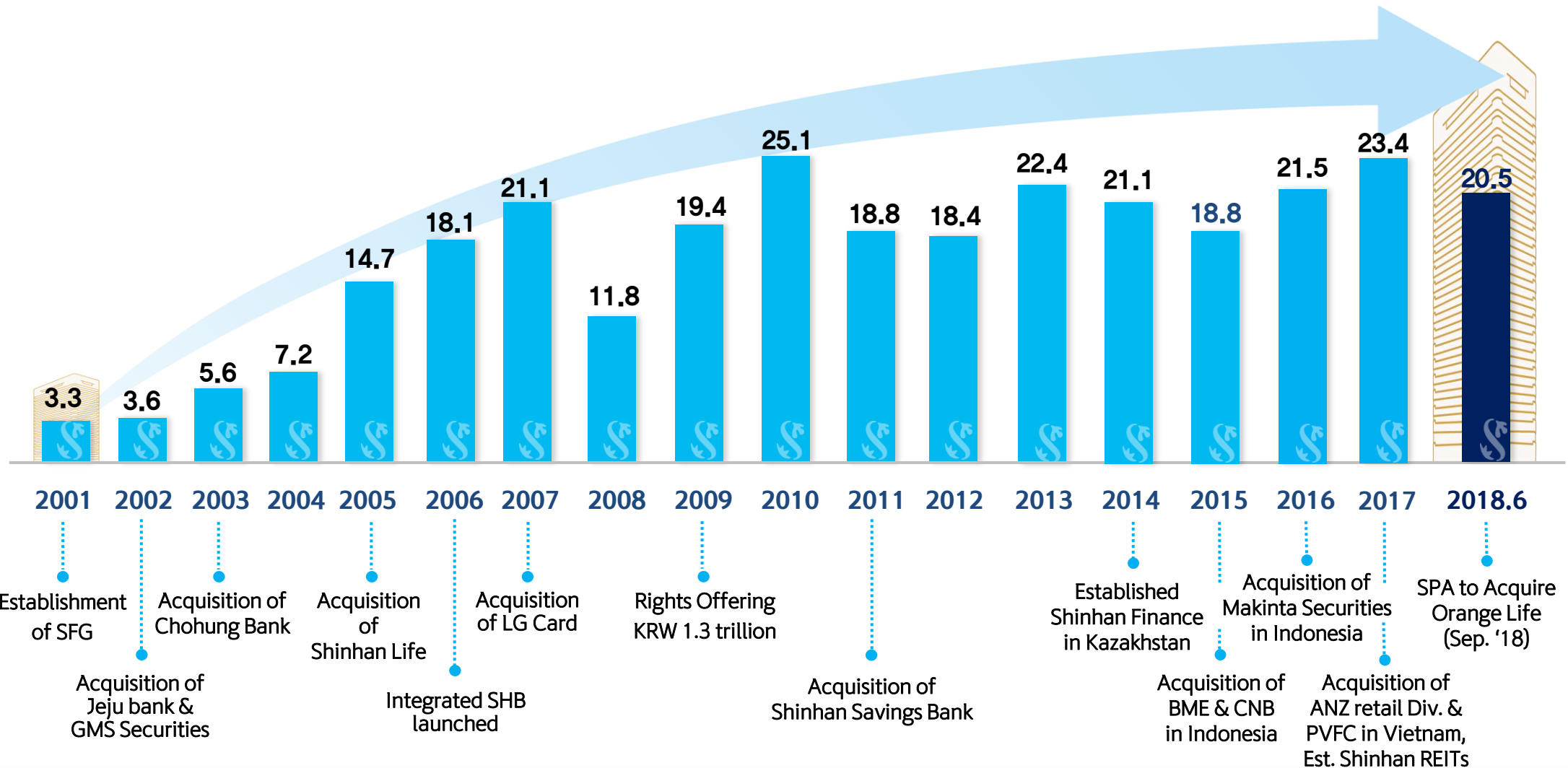




About SFG – Consistent Inorganic Growth Strategy

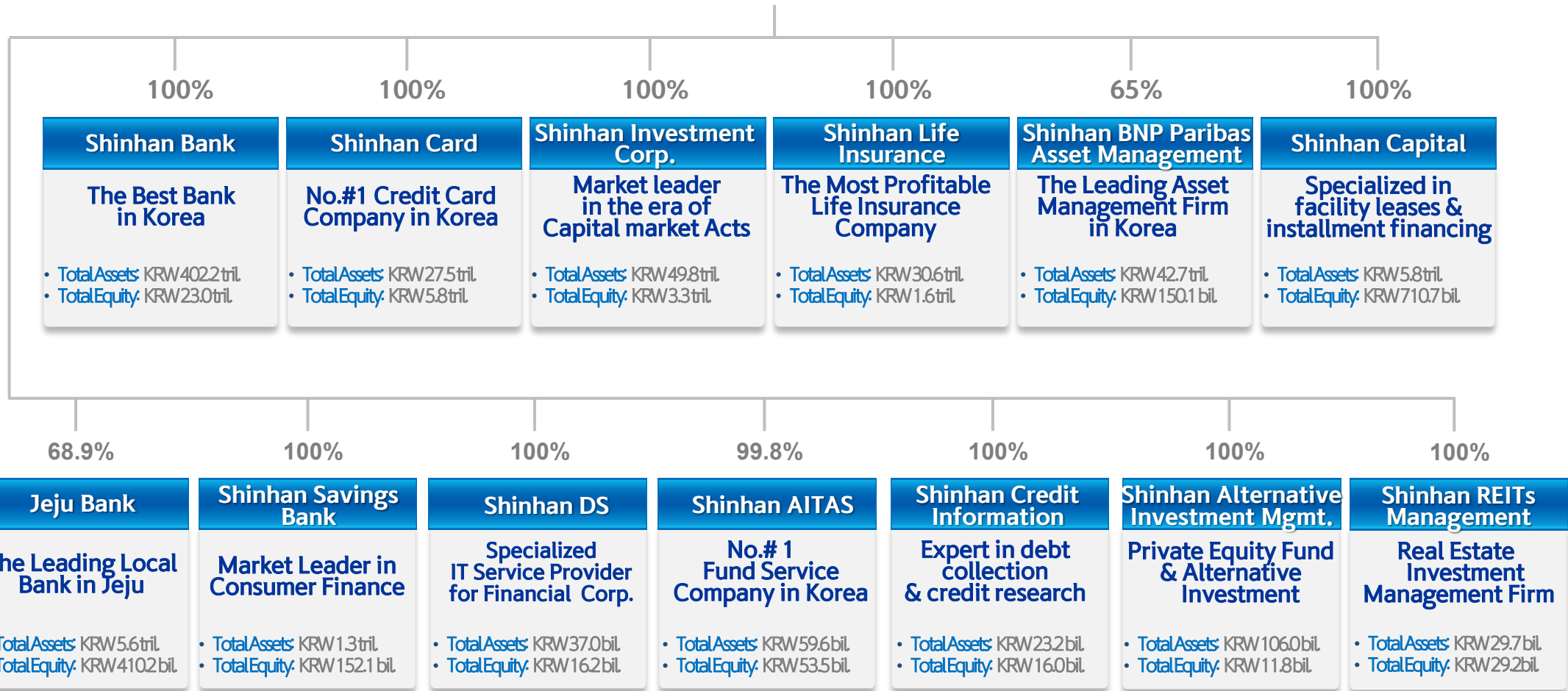
● Market Capitalization

(KRW trillion)



About SFG – Group Organization

Well-organized Leading Financial Group in Korea



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

(As of June 30, 2018)

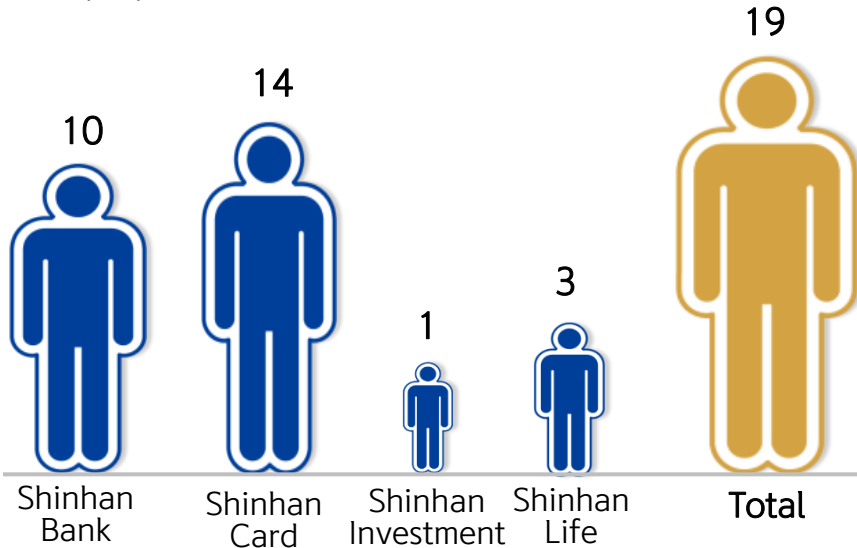
Customers



SFG Serves 19* million Active Customers

* Excluding overlapping customers
(As of June 30, 2018)

(million people)



Branch Networks

● Domestic

Company	# of Branches
Shinhan Bank	865
Shinhan Life Insurance	180
Shinhan Investment Corp.	114
Shinhan Card	22
Jeju Bank / Others	74
Total	1,255

● Hybrid Branch

Company	# of Branches
PWM Center	27
PWM Lounge	24
Creative Finance Plaza	14
Total	63

* As of June 30, 2018

About SFG – Group CSR Strategy

In order to carry out sustainable management under more systematic framework, SFG established a new direction for 'Responsible Growth' 'Social Partnerships' and 'Investments for the future' and suggested the 6 strategic directions (Commitments) spanning products, services, and management.

Shinhan Financial Group CSR Strategies

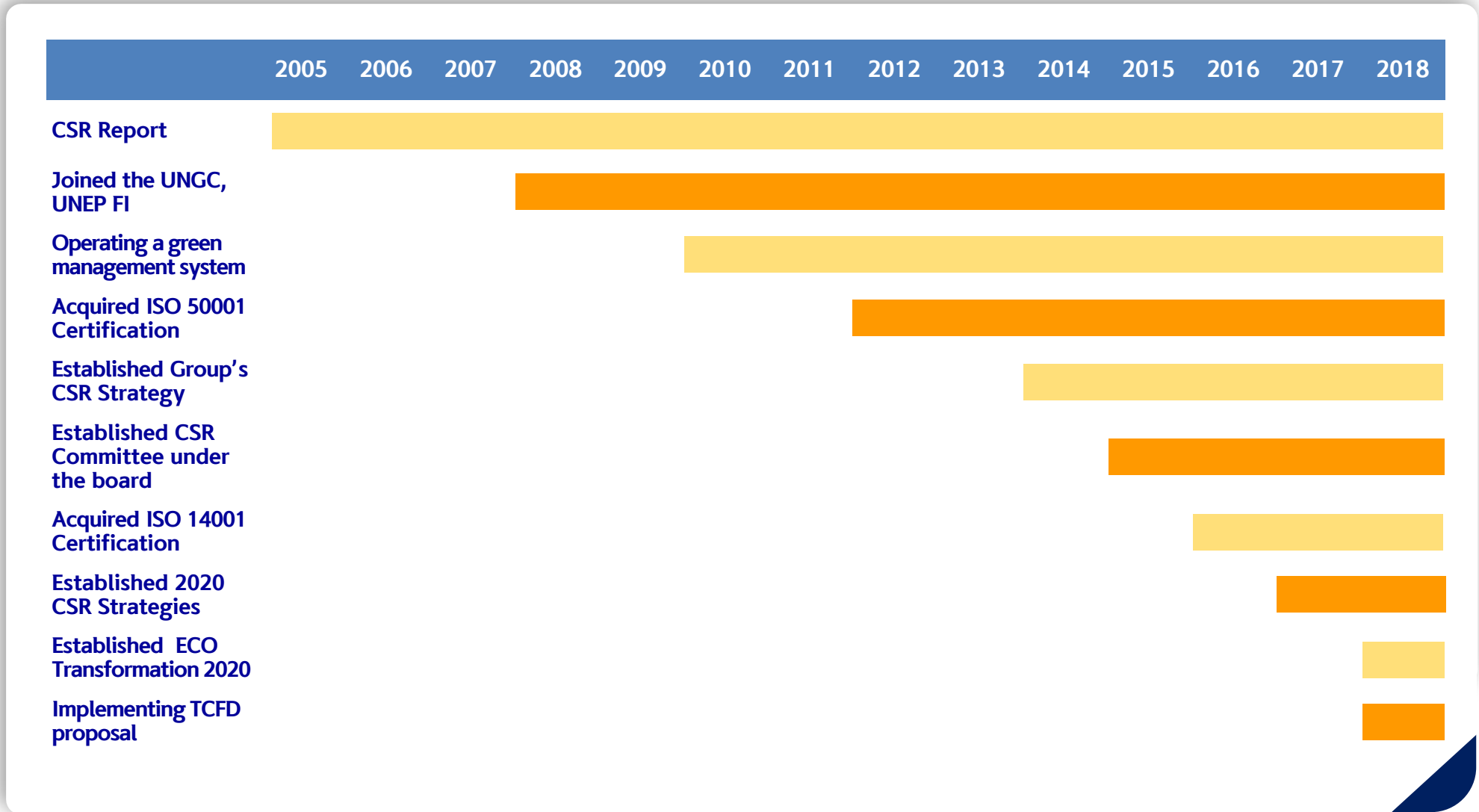


- 1 Responsible Growth**
 - I . Provide solution to improve customer value
 - II . Fair and ethical business
- 2 Social Partnership**
 - III . Improvement of financial inclusion
 - IV . Establishment of creative and open culture
- 3 Improvements for the Future**
 - V . Realization of positive social responsibility
 - VI . Risk management considering environment and society



About SFG – Corporate Social Responsibility History








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 – Recognition of SFG’s CSR

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

Milestones in the CSR Journey

	Index	Grade/Score	Benchmark Index	Award/Certification	
Overseas	 MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM	DJSI	Score: 81	DJSI World DJSI Asia-Pacific DJSI Korea	Included in DJSI World index for the first time among Korean financial groups for six consecutive years
		Global 100	Rank: 46th Score: 67.00	Global 100	Selected Global 100 Most Sustainable Corporations in the Davos Forum for six consecutive years
	 DRIVING SUSTAINABLE ECONOMIES	CDP	Leadership A	-	First financial group in Korea to be included in the Honors Club for four consecutive years
	 Governance QuickScore 3.0	ISS Quality Score	Grade: 1 (Highest: 1)	-	-
Domestic	 한국기업지배구조원	Korea Corporate Governance Service (CGS)	Grade: A+ (Governance: S ('17), sole recipient in Korea)	KRX ESG SRI Index KRX ESG Leaders 150 KRX Governance Leaders 100 KRX Eco Leaders 100	Awarded the Grand Prize in the Korea Corporate Governance Service for two consecutive years
	 대신지배구조연구소 Daeshin Corporate Governance Institute	Daeshin Corporate Governance Inst.	The Best Company among Korean financial groups	-	-
	 산업통상자원부 MINISTRY OF TRADE, INDUSTRY & ENERGY MOTIE	Ministry of Trade, Industry and Energy	President’s Commendation for Korea’s Most Loved company	-	Awarded the Grand Prize for Sustainable Management

Shinhan Financial Group

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SHINHAN WAY

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

Mission

A Better World through 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"

Methodology

'Through the Power of Finance'

1

Help customers reach their goals with timely financial services

The Core of Financial Business

2

Enhance the value of our customers' assets

Innovate the way we deliver products and services and manage our customers' assets in changing markets

Creative Finance

Ultimate Goal

'Building a Better World'

Shinhan's Values

Value for our Customers

Value for Society

Grow value for customers, businesses and society leading to shared prosperity

Virtuous Cycle of Shared Prosperity

Group Vision “World Class Financial Group”

2020 S.M.A.R.T PROJECT

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

Set Mid-term Goal

- Leap to the Asia's leading financial group
 - Balanced Growth
 - Glocalization
 - Digital Transformation
 - Uphold the Shinhan Culture

New Initiatives (2017~2020)

Qualitative Growth (2011~2016)

Solidifying Sustainable Growth

- Declaration of Group Mission 『Compassionate Finance』
- Established “CIB/WM” business model

Overcoming Crisis (2008~2010)

Global Financial Crisis

- Enhanced capacity to overcome financial meltdown
- Innovating the group-wide business management system

Quantitative Growth (2002~2007)

Switched to a Financial Holding Company

- Strengthening banking & non-banking operations through a series of successful M&As (bank, credit card, brokerage, asset management and life insurance)

Competency Building (1982~2001)

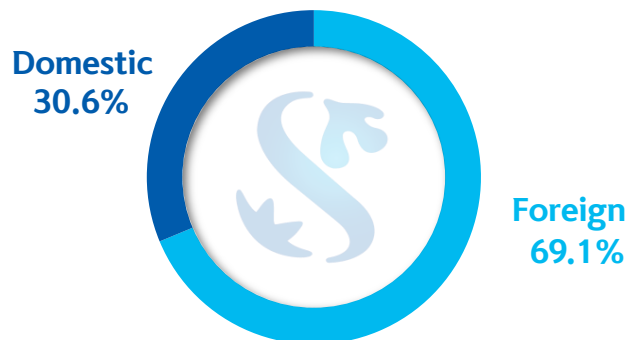
Early stages

- Establishment of Shinhan Bank
- Consistent organic growth through innovated products and services

SFG's Core Capabilities – Stable Corporate Governance

Shareholders

(As of Dec. 31, 2017)



Major Shareholders

Shareholder	Ownership(%)
National Pension Fund of Korea	9.55
BlackRock Fund Advisors ¹⁾	6.13
SFG ESOP	4.71
BNP Paribas	3.55
Citibank N.A.(ADR dept.)	3.06
The Government of Singapore	2.26
Norges Bank	1.34
Vanguard Total International Stock Index	1.10
Samsung Asset Management	1.10
First State Investment ICVC-Stewart INV	1.04
Stichting Depository APG Emerging Market	1.02

Note 1) Large equity ownership disclosure by BlackRock Fund Advisors with FSS on Sep. 27, 2018

CEO & Subsidiary Management



Cho Yong-byoung

- Chairman & CEO, Shinhan Financial Group (incumbent)
- Work Experiences
 - 2015 – President & CEO, Shinhan Bank
 - 2013 – CEO, Shinhan BNP Paribas Asset Management
 - 2009 – Deputy President, Shinhan Bank

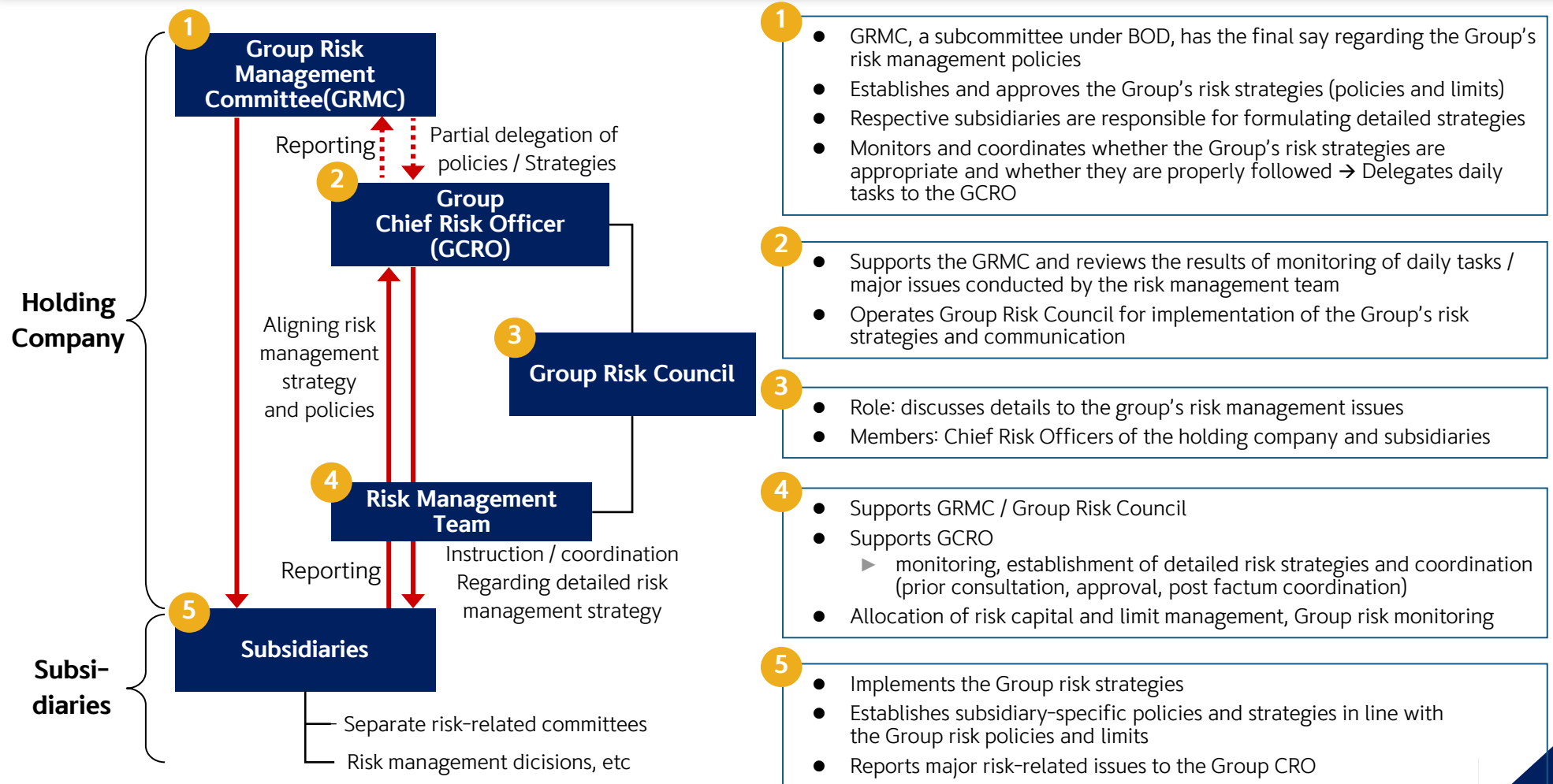
Subsidiaries Management

1. Shinhan Bank: Wi Sung-ho, CEO
2. Shinhan Card: Lim Young-jin, CEO
3. Shinhan Investment: Kim Hyung-jin, CEO
4. Shinhan Life Insurance: Lee Byung-chan, CEO
5. Shinhan BNPP Asset Management: Min Jung-kee, CEO
6. Shinhan Capital: Seol Young-oh, CEO
7. Jeju Bank: Seo Hyun-joo, CEO
8. Shinhan Savings Bank: Kim Young-pyo, CEO
9. Shinhan DS: Yu Dong Uk, CEO
10. Shinhan AITAS: Lee Shin-kee, CEO
11. Shinhan Credit Information: Yoon Seung-woog, CEO
12. Shinhan Alternative Investment: Kim Hee-song, CEO
13. Shinhan REITs Management: Nam Koong Hun, CEO

SFG's Core Capabilities – Thorough Risk Management

The Group's risk management policies are established by the Risk Management Committee (comprised of directors appointed by the BOD) and the Group Risk Council (comprised of Group & Subsidiaries CROs) implements / monitors detailed strategies.

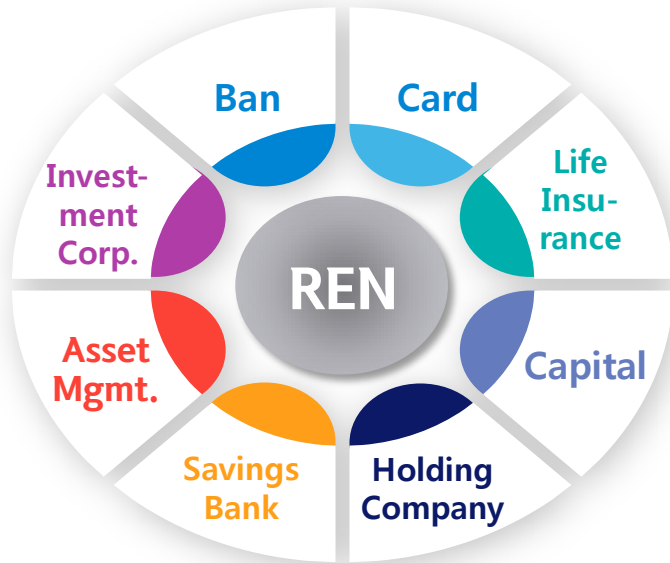
SFG Risk Management Structure



- GRMC, a subcommittee under BOD, has the final say regarding the Group's risk management policies
 - Establishes and approves the Group's risk strategies (policies and limits)
 - Respective subsidiaries are responsible for formulating detailed strategies
 - Monitors and coordinates whether the Group's risk strategies are appropriate and whether they are properly followed → Delegates daily tasks to the GCRO
- Supports the GRMC and reviews the results of monitoring of daily tasks / major issues conducted by the risk management team
 - Operates Group Risk Council for implementation of the Group's risk strategies and communication
- Role: discusses details to the group's risk management issues
 - Members: Chief Risk Officers of the holding company and subsidiaries
- Supports GRMC / Group Risk Council
 - Supports GCRO
 - monitoring, establishment of detailed risk strategies and coordination (prior consultation, approval, post factum coordination)
 - Allocation of risk capital and limit management, Group risk monitoring
- Implements the Group risk strategies
 - Establishes subsidiary-specific policies and strategies in line with the Group risk policies and limits
 - Reports major risk-related issues to the Group CRO

In an effort to expand the depth and width of our risk management capacity, a group of experts in SFG is formed to share their insight and expertise, foster experts through regular meetings.

REN – Risk Expert Network



- Strengthen employee network
- Nurturing expertise
- Discovering Potential risk factors
- Improving risk management system



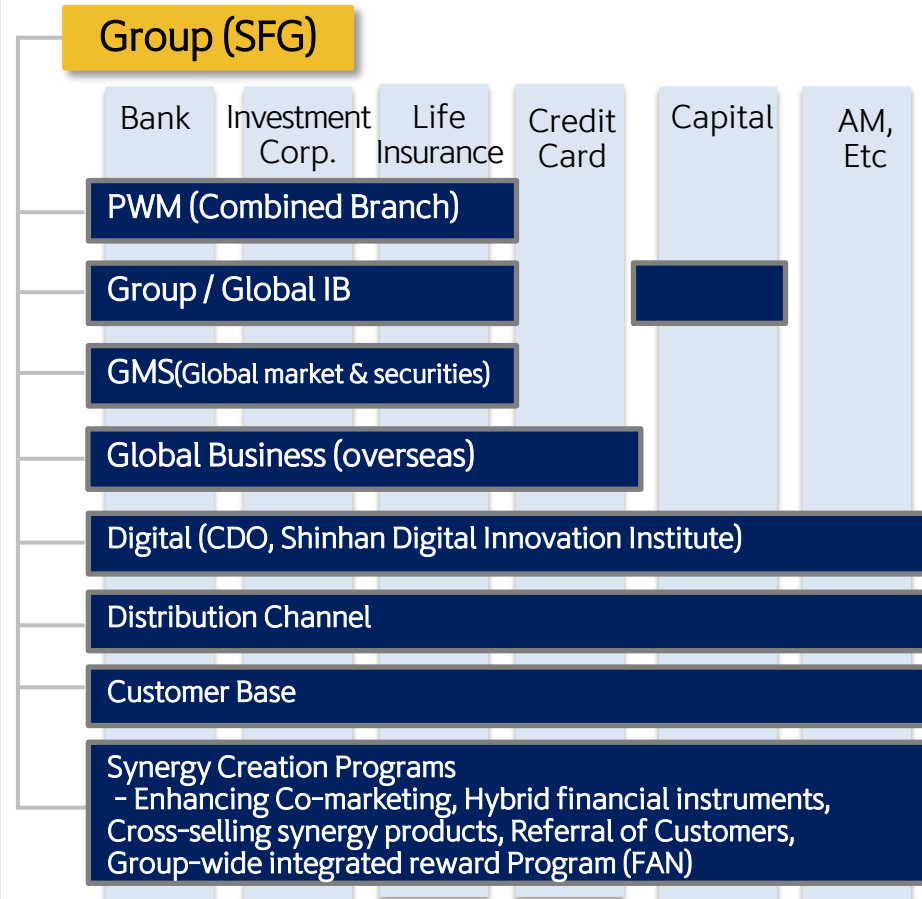
REN Subject (2018)

- Efficient capital allocation and portfolio management strategy
- Analysis on each overseas subsidiary's profit drivers
- Enhancing risk management capacity by using the state of the art digital technologies
- Introduction of customer centric risk management services
- Subsidiaries' SOHO customer management practices
- Study on credit provisioning rules under IFRS9 and its implications

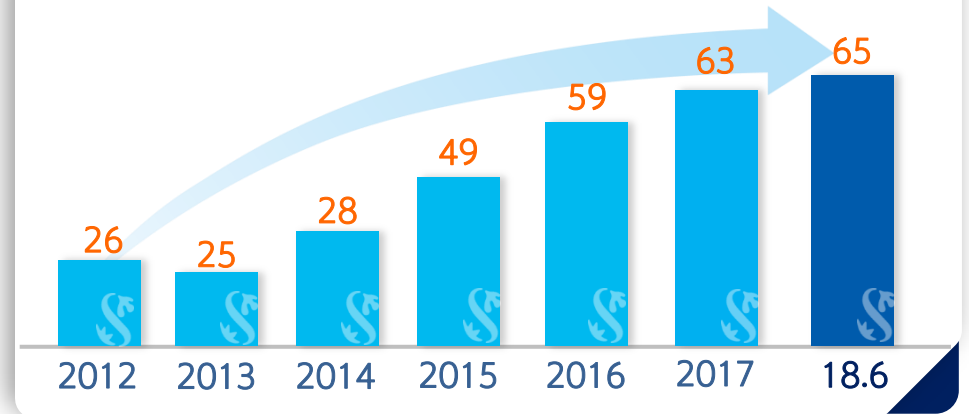
SFG's Core Capabilities – Group Synergy Creation | One Shinhan

SFG pushes forward 'One Shinhan' strategy which focuses on providing the very best products and services to clients by establishing the group-wide customer-centered business structure.

One Shinhan Business Model



Number of Combined Branch



Combined Branch Network



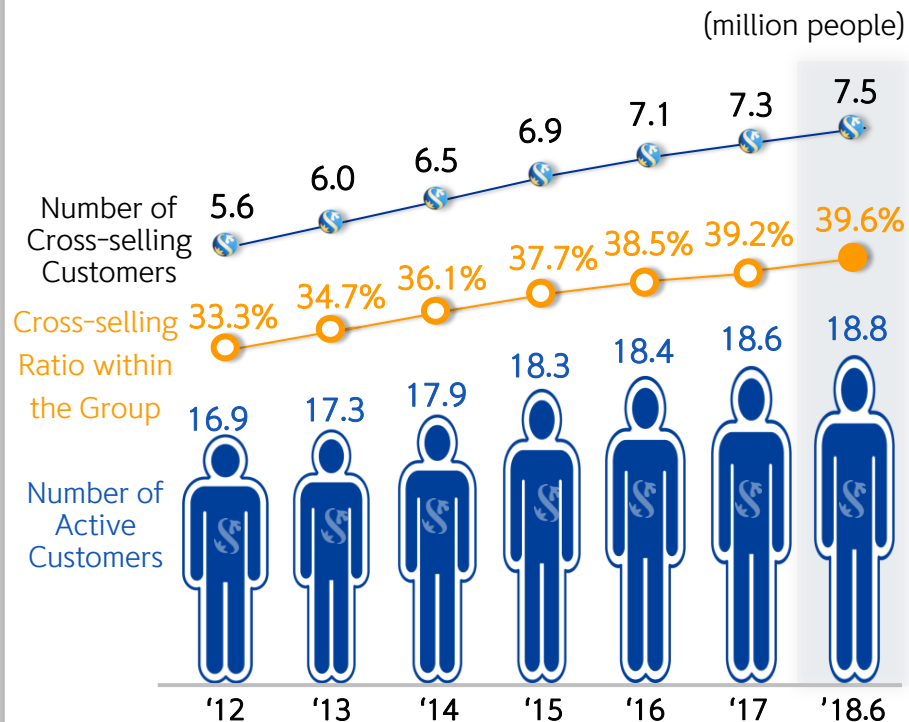
- No. of Combined Branch
- PWM Center (27)
 - PWM Lounge (24)
 - Creative Finance Plaza (14)

Group Synergy Business Model

[Synergy]

Enhance co-marketing among subsidiaries to increase cross-selling customers

● Increasing Active Customers



Synergy Creation Activities and Programs

Increasing Cross-selling Customers

- Among 18.8 mil. Group active customers, 7.5 mil. Customers are cross-selling customers as of Jun. 30, 2018
- Operating Group royalty program to enhance customer value through cross sales (Tops Club Program)

Enhancing Co-marketing

- Co-marketing investment products such as Alpha REITs, Credit Cards
- Established online group co-marketing platforms such as Shinhan Plus, Smarket Loan Market, and Jeju Gini

Hybrid Financial Instruments

- Co-developing and selling hybrid financial products such as Deep Dream, FNA/S-lite (Bank account linked with investment account) etc

Cross-selling Synergy Products

- Promoting of cross-selling non-bank products such as credit card, mutual fund, bancassurance and FNA via various subsidiaries channel (bank, Insurance, Brokerage, etc)

Referral of Customers

- Introducing customers from one subsidiary to another to provide various cross-subsidiary financial products such as investment products, loans, leases, credit card, PI, mezzanine etc

Shinhan Financial Group

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1-1 Overview

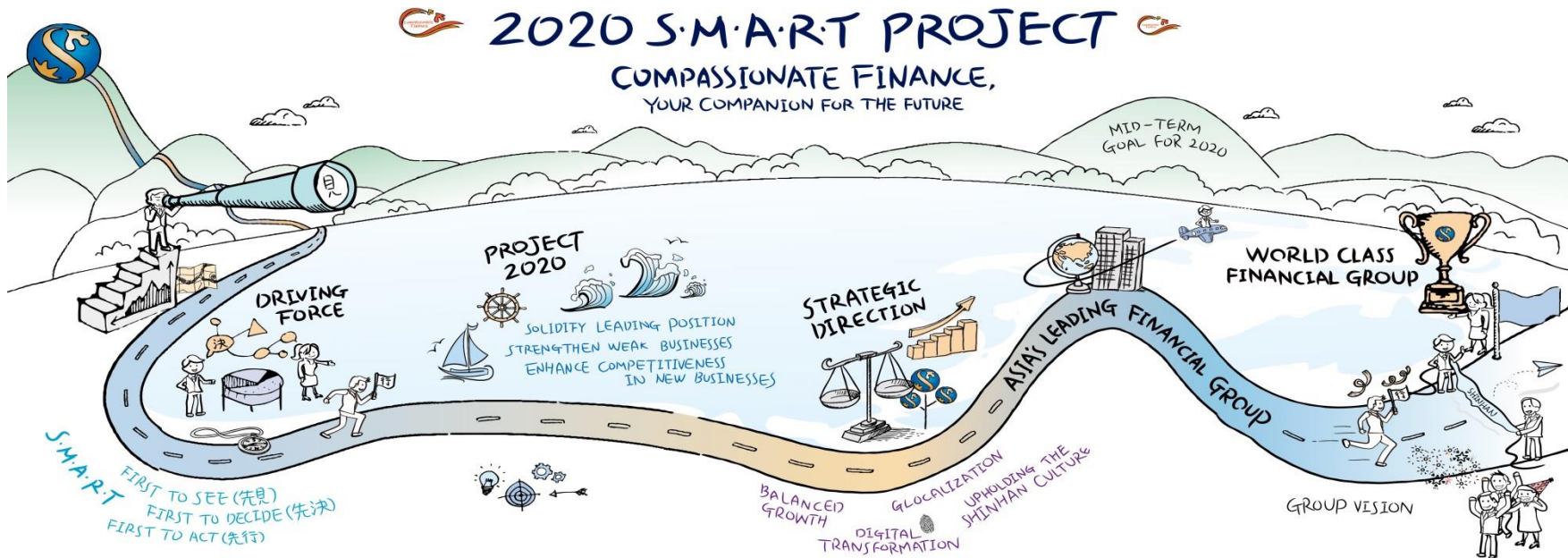
1-2 Vision, Strategy & Core Capability

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SFG Mid-term Goal – 2020 S.M.A.R.T Project

SFG launched 2020 SMART Project to give Shinhan a practical means of making the leap forward into 'Asia's Leading Financial Group,' which is our mid-term goal.



2020 SMART Project

- 1** Driving Force - Leadership
First to See, First to Decide, First to Act
- 2** Strategic Direction
 1. Balanced Growth
 2. Glocalization
 3. Digital Transformation
 4. Uphold the Shinhan Culture

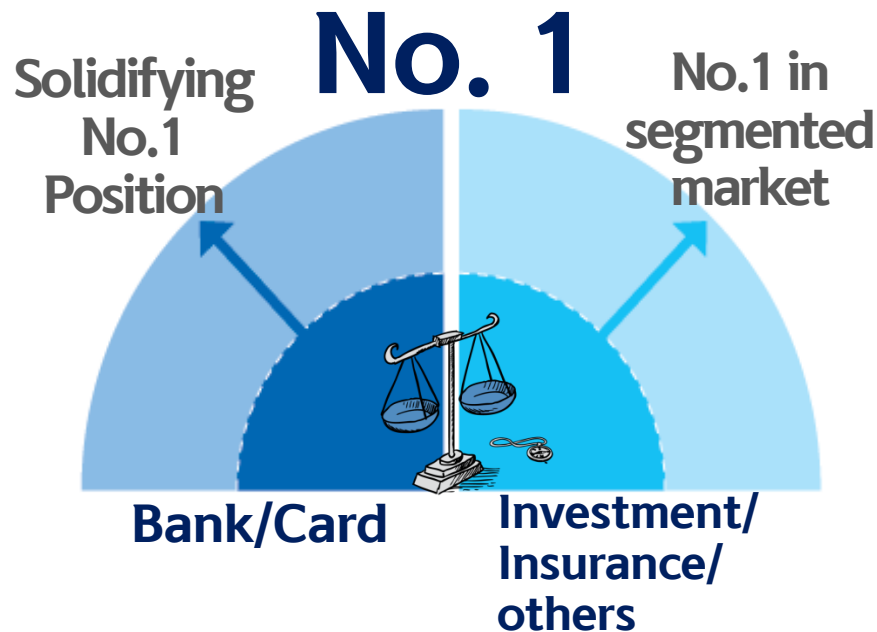
- 3** Way of Work
 - S** Specific / Segmentation
 - M** Measurable
 - A** Action-oriented
 - R** Realistic
 - T** Time-based

2020 SMART Project – Balanced Growth

Based on the stable source of income, SFG implements balanced growth strategy for banks and non-bank subsidiaries by finding new growth drivers to maximize the value.

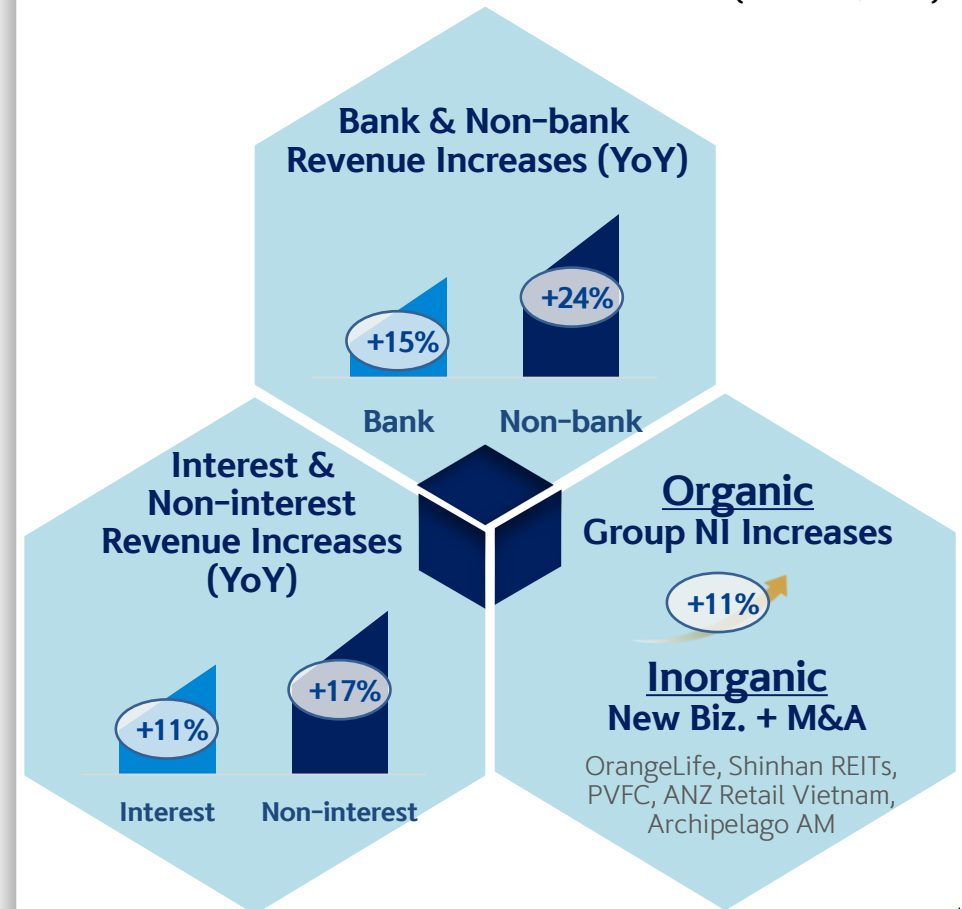
Balanced Growth Strategy

Organic + Inorganic Growth
to Maximize the Group's Value



Major Achievements

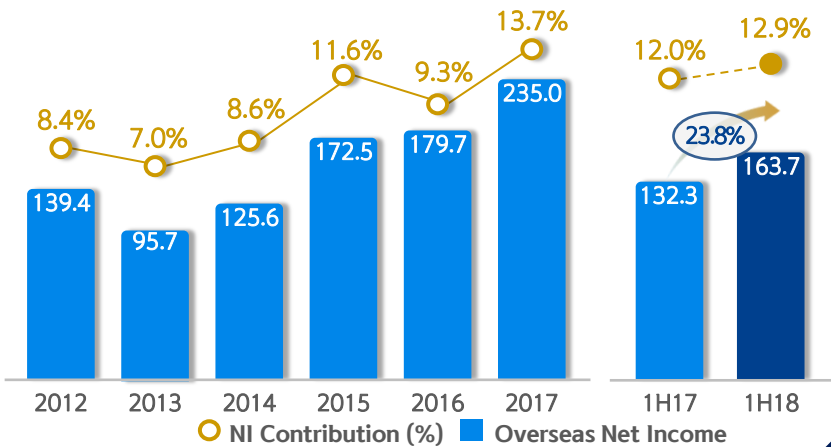
(As of Jun. 2018)



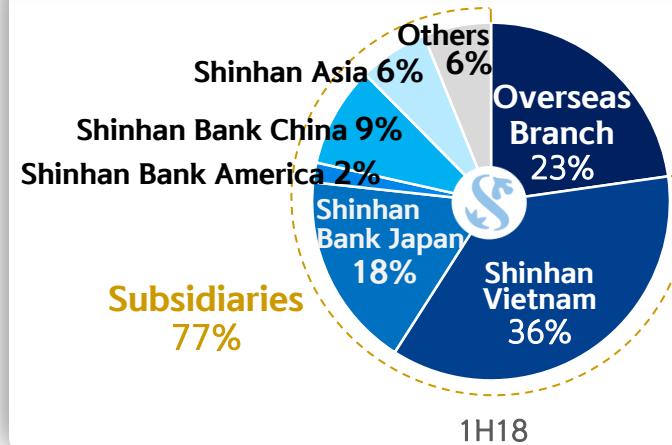
2020 SMART Project – Globalization

SFG has been consistently putting a lot of effort into the global business operations not only to secure the long-term future growth driver but to diversify the profit base as well.

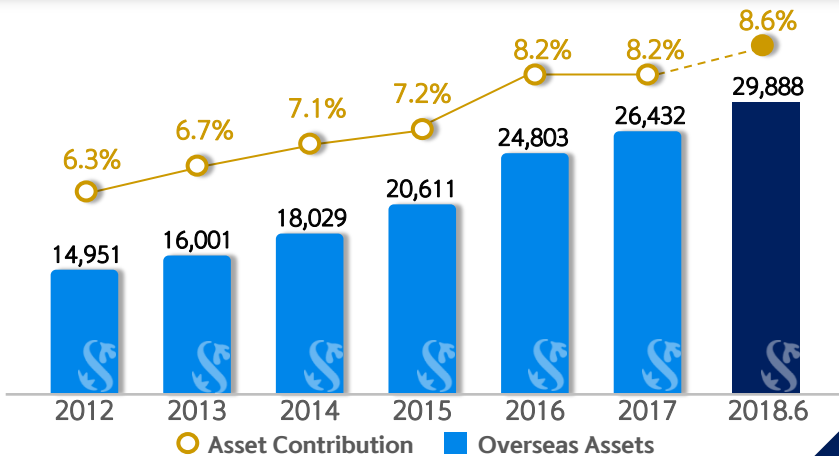
SHB NI Contribution by Overseas Operation



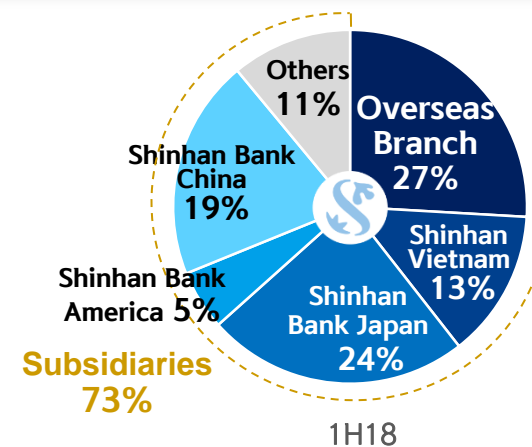
SHB NI Composition



SHB Asset Contribution by Overseas Operation



SHB Asset Composition

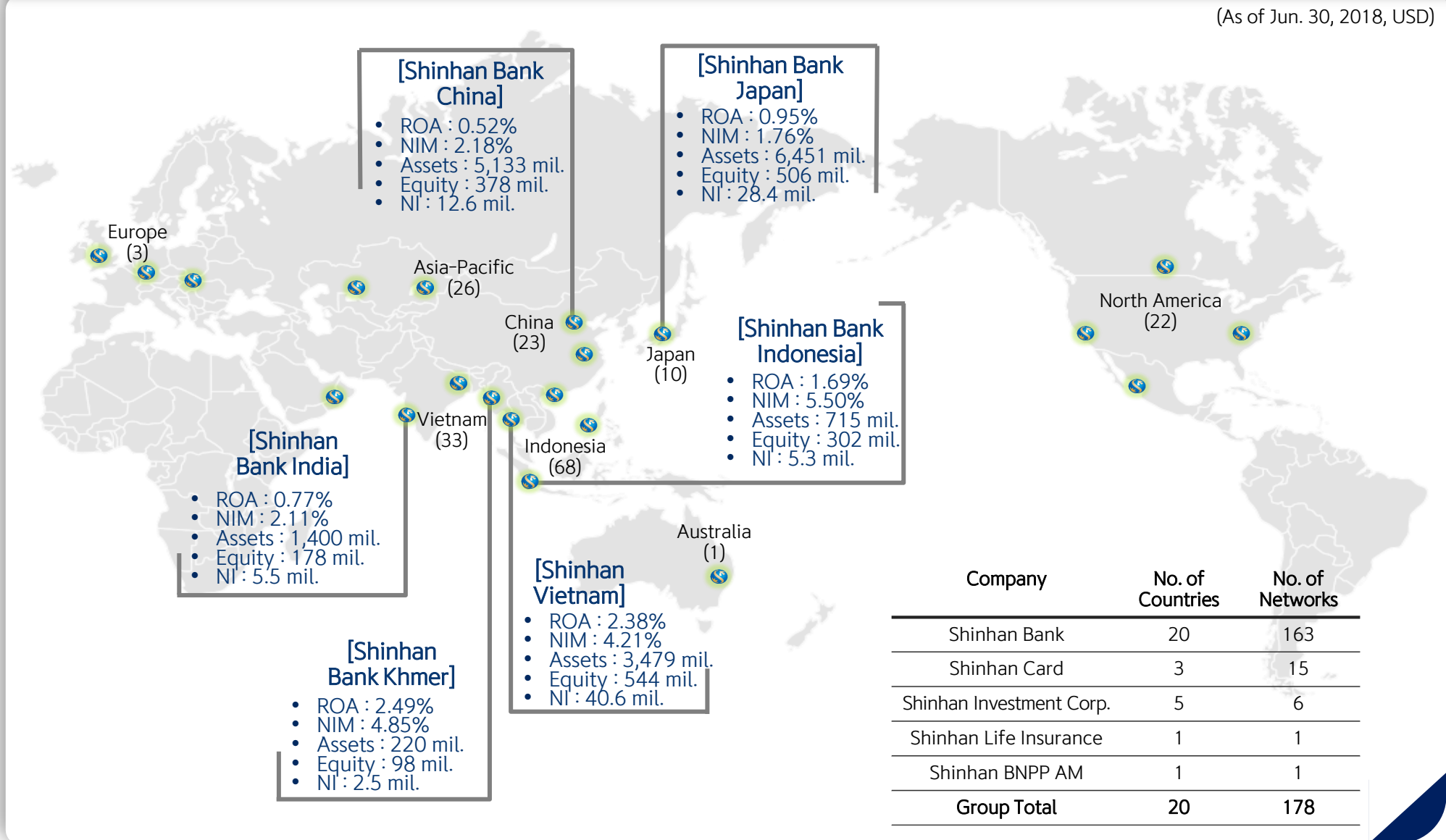




2020 SMART Project – Globalization

SFG Global Networks : 20 Countries, 186 Networks

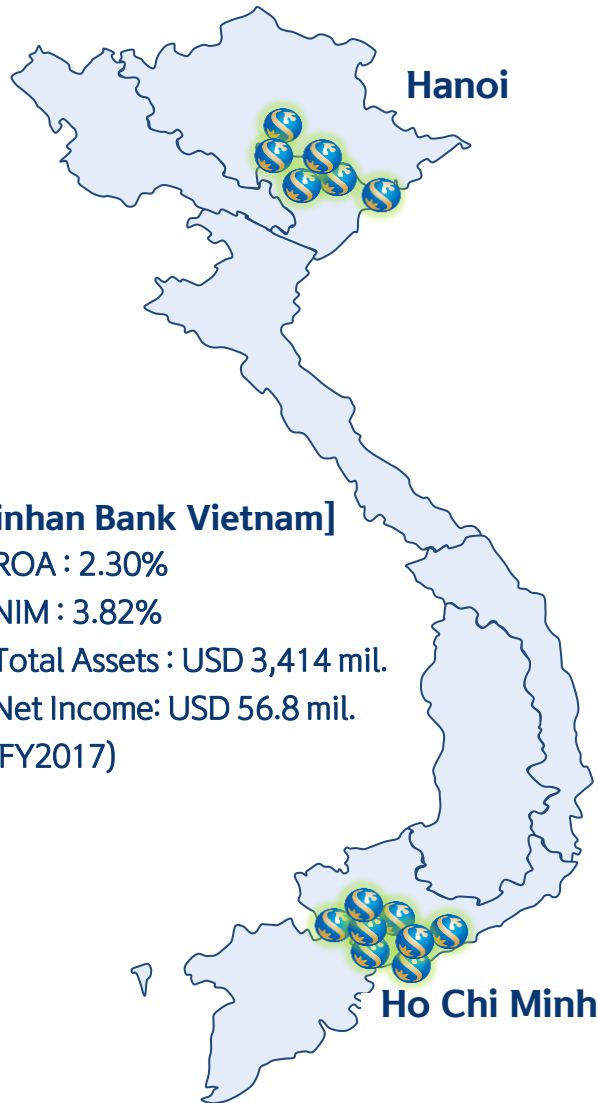
(As of Jun. 30, 2018, USD)



Company	No. of Countries	No. of Networks
Shinhan Bank	20	163
Shinhan Card	3	15
Shinhan Investment Corp.	5	6
Shinhan Life Insurance	1	1
Shinhan BNPP AM	1	1
Group Total	20	178



Shinhan's Presence in Vietnam



[Shinhan Bank Vietnam]

- ROA : 2.30%
- NIM : 3.82%
- Total Assets : USD 3,414 mil.
- Net Income: USD 56.8 mil. (FY2017)

• 2nd Largest foreign Bank in Vietnam

(in terms of Net Profit & Loans)

• Largest network base among foreign banks

(29 Networks : Bank 26, Card 1, Investment 1, Life Insurance 1)

• Experiences over 20 years in Vietnam

1993

2011

2015

Established Presence (Multi-block Strategy)

Achieved economy of scale

Localization & Synergy Creation

- JV with Local Bank (Vietcom Bank, 50:50)
- Rep. office → Branch → Subsidiary

- Acquired 50% stake of JV & merged with Subsidiary

- Joint expansion with Group subsidiaries
- Acquisition of ANZ Vietnam Retail Division (2017)
- Acquisition of Prudential Vietnam Financial Company (2018)

• Joint expansion with group subsidiaries

1) Credit Card : 11th out of 32 credit card companies

2) Brokerage : Acquired local Brokerage company,

Launched Shinhan Securities Vietnam(2016)

3) Life Insurance : Established Representative office(2015)

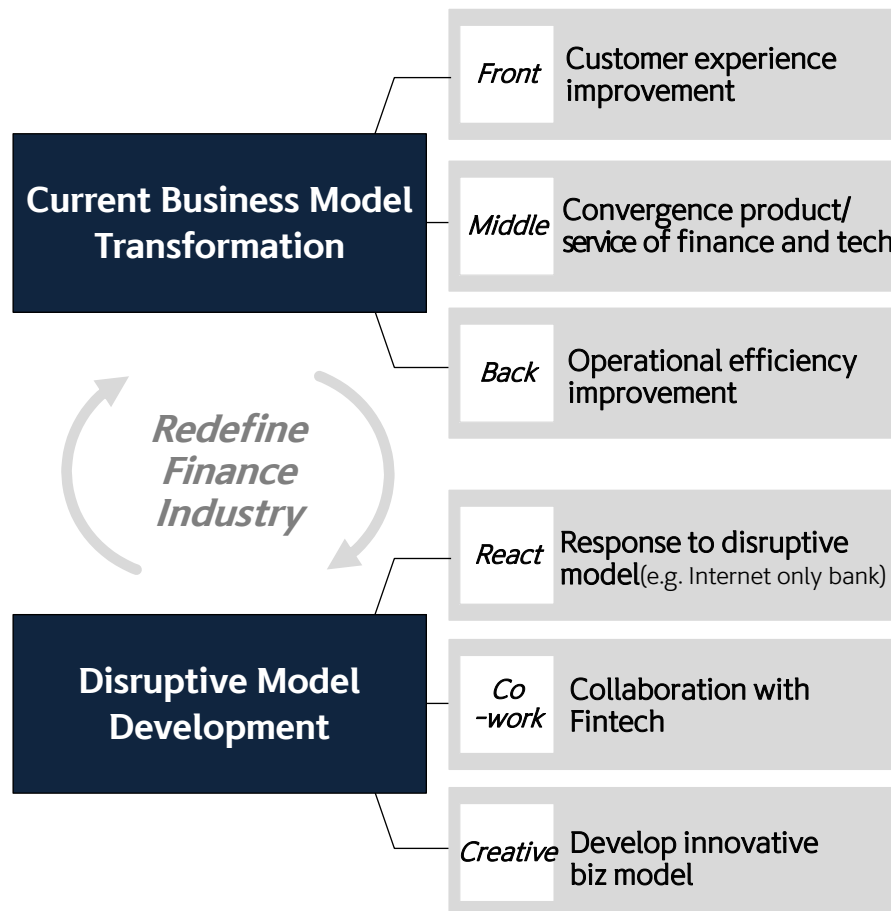
4) Consumer Finance : Acquired ANZ Retail Division(2017), PVFC(2018)

2020 SMART Project – Digital Transformation

In order to perfect 2020 SMART Project and take the Group business model to a next level, SFG established “Digital Shinhan” upgrade plan : 2 Tracks + 10 Enablers.

Shinhan Financial Group Digital Strategy

2 Tracks for DT Strategy



10 Enablers for Digital Transformation

- ① Digital Technology AI/IoT, Blockchain, Open Innovation, Cloud, DX(Digital Experience)
- ② Human Resources Development Digital specialists training program, Education
- ③ Recruiting, Industry-academy coop. Securing professionals, Industry and academy cooperation
- ④ Way of work, Culture Agile, Test & Learn, Magnanimity to new trials and failures
- ⑤ Organization, Governance Chief Digital Officer(CDO), Matrix system, Shinhan digital campus
- ⑥ Enhance & Connect Platform Renewal financial platform, Connect non-financial platform
- ⑦ Partnership, Joint Venture Partnership with ICT / retail leaders, Construct Digital ecosystem
- ⑧ Intellectual Property 'Digital Shinhan' intellectual property
- ⑨ Strategic Roadmap, Change Management Define strategic destination, 'To-Be', Prioritization of plans, Communications
- ⑩ Regulatory Reform Improvement of company regulations, Persuade authorities

Current Business Model Transformation

01

Customer Experience Improvement

- Understanding and communicating with customers as individuals
- Providing excellent customer experience in digital (Single View, Seamless Omni Channel)



SOLBank
- Shinhan Bank



FAN
- Shinhan Card

02

Convergence Products / Services

- Digitally specialized, mobile, convergence products and services



Geo Fencing Card Linked Offer Service
- Shinhan Card

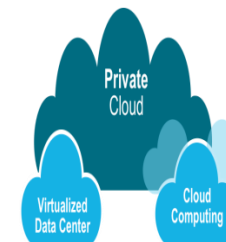


Bigdata-based Affiliate Marketing Platform(MyShop)
- Shinhan Card

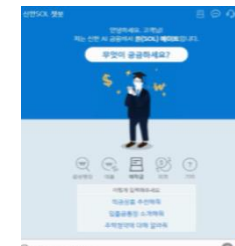
03

Operational Efficiency Improvement

- Achieving high efficiency in channel and operation via digital technology
- Optimization of channel, risk management, FDS¹⁾, RPA¹⁾, chatbot



Building and expanding private and public Cloud



Chatbot
- Shinhan Bank

Note 1) FDS : Fraud Detection System / RPA : Robot Process Automation

Disruptive Model Development

01

Response to Disruptive Model

- Providing Extreme customer convenience and substantial benefit
- Enhancing product/service/platform competitiveness



Launching preemptive services: Auto loan, digital deposit



Maximize convenience of existing products / services

02

Collaboration with Fintech

- Developing collaborative models through the creation of fintech ecosystem in Shinhan
- Building open innovation platform



Shinhan Future's Lab 2.0 (61 startups) - Expanding globally

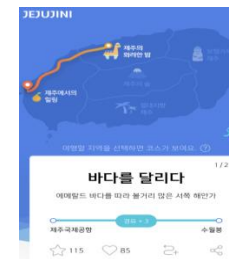


Open Innovation - Advancement in group API platform & building digital ecosystem

03

Innovative Biz Model Development

- Shinhan's unique digital business model development
- Connecting life platform via digital technology

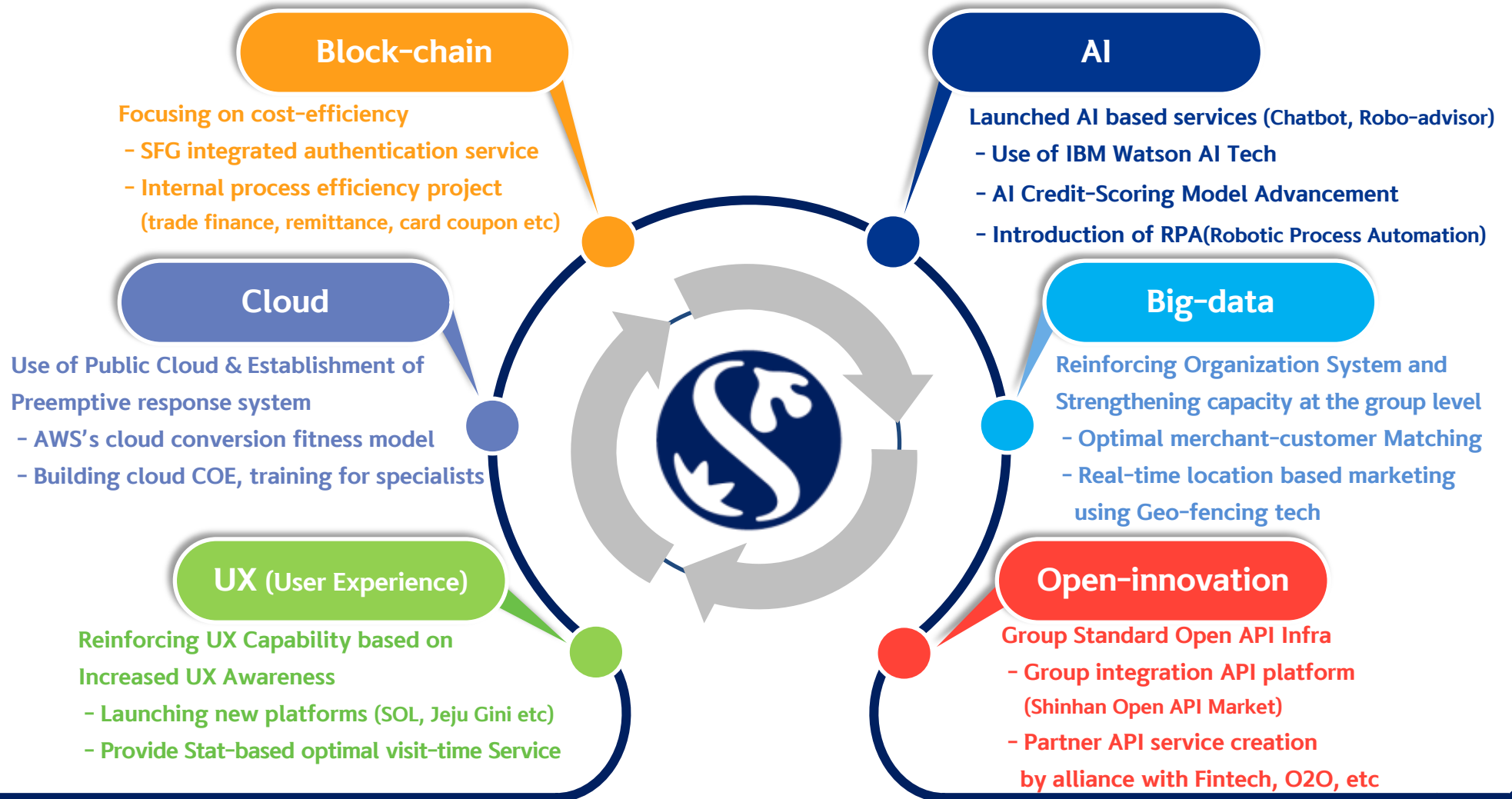


Non-financial platform - New biz service in Travel (Jeju-jini)



Participation in the third internet banking business

Business Areas with Key Digital Technologies



External Partnership

● Need for Collaboration with Competitors

Collaboration/alliance with other industry leaders is an essential capability under the regulation of 'separation of industrial and financial capital'

【SFG Major Alliances】

Global ICT	amazon webservices PayPal	Elec- tronics	SAMSUNG ELECTRONICS LG Electronics
Telecom	LG U+	Commerce	GS Retail GS 25
Portal	NAVER	Game	NCSoft
Messenger	TALK LINE	Shared Platform	SOCAR UBER Hotels.com

Creating Fintech Ecosystem

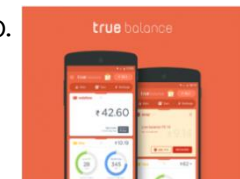
● Shinhan Future's Lab

『Shinhan Future's Lab』 is an Industry-first Fintech support program and Shinhan reinforces its alliances by nurturing and investing in promising start-ups

Country	Order	No. of Companies	Related Fields	Co-work Companies
Korea	1st(2015)	7	P2P, Block Chain, etc	5
	2nd(2016)	16	AI, Robo-Advisor, etc	9
	3rd(2017)	17	Platform Contents, etc	10
	4th(2018)	21	VR/AR, Insurance Tech, Security, etc	3
Vietnam	1st(2017)	5	Payment, e-Wallet, etc	-

● Shinhan Future's Lab Development

- Investment of KRW 8.1 bil. in 21 Future's Lab companies
 - Current Market Valuation : KRW 200 bil.
- Investment of KRW 51 bil. in promising start-ups
 - Direct investment KRW 14 bil., indirect Investment KRW 37bil.
- Case : Balance Hero (Financial Service APP in India)
 - KRW 3.8 bil. Investment in global Fintech Co.
 - 40 million current customers in India



SFG promotes efficiency of ICT infrastructure through various projects using new digital technologies and the expected cost reduction is estimated to be KRW 64 bil. in 2018 and KRW 100 bil. in 2020.

Cost-down through Digital Transformation

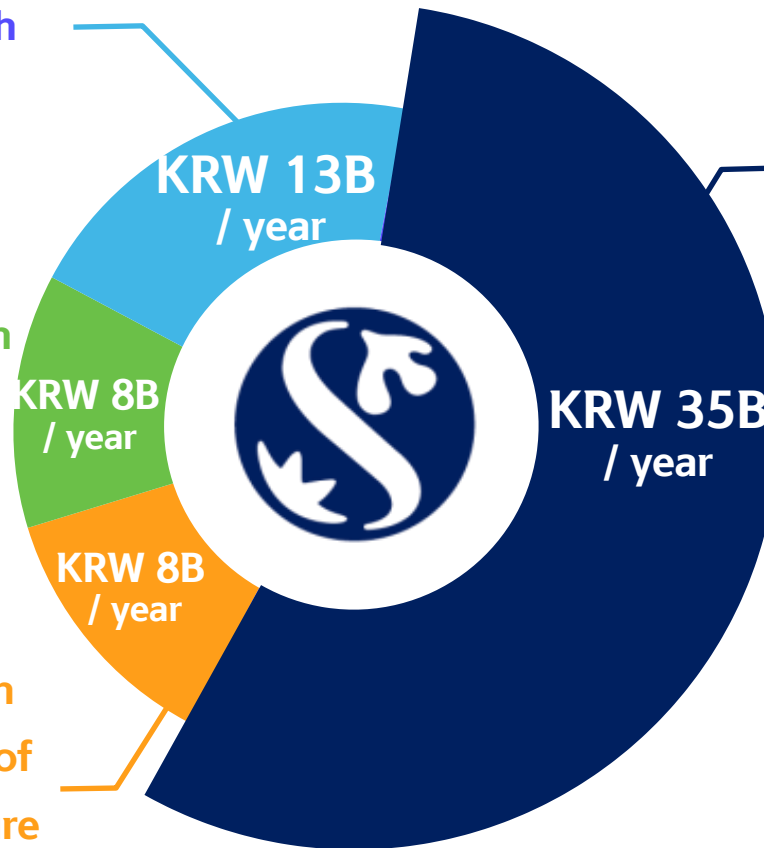


**Digitalized
Communication with
Customer**

**RPA & Digital
Business Automation**



**Cloud Migration
& Efficient use of
ICT infrastructure**



**Introduction of Paperless,
Digital Branch,
Online Account Opening**



Shinhan Financial Group

01

1-1 Overview

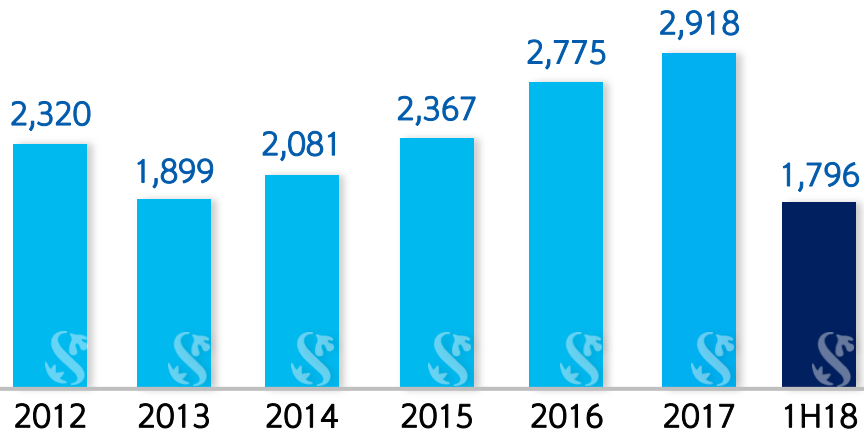
1-2 Vision, Strategy & Core Capability

1-3 Project 2020

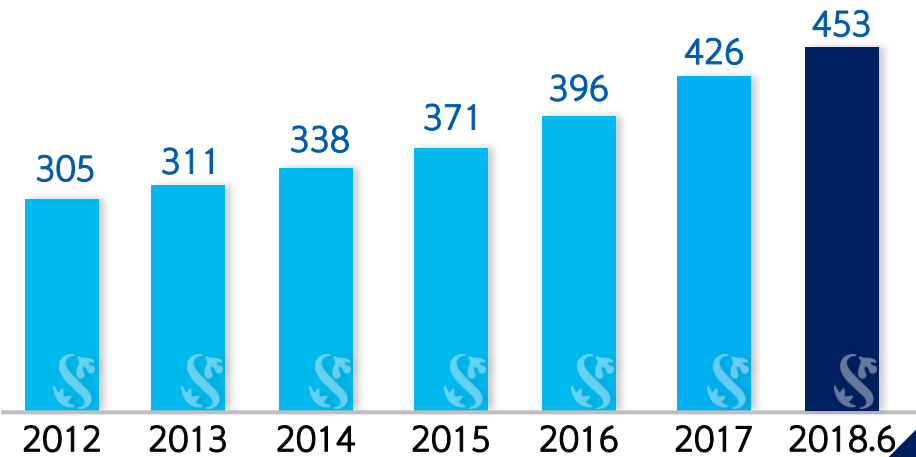
1-4 Financial Highlights

Shinhan Financial Group – Financial Highlights

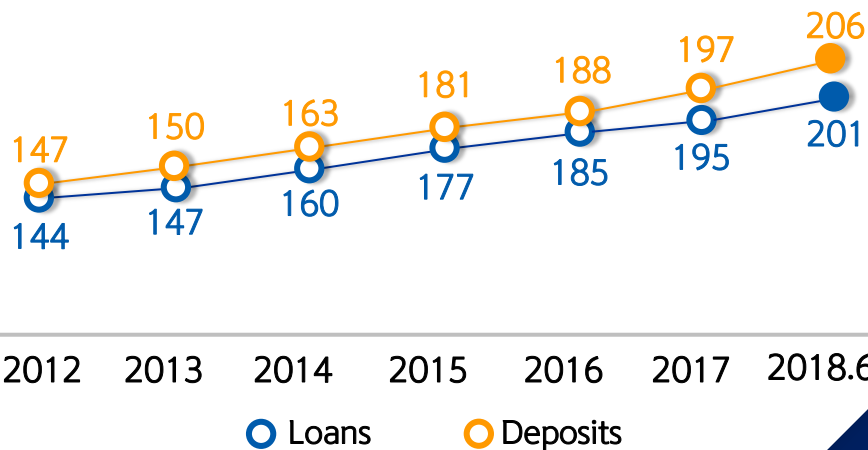
Group Consolidated NI (KRW billion)



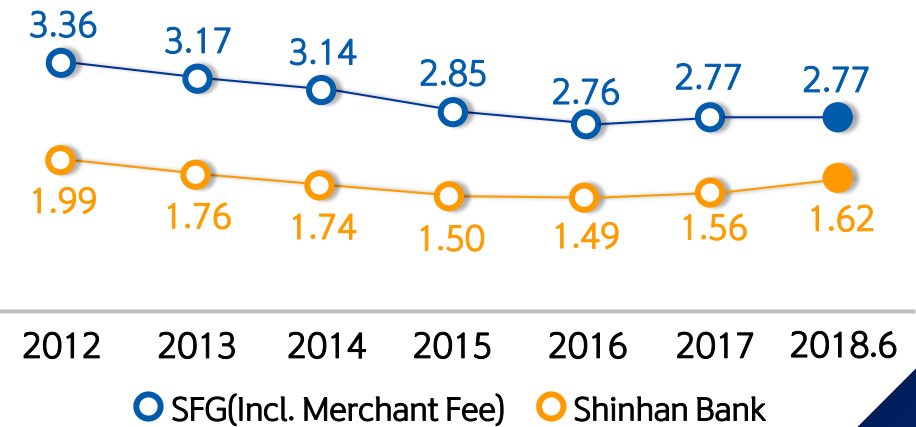
Group Consolidated Assets (KRW trillion)



Loans and Deposits of SHB (KRW trillion)

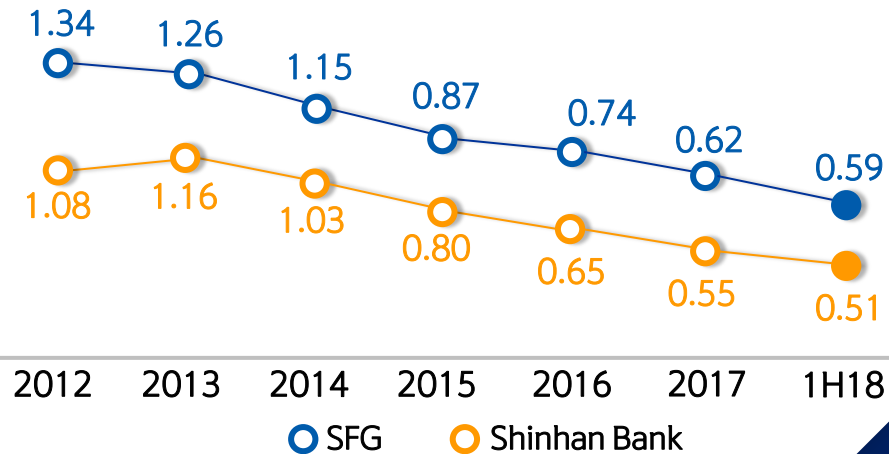


Net Interest Margin (NIM) (%)

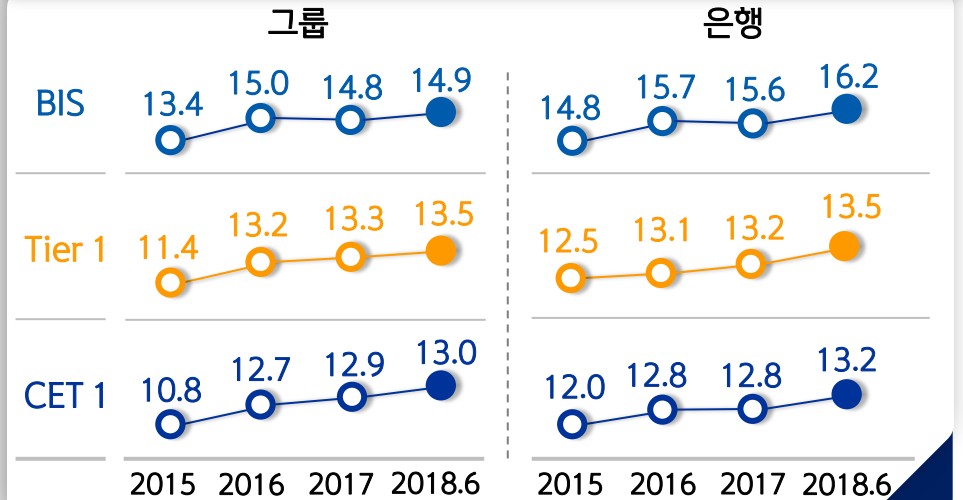


Shinhan Financial Group – Financial Highlights

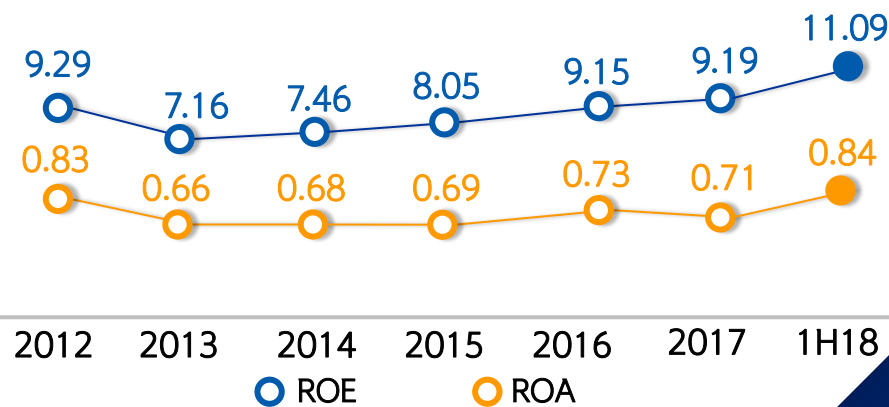
NPL Ratio (%)



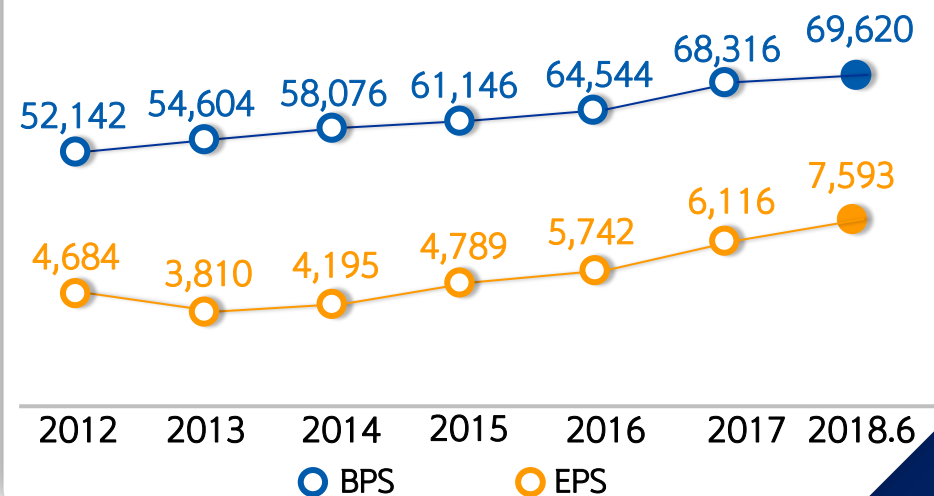
Capital Adequacy (%)



ROA / ROE (%)



BPS / EPS (KRW)



Companies in the Group

02

2-1 Shinhan Bank

2-2 Shinhan Card

2-3 Shinhan Investment Corp.

2-4 Shinhan Life Insurance

2-5 Shinhan BNP Paribas
Asset Management

2-6 Shinhan Capital

2-7 Jeju Bank

2-8 Shinhan Savings Bank

2-9 Shinhan Data System

2-10 Shinhan AITAS

2-11 Shinhan Credit Information

2-12 Shinhan Private Equity

2-13 Shinhan REITs Management

Shinhan Bank – Company Overview

Corporate Profile

(As of June 30, 2018)

Shinhan Bank is the flagship company of SFG.

* Total Asset KRW 382.8 trillion¹⁾

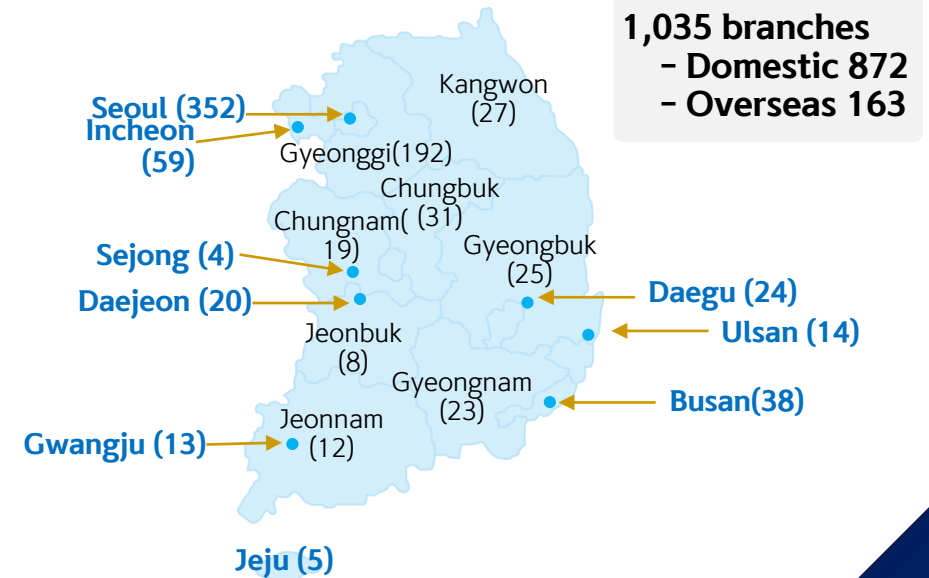
* 1H2018 Net Income : 1,271.8 billion (Consolidated)

1) Total Asset : Banking Account (Separate) + Merchant Banking Account + Trust Account

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

Network

(As of June 30, 2018)



Key Milestones





Balanced Loan Portfolio

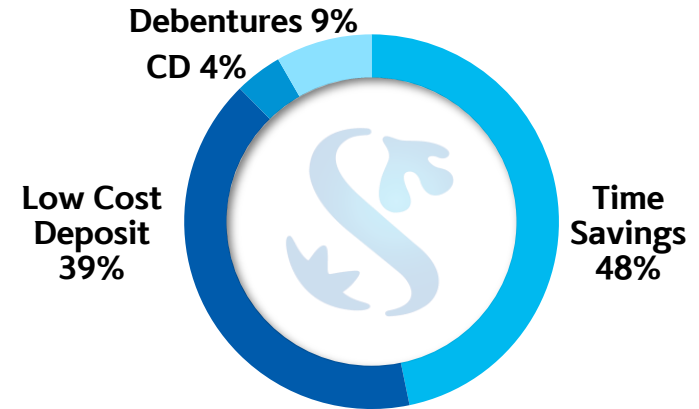
| Loan Composition



Note) Based on Loan in Korean Won

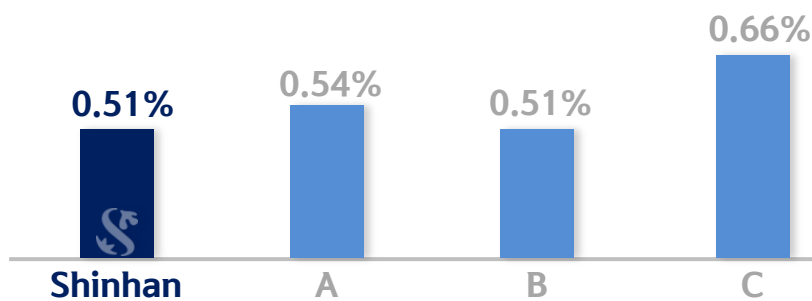
Stable Funding Base

| Funding Composition



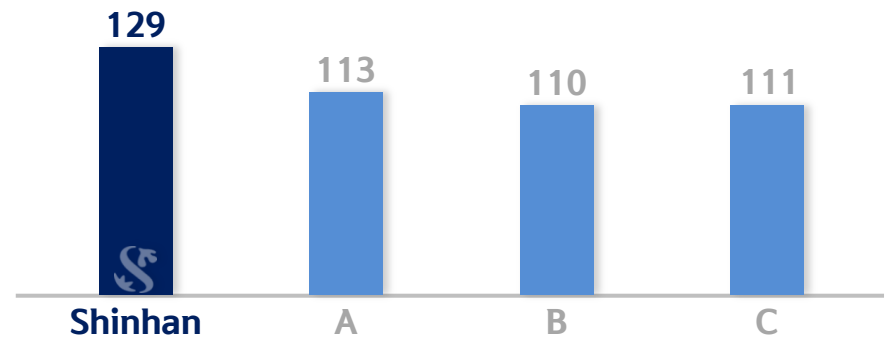
Outstanding Risk Management

| NPL Ratio Comparison



High Per-Capita Productivity (KRW million)

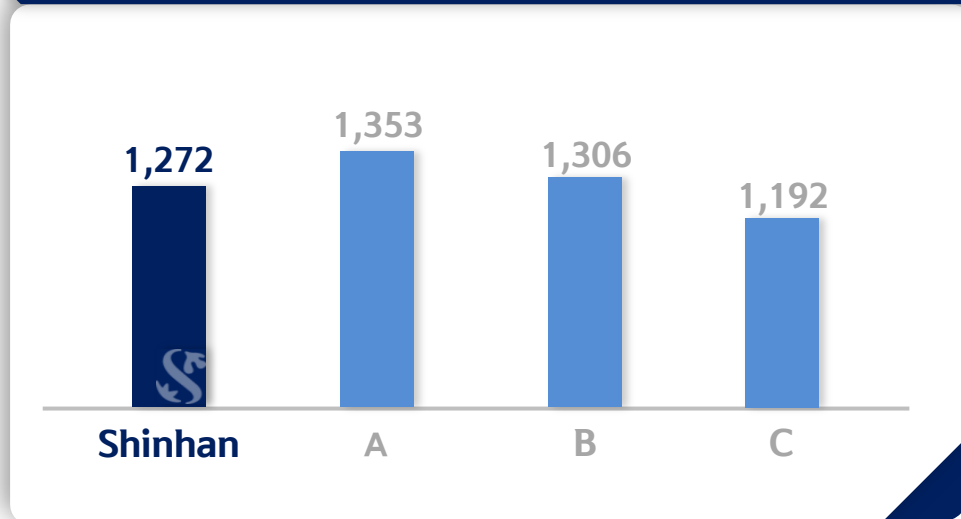
| Per-Capita Pre-provisioning Income (Domestic)



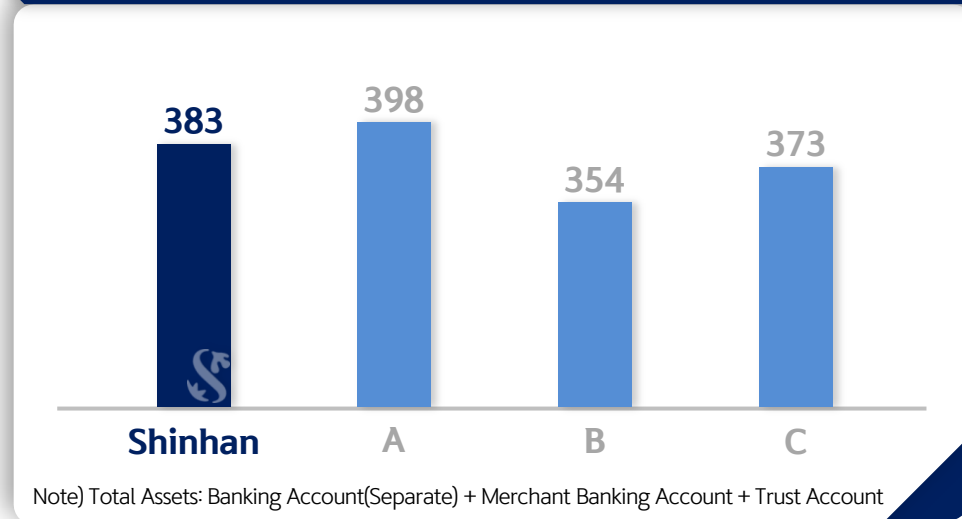


Shinhan Bank – Market Position (As of June 30, 2018)

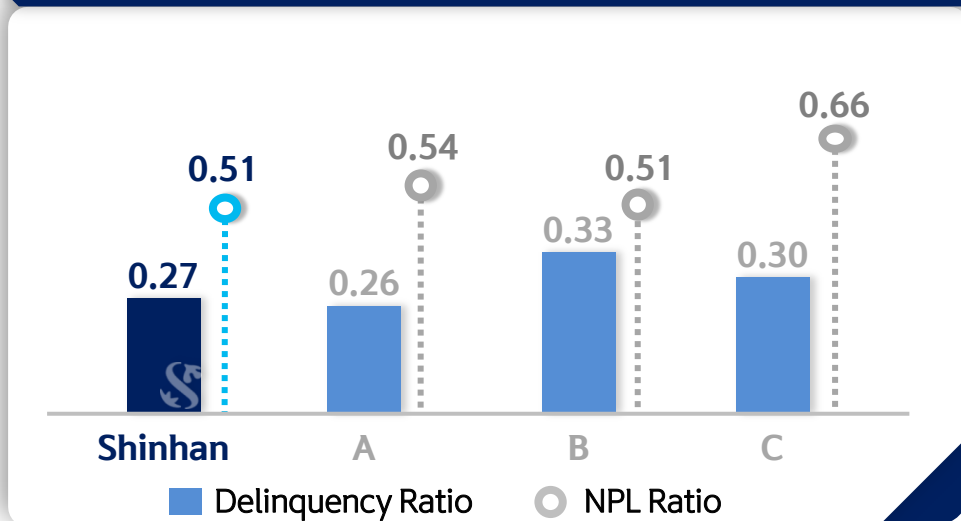
Consolidated Net Income (KRW billion)



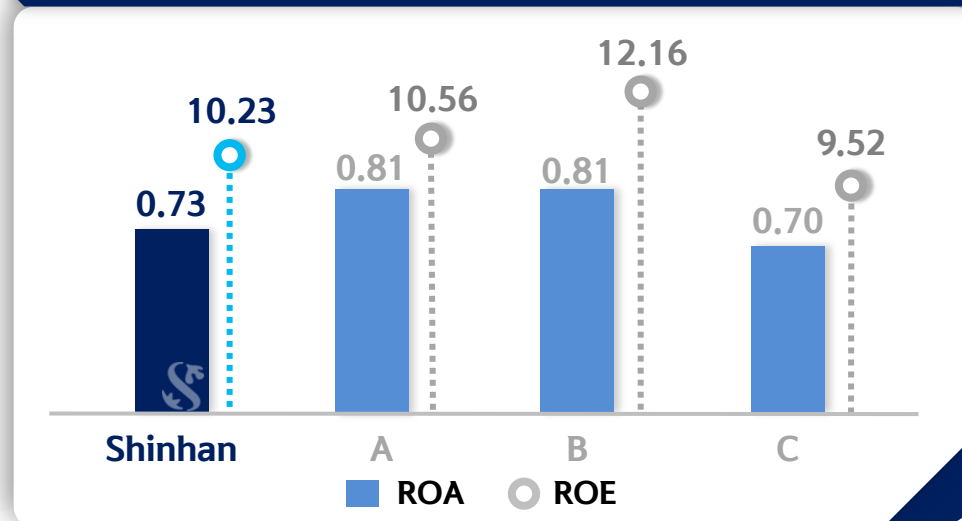
Total Assets (KRW trillion)



Asset Quality (%)



ROA / ROE (%)

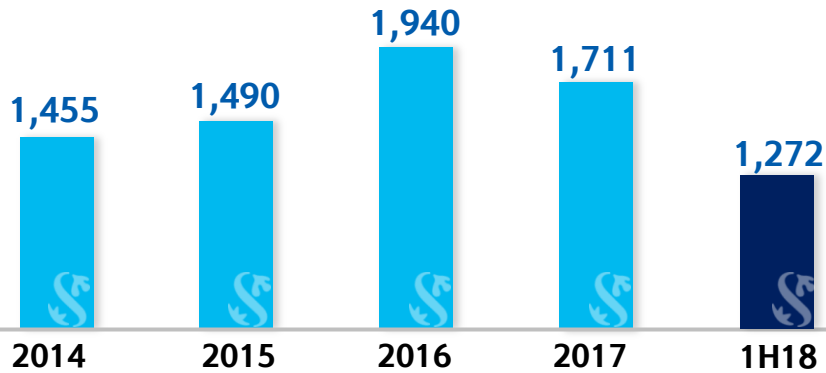




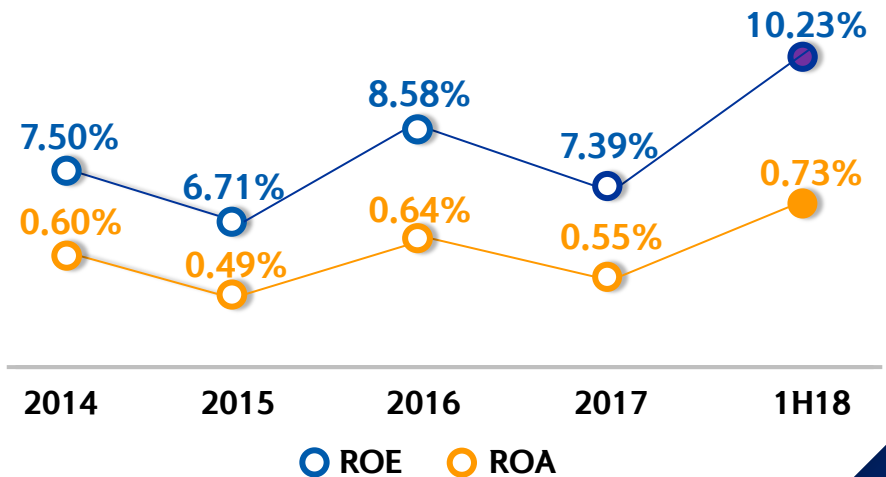
Shinhan Bank – Financial Highlights (As of June 30, 2018)

Net Income

(KRW billion)

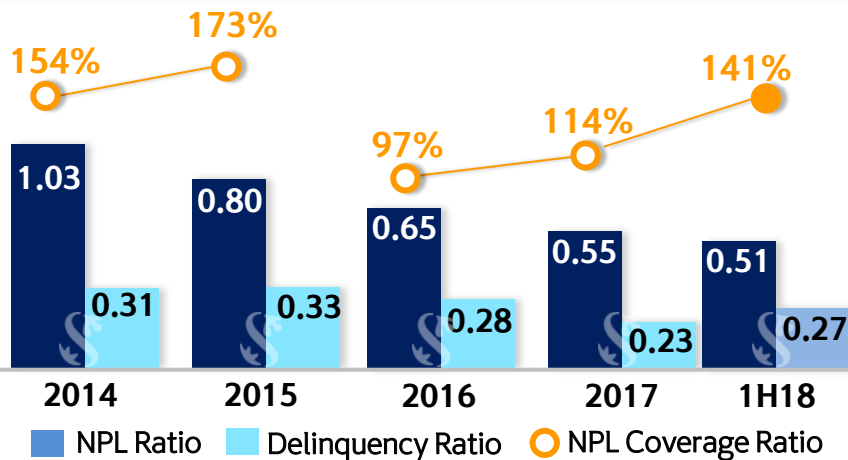


Profitability (ROA, ROE)



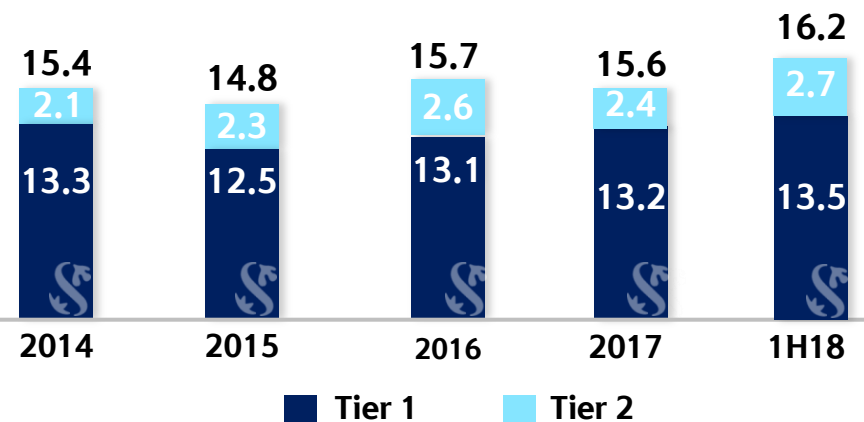
Asset Quality

(%)



Capital Adequacy

(%)



Note) Due to regulatory changes, calculation methodology for NPL Coverage Ratio has been revised since FY2016

Companies in the Group

02

2-1 Shinhan Bank

2-2 Shinhan Card

2-3 Shinhan Investment Corp.

2-4 Shinhan Life Insurance

2-5 Shinhan BNP Paribas
Asset Management

2-6 Shinhan Capital

2-7 Jeju Bank

2-8 Shinhan Savings Bank

2-9 Shinhan Data System

2-10 Shinhan AITAS

2-11 Shinhan Credit Information

2-12 Shinhan Private Equity

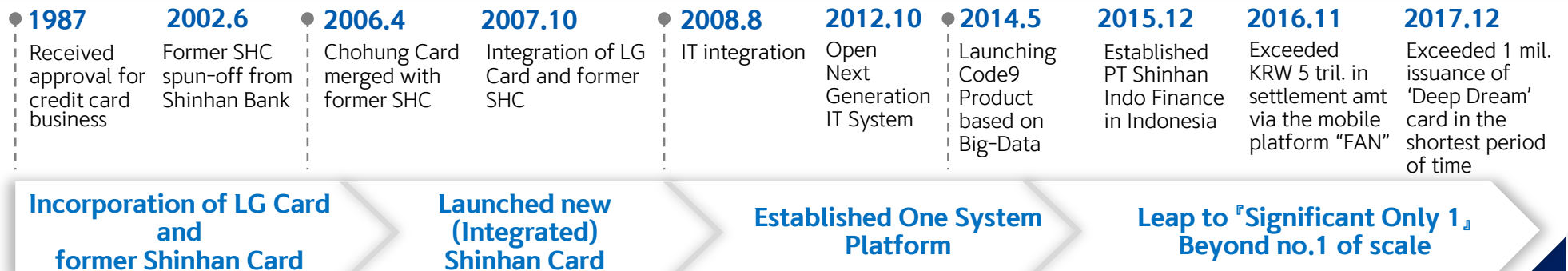
2-13 Shinhan REITs Management

Number 1 Credit Card Company in Korea

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.



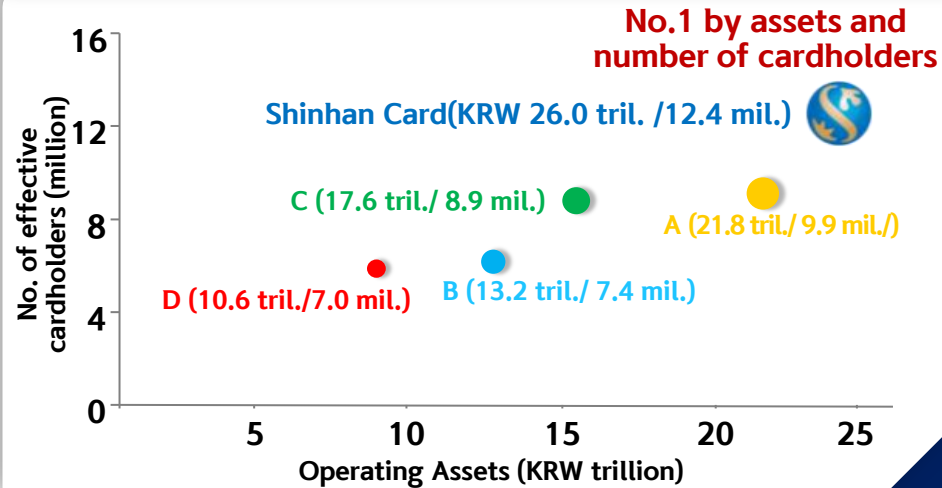
회사 연혁





Shinhan Card – Market Position (As of June 30, 2018)

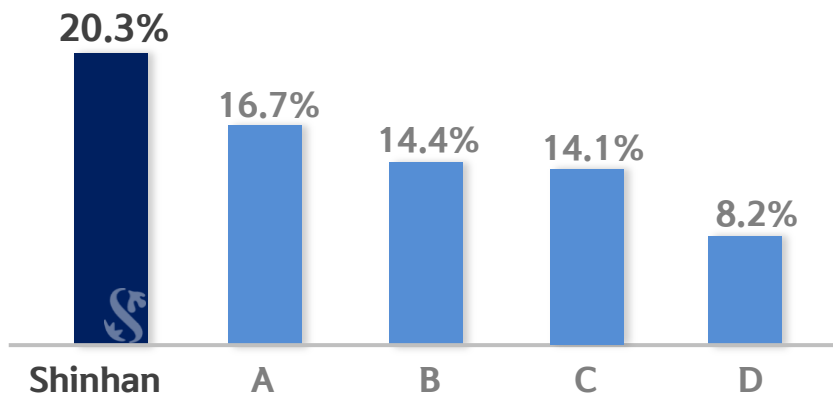
Operating Assets and Cardholders



Credit Rating

	Shinhan Card	A	B	C	D
Domestic	AA+	AA+	AA+	AA+	AA
Moody's	A2	-	-	-	-
S&P	A-	-	-	BBB+	-
Fitch	A-	-	A-	BBB	-

M/S by Credit Purchase Volume



Bona fide No.1 Credit Card Company in Korea



2018.03 Korea Brand Power Index(K-BPI), No. 1 brand for 7 consecutive years

2018.02 Awarded the "Most Admired Company in Korea"

for 11 consecutive years

2017.11 Awarded the Grand Prize for 9 consecutive years by GPTW Institute

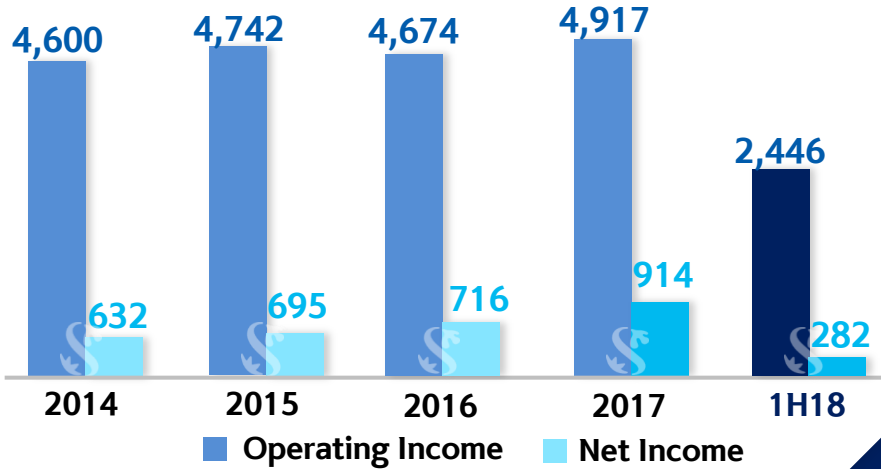
2017.07 Premium Brand Index (KS-PBI), 1st for 8 consecutive years



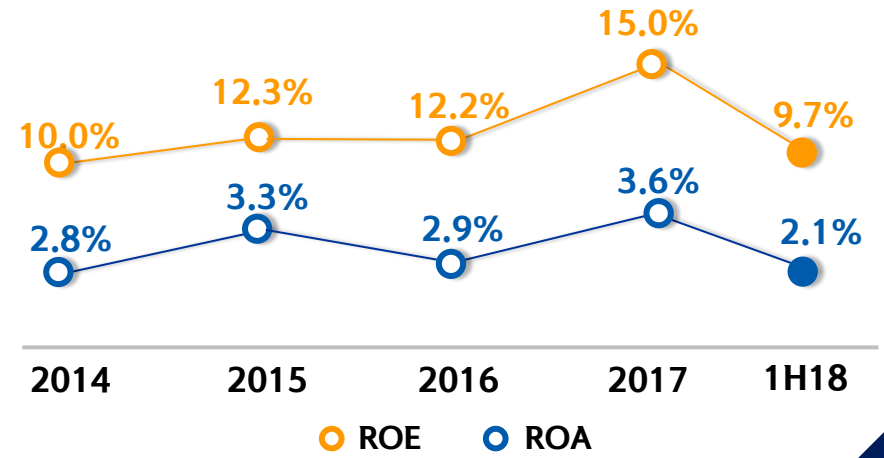
Shinhan Card – Financial Highlights (As of June 30, 2018)

Operating Revenue & Net Income

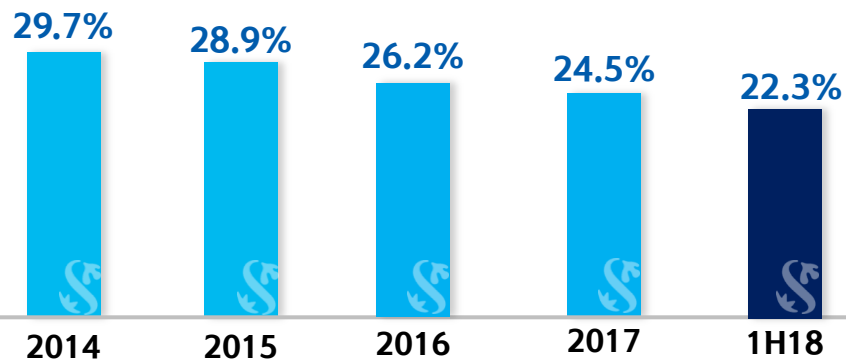
(KRW billion)



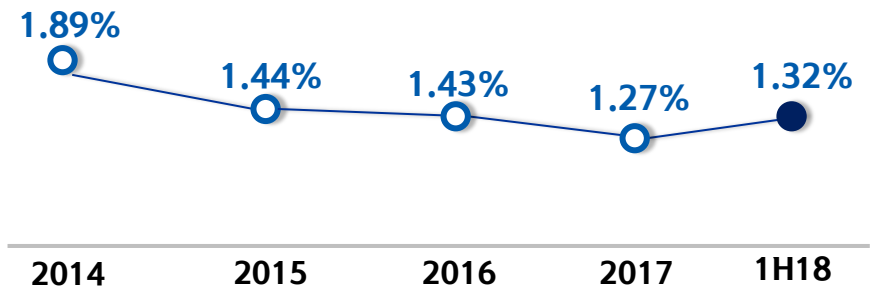
ROA, ROE



Adjusted Equity Capital Ratio



Delinquency Ratio¹⁾



1) 1 month and over delinquent

Companies in the Group

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2-13 Shinhan REITs Management



Overview

● Company Overview

Shinhan Investment Corporation is an integrated Financial Investment Company to respond to the changes in the financial market incurred by the enactment of the Financial Investment Services and Capital Market Act.

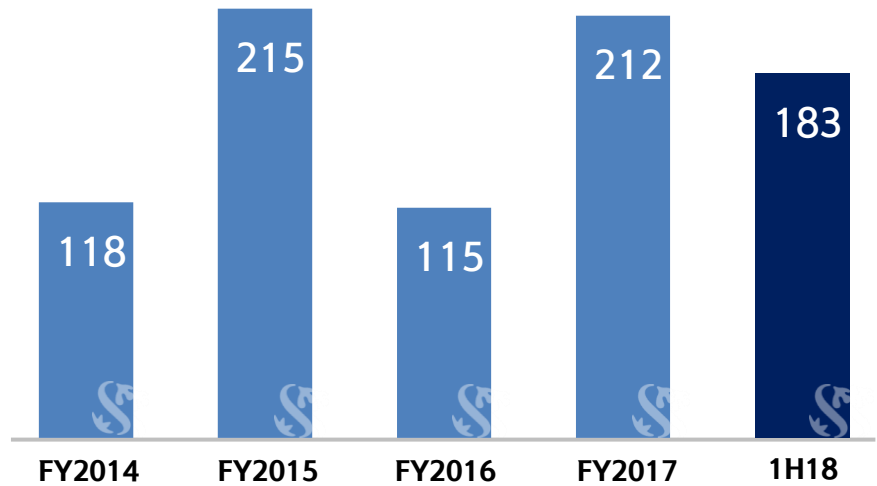
● Key Milestones

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 Corp.'
2015.07	Acquired a Vietnamese securities services firm
2016.07	Acquired an Indonesian investment banking firm
2017.03	Received approval for 'Integrated Investment Management Services'
2018.06	Received highest credit ratings (Moody's A3, S&P A-)
2018.07	Service Quality Index(KS-SQI), 1 st within the industry

Growth Trend

(KRW billion)

● Net Income (Consolidated)



Year	Total Assets (KRW billion)	Total Equity (KRW billion)	No. of Branches ¹⁾	No. of Customers (Thousands)
2013	19,098	2,236	93	2,079
2014	25,928	2,330	93	2,175
2015	24,337	2,526	92	2,247
2016	25,554	3,076	92	2,685
2017	28,644	3,253	92	3,089
2018.6	29,922	3,295	93	3,553

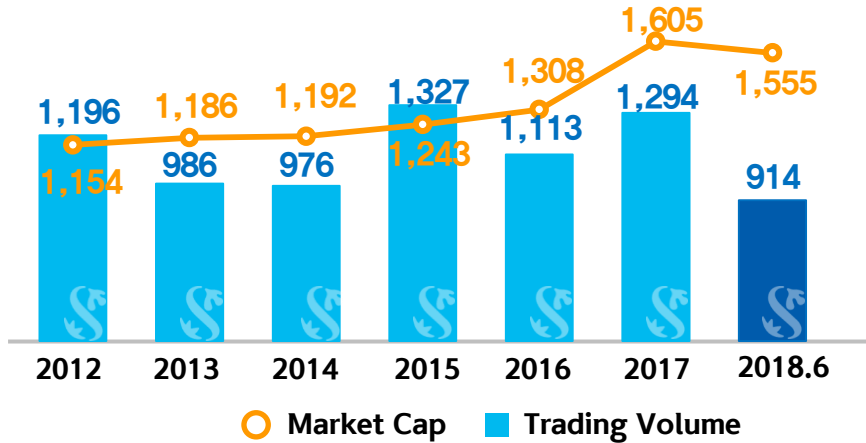
1) Excluding branches collocated within Shinhan Bank branches and PWM branches are included



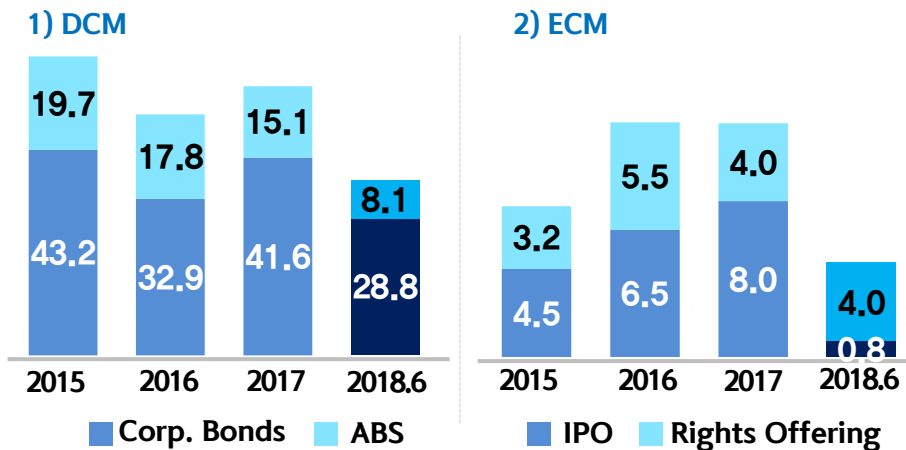
Industry Overview

(KRW trillion)

● Securities Market



● Capital Market



* Source) KRX

Market Position

● Market Share in Brokerage

	2016	2017	2018.6
Equities	5.6%	5.1%	5.6%
Futures	5.9%	6.7%	8.0%
Options	6.9%	6.7%	6.9%

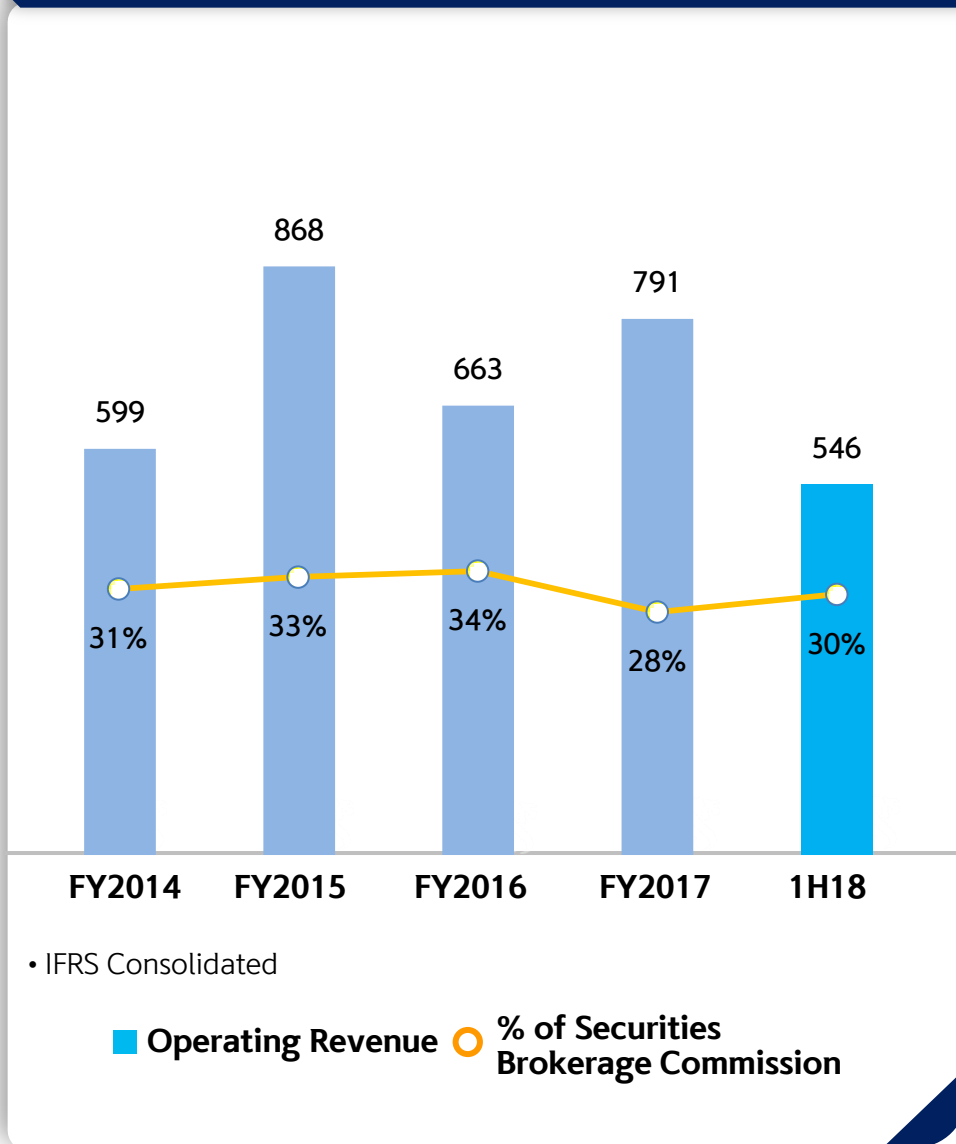
● Ranking of IB Business

	2016	2017	2018.6
ABS	(5)	(5)	(2)
Corp. Bonds	(7)	(6)	(5)
IPO	(7)	(8)	(8)

* Source) The Bell



Operating Revenue Trend (KRW billion)



Management Strategy

- **Strategic Objective :**
No. 1 Investment company in ASIA
“The best solution provider in the equity market”

Expand customer base through co-marketing

Digital platform and process innovation

Expansion of overseas business with tangible results

Strengthening GIB’s competitiveness

Provide Differentiated Investment Products

Nurture new businesses for future growth (PBS, HF, etc)

Advancement in asset management capabilities

Upgrade the management system for customer assets

Reinforce competencies of employees

Companies in the Group

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2-13 Shinhan REITs Management



Shinhan Life Insurance – Company Overview

Overview

● Company Overview (As of 1H 2018)

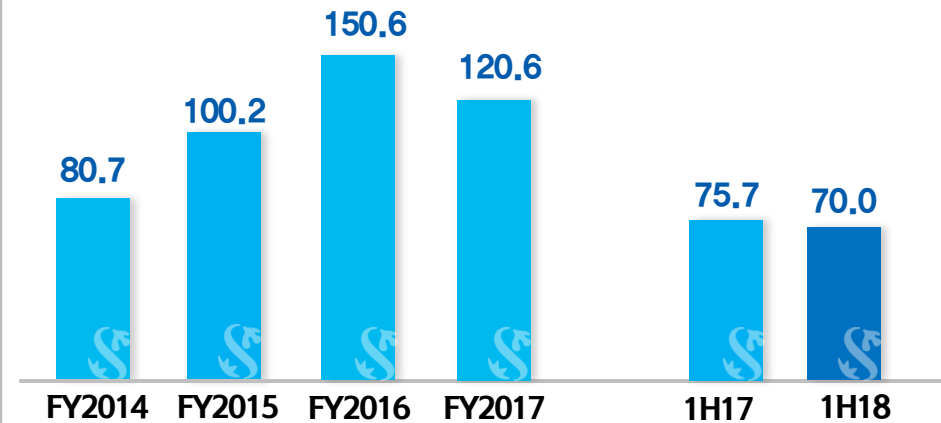
Shinhan Life Insurance provides sophisticated and customized insurance and financial services through diversified channels to meet customer needs.

• Key Milestones

1990.01	Shinhan Life Insurance established
1997.01	Started Tele-Marketing Sales
2003.09	Launched Bancassurance products
2005.12	Joined SFG as a subsidiary
2006.07	Launched Financial Full-service named as “Tops Club” for the first time in the industry
2008.11	Established new internal insurance management system
2013.10	Awarded the Excellence Prize in the Knowledge Category by Prime Minister (Ministry of Security & Public Administration)
2013.11	Awarded Harmonious Labor-Management Prize (Ministry of Employment and Labor)
2015.06	Established the overseas office in Hanoi, Vietnam
2015.12	Consumer Centered Management certification acquired from Korea Consumer Agency
2018.05	Acquired AAA, top rating for Insurance solvency for 10 consecutive years

Net Income and Financial Positions (KRW billion)

● Consolidated Net Income Trend



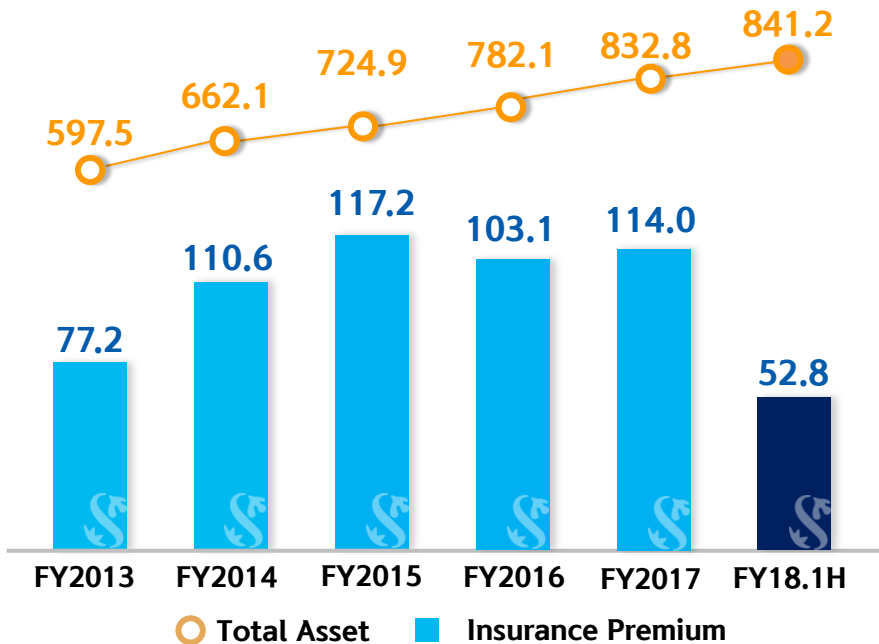
(KRW billion)	FY2015	FY2016	FY2017	2018.6
Distributors	10,884	8,983	8,579	8,073
YTD(%)	5.5	-17.5	-4.5	-5.9
Premium	4,788	4,871	4,825	2,329
YoY(%)	3.9	1.7	-1.0	-4.3
Total Assets*	24,545	27,501	29,719	30,564
YTD(%)	11.9	12.0	8.1	2.8

* Consolidated



Shinhan Life Insurance – Industry Overview & Market Position

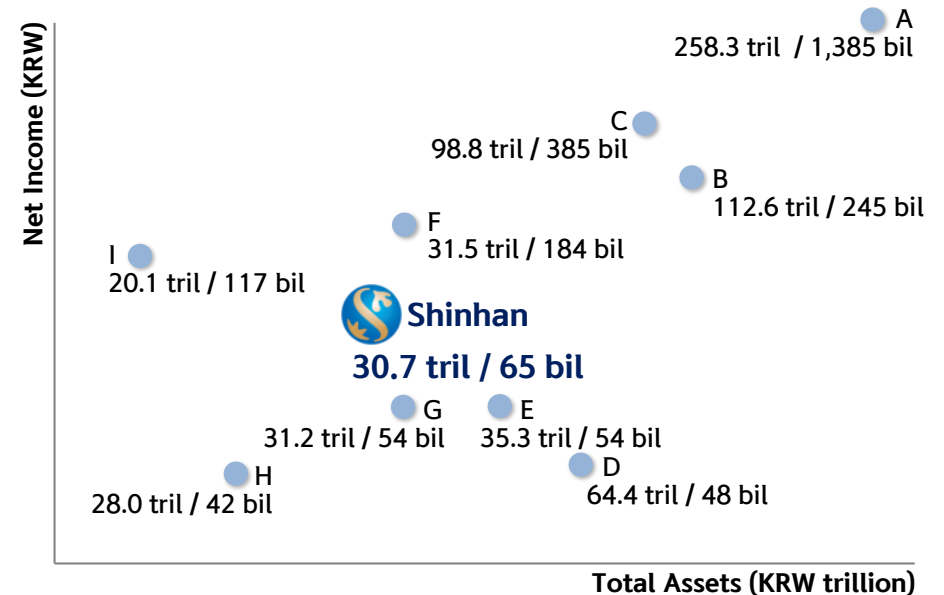
Insurance Industry Overview (KRW trillion)



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

- Industry-wide insurance premiums decreased by 5.7% YoY to KRW 52.8 trillion
- Total assets increased by 1.0% YTD to 832.8 trillion

Market Position



Notes) As of 1H 2018 (Net Income: Jan. – June, 2018)
Source : Korea Life Insurance statistics, Top 10 based on total assets (Based on Separate Financial Statements)

- Total assets of Shinhan Life increased by 3.4% YoY marking KRW 30.7 tril. as of 1H 2018 (8th largest)
- Net income decreased by 14.2% YoY to KRW 64.9 billion (6th among Top 10 life insurance companies)



Shinhan Life Insurance – Financial Highlights (As of June 30, 2018)

Condensed Income Statements

KRW billion, %		FY2015	FY2016	FY2017	FY18.1H
Insurance	Insurance Margin	1,584.9	1,618.3	1,402.9	508.5
	Premium Income	4,426.6	4,566.2	4,562.0	2,210.6
	Claims Paid	2,841.8	2,947.9	3,159.1	1,702.0
Net Investment Income		769.7	811.4	833.0	414.7
Policy Reserve (△)		2,277.5	2,325.0	2,147.1	894.9
Operating Income		77.0	104.7	88.7	28.4
Non-operating Income		53.6	48.2	73.9	61.1
Net Income before tax		130.6	152.9	162.6	89.4
Net Income		98.7	150.1	121.2	64.9

Policies in Force ^{NOTE)}

KRW billion, %		FY2017	(%)	FY18.1H	(%)
General Accounts	Individual Insurance	113,587	98.5	114,348	98.6
	Pure Endowment	13,156	11.4	12,514	10.8
	Against Death	89,512	77.6	91,446	78.8
	Endowment	10,920	9.5	10,389	9.0
	Group Insurance	577	0.5	537	0.5
	Sub total	114,164	99.0	114,885	99.0
Separated Account		1,135	1.0	1,107	1.0
Total		115,299	100.0	115,992	100.0

Note) based on subscription amount of an insurance contracts

Condensed Balance Sheets

KRW billion, %		FY2015	FY2016	FY2017	FY18.1H
General Accounts	Cash & Equivalent	1,828	1,454	1,165	1,128
	Securities	13,362	16,252	18,150	19,017
	Loans	5,297	5,541	5,780	6,159
	Others	1,583	1,516	1,590	1,433
Separated Account		2,474	2,738	3,041	2,997
Total Assets		24,543	27,501	29,725	30,735

Key Financials

%	FY2015	FY2016	FY2017	FY18.1H
RBC	204.2	178.3	175.4	199.6
ROA	0.42	0.58	0.42	0.43
ROE	6.45	9.17	7.06	7.41

Companies in the Group

02

2-1 Shinhan Bank

2-2 Shinhan Card

2-3 Shinhan Investment Corp.

2-4 Shinhan Life Insurance

**2-5 Shinhan BNP Paribas
Asset Management**

2-6 Shinhan Capital

2-7 Jeju Bank

2-8 Shinhan Savings Bank

2-9 Shinhan Data System

2-10 Shinhan AITAS

2-11 Shinhan Credit Information

2-12 Shinhan Private Equity

2-13 Shinhan REITs Management



Shinhan BNP Paribas AM – 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.

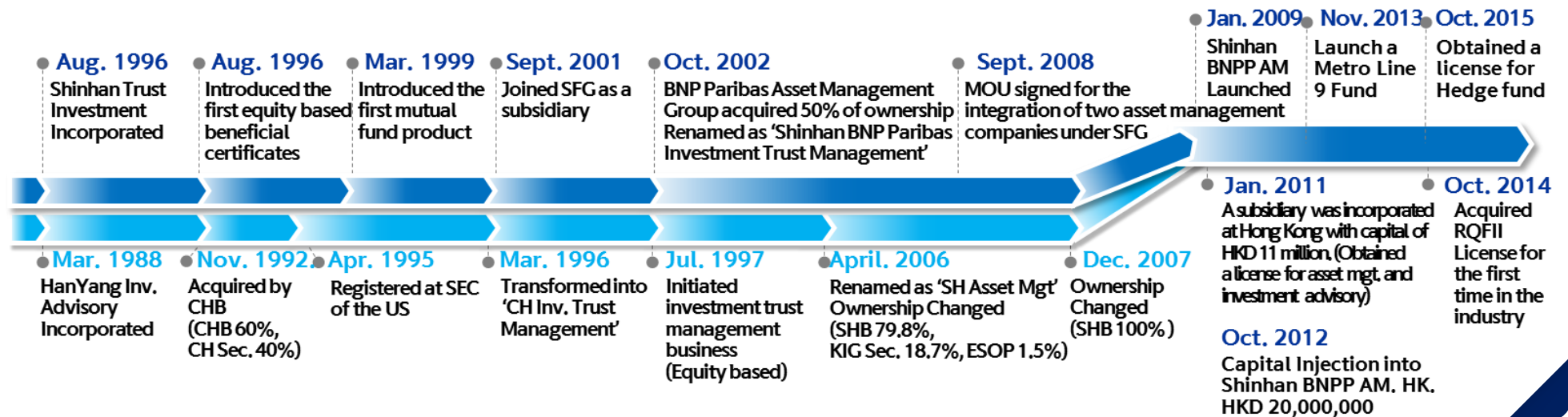
Shinhan BNP Paribas Asset Management has provided trustworthy asset management services to our clients for several years and showed fundamentally solid management skills and performance. Beloved 50 million people in Korea, We will strive to be recognized as the best asset management company in Korea.

Overview

(As of 1H 2018)

- **Incorporation** : August 26, 1996
- **Total Equity** : KRW 150.1 billion
- **Employees** : 204
- **Major Shareholders** : Shinhan Financial Group (65%),
BNP PARIBAS Asset Management Holding (35%)
- **AUM** : KRW 42.5 trillion (including discretionary accounts)

Key Milestone

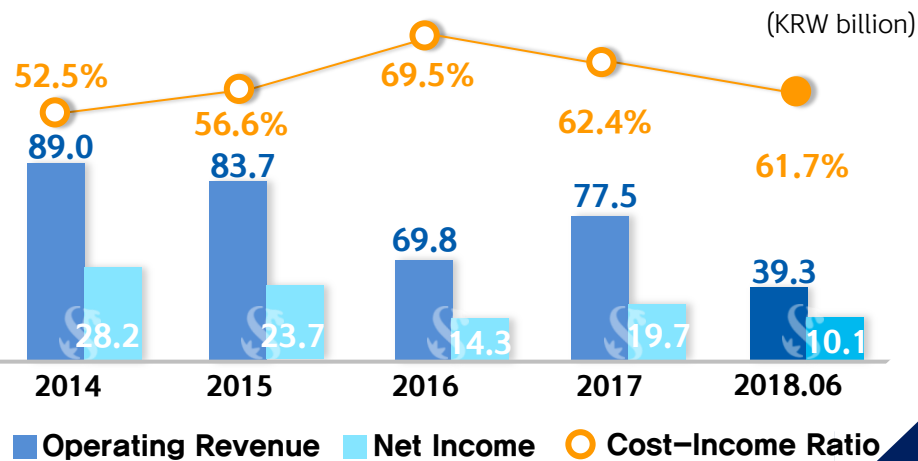




Shinhan BNP Paribas AM – Financial Highlights & Market Position

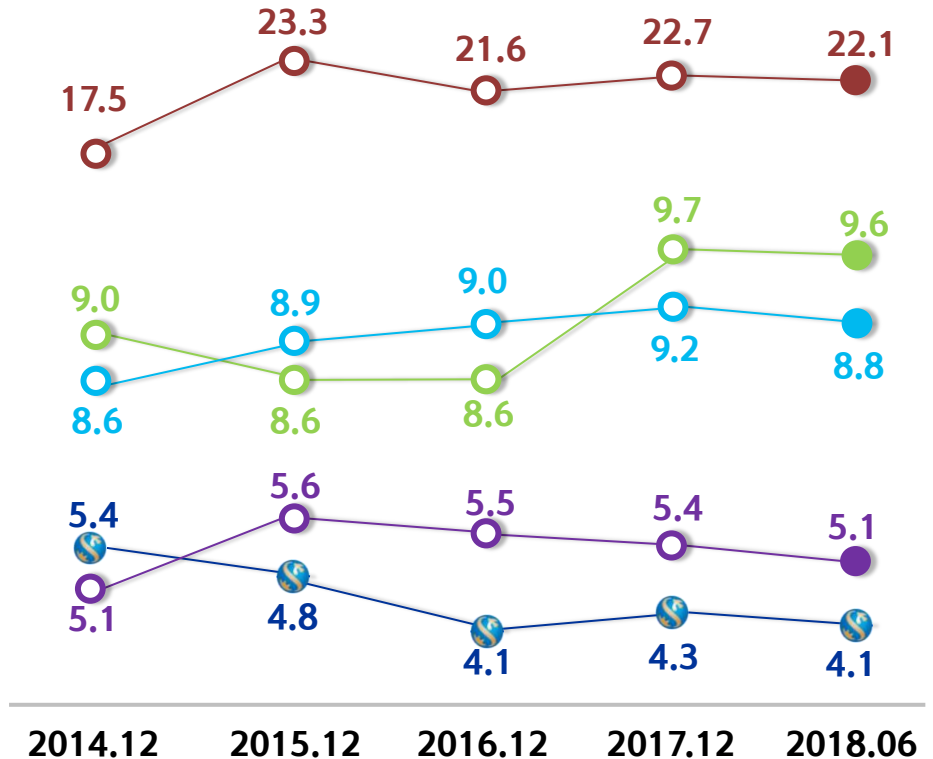
Financial Highlights

(KRW billion)	2014	2015	2016	2017	2018.06
Condensed IS					
Operating Revenue	89.0	83.7	69.8	77.5	39.3
Operating Expense (SG&A)	53.6	51.8	51.0	51.8	25.8
Operating Income	35.4	31.9	18.8	25.7	13.5
Net Income	28.2	23.7	14.3	19.7	10.1
Condensed BS					
Total Assets	188.9	170.2	161.2	174.8	161.9
Total Equity	156.5	154.8	147.8	156.6	150.1
Key Financial Indicators					
ROE	18.94%	15.20%	9.93%	13.25%	13.46%
ROA	16.52%	13.18%	8.42%	11.97%	11.98%
Cost-Income Ratio	52.54%	56.57%	69.46%	62.37%	61.70%



Market Share

● Market Share % (including discretionary account)



● Shinhan BNP Paribas AM ● A ● B ● C ● D

Companies in the Group

02

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2-11 Shinhan Credit Information

2-12 Shinhan Private Equity

2-13 Shinhan REITs Management

Overview

● Overview

- Incorporation Date : April 19, 1991
- Total Equity : KRW 710.7 billion
(Paid in Capital : KRW 180 billion)
- Total Assets : KRW 5.8 trillion
- Networks : Headquarter (Seoul), Branches (Gangnam, Yeouido, Busan, Ansan, Daejeon)

• Key Milestones

1991.04	Incorporation of Shinhan Capital
1994.10	Listed in KOSDAQ
1999.05	Renamed to Shinhan Capital, registered and started Installment Finance Business
2001.09	Joined SFG as a subsidiary
2002.09	Registered on Corporate Restructuring Financing business
2004.04	Rating upgrade (A → A+)
2006.11	Rating upgrade (A+ → AA-)
2007.11	Paid in capital increase by KRW 100 billion
2014.05	Implementation of Next-generation IT system "WINK"
2018.06	Launched Online mobile system

● Main Business

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

Vision & Strategy

Leading credit-specialized financial company in Korea

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 2018, in line with its strategic initiative of "No.1 Shinhan Capital through differentiated growth," Shinhan Capital set out the following three core principles and deliver tangible results;

1) materialize diversified growth strategy 2) qualitative growth based on enhanced internal system 3) secure dynamic corporate culture and competent employee capacity

• Strategic Goal

No.1 Shinhan Capital Through differentiated Growth

• Strategic direction and initiatives

Strategic Direction	Diversified Growth Strategy	Qualitative Growth	Dynamic Corporate Culture
Strategic initiatives	<ul style="list-style-type: none"> ✓ Differentiated Income base ✓ Strengthen Corporate Finance ✓ Expand Global Business ✓ Commission & Fee Income ✓ Efficient Retail Business ✓ Promote Synergy 	<ul style="list-style-type: none"> ✓ Upgrading of Risk Management ✓ Improve Loan Operation ✓ Sophisticate Marketing Strategy ✓ Enhance Stability of Funding and Investment ✓ Strategic Cost Reduction 	<ul style="list-style-type: none"> ✓ Improve HR System ✓ Strategic Alignment ✓ Inspire Employee's Self-esteem ✓ Proactive Employee Engagement ✓ Enrich Compassionate Finance

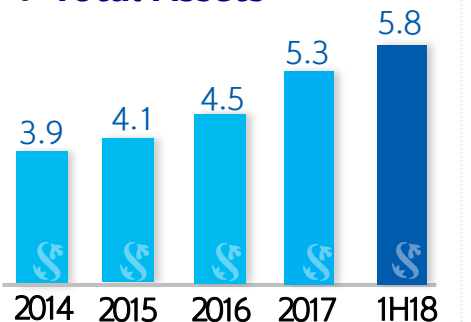


Shinhan Capital – Financial Highlights & Market Position

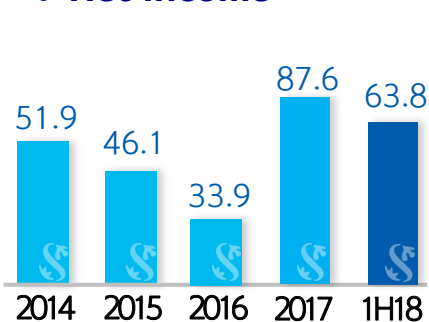
Financial Highlights

(KRW billion)	FY2014	FY2015	FY2016	FY2017	1H18
Condensed B/S					
Total Assets	3,939.5	4,076.6	4,506.8	5,315.4	5,807.2
Total Liabilities	3,369.1	3,458.4	3,862.4	4,603.8	5,096.5
Total Equity	570.4	618.1	644.4	711.6	710.7
(Paid in Capital)	180.0	180.0	180.0	180.0	180.0
Condensed I/S					
Operating Revenue	321.8	374.7	302.6	351.8	228.7
Operating Income	64.2	56.2	40.9	110.7	88.7
Net Income	51.9	46.1	33.9	87.6	63.8
Key Financial Indicators					
ROE	9.6%	7.7%	5.4%	13.0%	18.6%
ROA	1.4%	1.2%	0.8%	1.8%	2.3%
Capital Adequacy Ratio	15.6%	16.8%	14.9%	14.1%	13.2%
NPL Ratio	2.9%	3.1%	2.6%	1.4%	1.6%

Total Assets (KRW tril.)



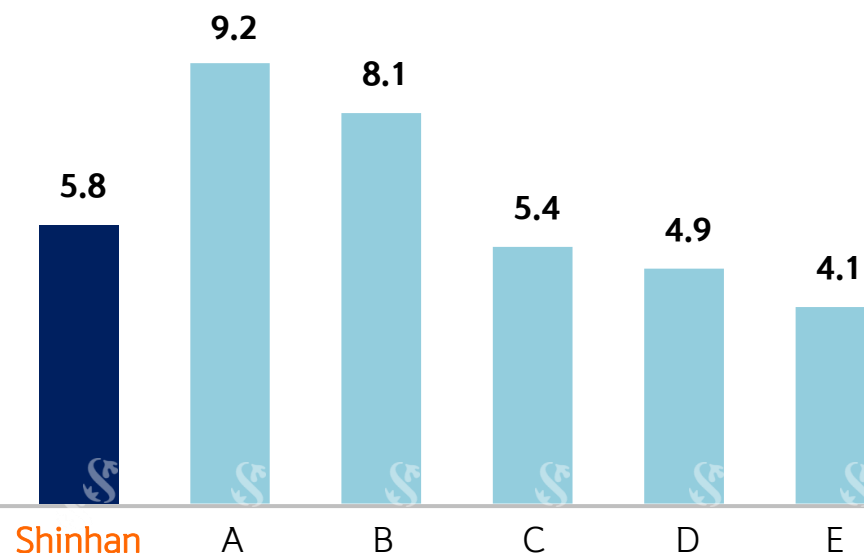
Net Income (KRW bil.)



Market Position

(as of June 30, 2018)

Total Assets



Companies in the Group

02

2-1 Shinhan Bank

2-2 Shinhan Card

2-3 Shinhan Investment Corp.

2-4 Shinhan Life Insurance

2-5 Shinhan BNP Paribas
Asset Management

2-6 Shinhan Capital

2-7 Jeju Bank

2-8 Shinhan Savings Bank

2-9 Shinhan Data System

2-10 Shinhan AITAS

2-11 Shinhan Credit Information

2-12 Shinhan Private Equity

2-13 Shinhan REITs Management

Profile

● Overview (As of 1H 2018)

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.

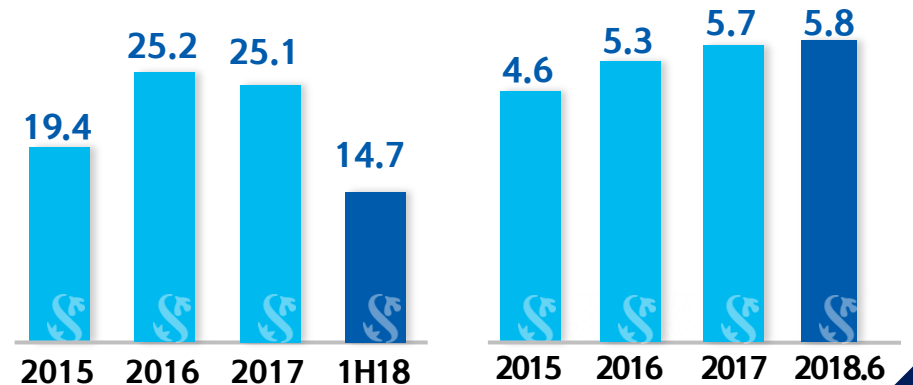
- Major Shareholders : SFG (68.88%), NPS (10.71%), DB Asset Management (8.04%)
- Total Equity / Total Assets : KRW 410.2 billion, KRW 5.8 trillion
- Networks : 38 branches and sub-branches (35 in Jeju)
- Market share in Jeju: 35.45% of deposits and 25.93% of loans
(As of May 2018)

• 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
2012.12	Launched smartphone banking service
2013.11	Awarded the CSR prize by Minister of Public Administration
2014.03	Awarded the Korea Nanum Prize by the Minister of Health & Welfare
2014.07	Launched tax-deductible long-term mutual funds
2014.11	Launched a special desk for Chinese
2015.12	Launched barcode payment system on Bank wallet Kakao
2016.03	Contracted with Jeju Techno Park for Venture & SME support
2016.07	Launched new mobile platform 'J-BANK'
2016.11	Partnering with mobile payment system provider
2017.02	Business Agreement for Jeju Transportation Card Service
2017.10	Launched new mobile banking app 'JBANK Plus'
2018.01	Launched "Innovation Pioneer Division" for new businesses

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

Solidifying Customer Base
as Local Best Bank



Shinhan Savings Bank – Company Overview

Profile

● Company Overview (As of 1H 2018)

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 152.1 billion
- Total Assets : KRW 1.3 trillion
- 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 Shinhan Financial Group
2013.04	The former Shinhan Savings Bank and Yehanbyeol Savings Bank were merged and 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 1H 2018)

Shinhan DS is Korea's no. 1 digital solution creator that leads SFG's digital transformation.

- Incorporation Date : May 13, 1991
- Total Equity : KRW 16.2 billion
- Total Assets : KRW 36.9 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"
2016.01	Implementation of main bank system in SEMAS
2017.02	Implementation of main bank system
2018.02	Developed Shinhan Bank SOL App
2018.04	Certified Information Security Service Professional (First in Financial ICT)
2018.05	Renamed to Shinhan DS

● Business Scope

- Digital Financial Services (cyber Security, ICT R&D, etc)
- System Integration(SI), System Management
- IT Outsourcing(ITO), IT Consulting

Vision & Strategy

Mission

Compassionate ICT sharing future

Vision

Business Value Creator
Your IT Partner Creating Business Value

Strategic goal

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

Strategic Priorities

Building leadership for Digital ICT

Support for "One Shinhan" Strategy

Building basis for sustainable development

Secure and foster ICT professionals

Established strong corporate culture for strengthening the execution of compassionate finance



Shinhan AITAS – Company Overview

Number 1, Fund Service Company In Korea

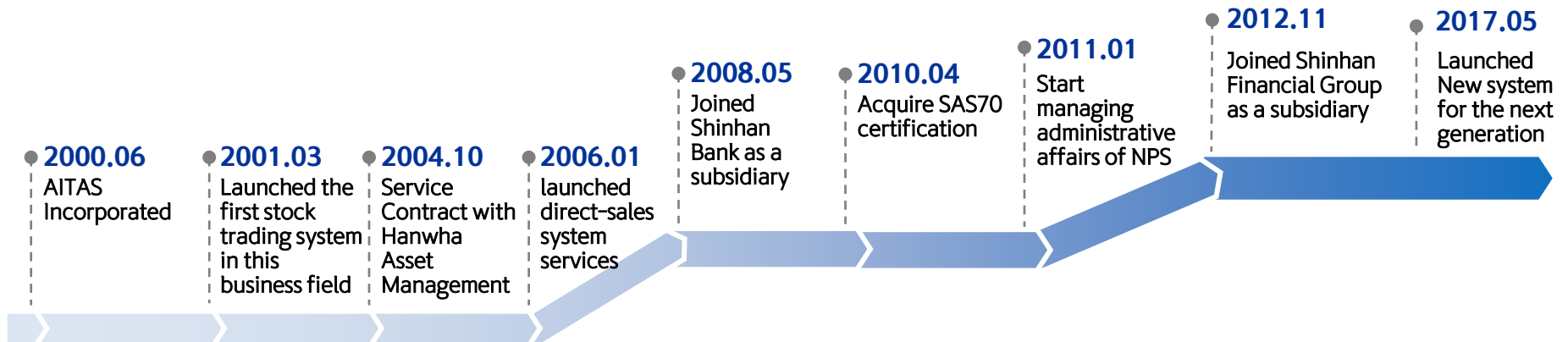
Shinhan AITAS, founded in June 2000, is the best fund service specialty provider with unparalleled market competitiveness and the largest domestic market share. It provides general fund related administrative services as well as comprehensive system for asset management, including Accounting System, 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 June 30, 2018)

- **Incorporation** : June 15, 2000
- **CEO** : Lee Shin-kee
- **Total Equity** : KRW 53.5 billion
- **No. of Employees** : 222
- **Major Shareholders** : SFG (99.79%), Others (0.21%)

Key Milestones

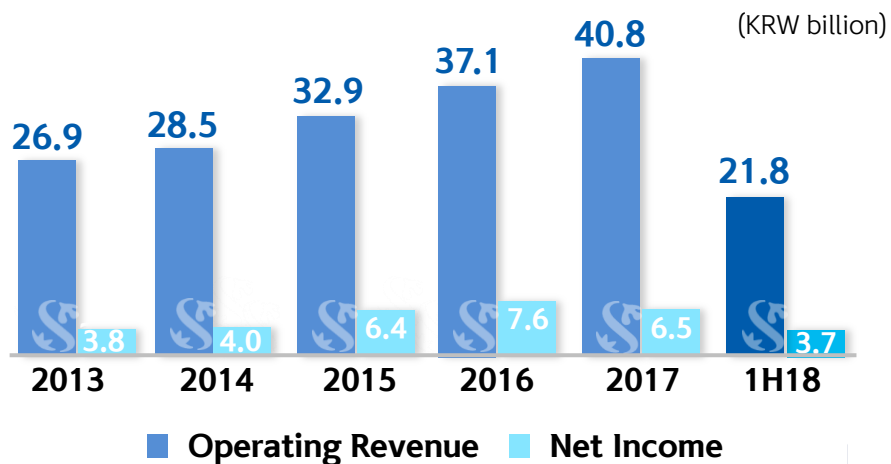




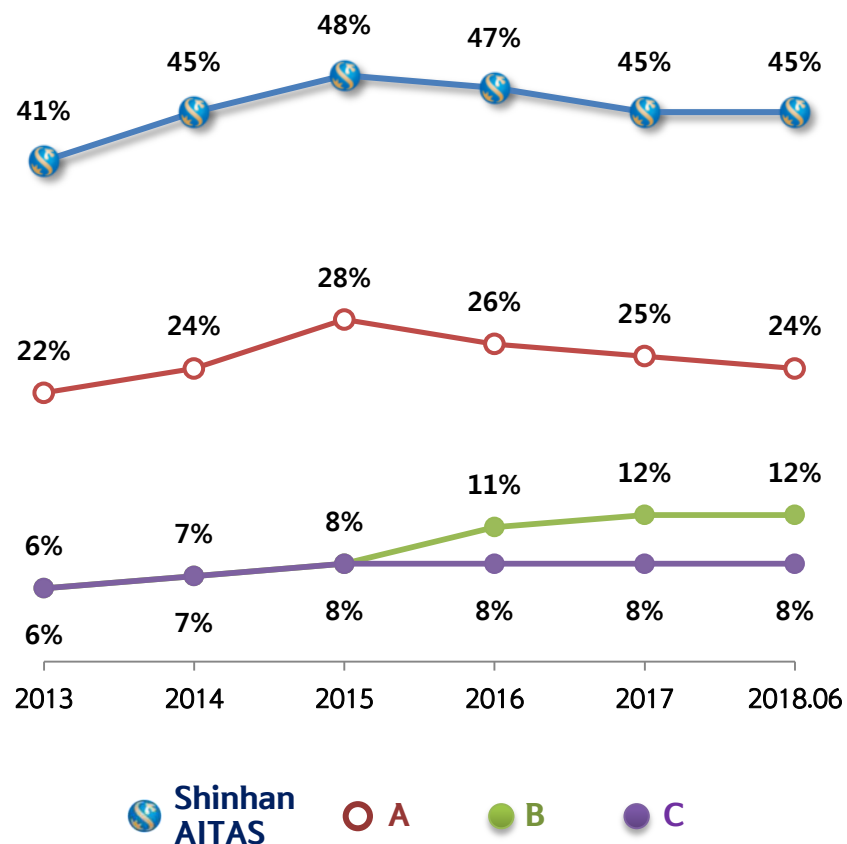
Shinhan AITAS – Financial Highlights & Market Position

Financial Highlights

(KRW billion)	FY2013	FY2014	FY2015	FY2016	FY2017	1H18
Condensed IS						
Operating Revenue	26.9	28.5	32.9	37.1	40.8	21.8
Operating Expense	22.7	24.0	25.1	27.6	33.0	17.3
(SG&A)	22.7	24.0	25.1	27.6	33.0	17.3
Operating Income	4.1	4.6	7.8	9.5	7.9	4.5
Net Income	3.8	4.0	6.4	7.6	6.5	3.7
Condensed BS						
Total Asset	34.6	37.7	42.7	53.9	58.2	59.6
Total Equity	30.4	31.4	37.8	45.5	52.0	53.5
Key Financial Indications						
ROE	12.39%	12.69%	16.96%	16.79%	12.48%	6.87%
ROA	10.90%	10.59%	14.99%	14.16%	11.14%	6.17%
Cost-Income Ratio	84.64%	84.00%	76.18%	74.37%	80.76%	79.45%



Market Share





Shinhan Credit Information – Company Overview

Profile

Shinhan Credit Information, a wholly-owned subsidiary of SFG, is a specialist in credit information business. With integrated management of non-performing assets, the company allows synergy creation amongst the Group's subsidiaries and robust asset quality.

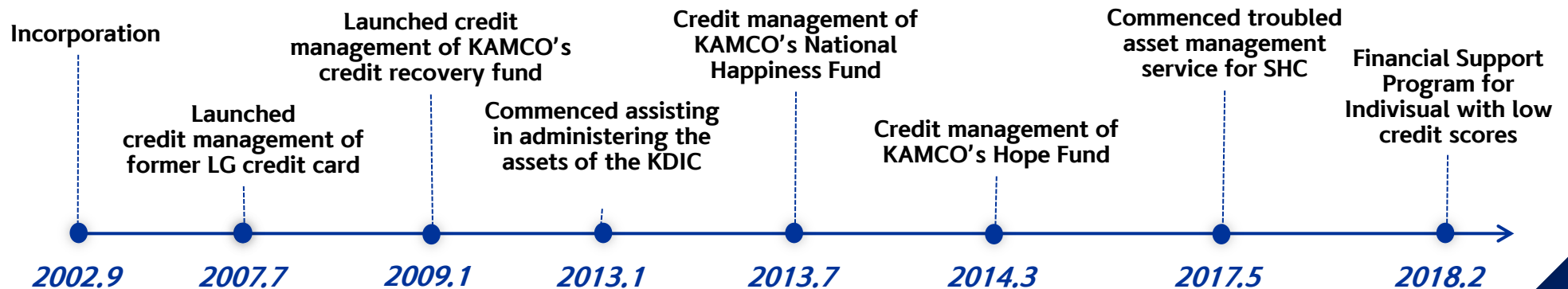
- Sales revenue : KRW 32.5 billion (FY2017)
- Customers under management : 460,000
- Debt Collection : KRW92 billion
- Credit Rating : A-

Business Scope

(As of June 30, 2018)

- 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
- Credit under management
 - for Group Companies : KRW 3.5 trillion
 - Public Credit : KRW 1.7 billion
- No. of credit research : 140,000
- Current Beneficiaries of Financial Support Program : 950

Key Milestones



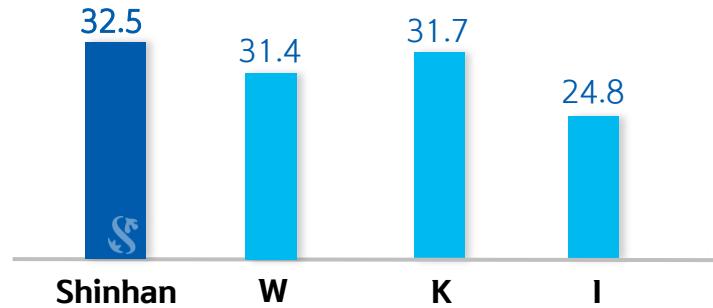


Shinhan Credit Information – Market Position & Network

Market Position

(KRW billion)

● Operating Income



※ FY2017

Network

South Korea



Global Certification (Information Security)



ISO 27001

ISO 27001 Certified
(Global certificate for Information Security Management System)

BS 10012

Attained global certification to BS 10012 (Information Security Standards) from BSI (British Standards Institution)



Shinhan Alternative Investment – Company Overview

Profile

● Company Overview (As of June 30, 2018)

- ✓ The first local private equity company in Korea established in Dec. 2004 with a 100% capital contribution by Shinhan Financial Group.
- ✓ Shinhan AI obtained a license for hedge fund business and changed its name
- Incorporation Date : December 8, 2004
- Total Equity : KRW 7.8 billion
- AUM : KRW 2.9 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	Relocated its HQ to Yeongdeungpo-gu
2017.11	Changed its name to Shinhan Alternative Investment with Additional Mandate

Operation Overview (1)

● Private Equity Funds

Shinhan Private Equity Fund 2nd

- Investment Amount : KRW 460 billion
- Independently managed by Shinhan PE
- Liquidated in June, 2017 and currently in process of selling the remaining assets to 'Jeonju paper'

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



Shinhan Alternative Investment – Company Overview

Operation Overview (2)

● Real Estate Funds

Shinhan
AIM
Real Estate
Private Equity
1st

- Investment Amount: KRW 206 billion
- Invested in Senior Mezzanine Loan ABS backed by Worldwide Tower based in NYC

Shinhan
AIM
Real Estate
Private Equity
2nd

- Investment Amount : KRW 111 billion
- Invested in Senior Mezzanine Loan ABS backed by 29 hotels based in the US

Shinhan
AIM
Real Estate
Private Equity
3rd

- Investment Amount : KRW 716 billion
- Asset Facility(Senior Secured Delayed Draw Note) for Goldman Sachs' Broad Street Real Estate Credit Partners III, LP.

Shinhan
AIM
Real Estate
Private Equity
4th

- Investment Amount : KRW 65 billion
- Invested in B Note ABS backed by Aliso Creek Apartments in Orange County

Operation Overview (3)

● Infrastructure, Fund of Funds (FOF)

Shinhan
AIM
Private Equity
Fund of Funds
1st

- Investment Amount : KRW 302 billion
- Invested in North American Middle Market Corporate Senior Loans

Shinhan
AIM
Private Equity
Fund of Funds
1st (A)

- Investment Amount : KRW 43 billion
- Invested in North American Middle Market Corporate Senior Loans

Shinhan
AIM
Infrastructure
Private Equity
1st

- Investment Amount : KRW 173 billion
- Invested in SOC projects based in Europe, North America (Equity Investment in Private-Public Partnership(PPP) in countries with high credit ratings (above AA-))



Profile

● Company Overview (As of June 30, 2018)

Shinhan REITs Management is Real Estate Asset Management Company established in Oct. 2017 with a 100% capital contribution by Shinhan Financial Group.

- Incorporated Date : Oct. 18, 2017
- Total Equity : KRW 30 billion
- AUM : approx. KRW 600 billion
- Key Milestones

2017.10	- Shinhan REITs Management Established - Joined SFG as a subsidiary
2017.12	- Selected as a preferred bidder for project of Pangyo Alpha dome(6-4BL)
2017.12	- Launched 1st REITs (Shinhan Alpha REITs)
2018.04	- Shinhan Alpha REITs Acquired underlying assets (Pangyo Alpha dome 6-4BL, The Prime Tower equity)
2018.08	- Went Public (Publicly Traded on KOSPI)

Operation Overview

● REITs under Management

Shinhan
K-REITs
Real Estate
Investment
Company

- Incorporated on Dec. 18, 2017
- Investment Assets:
 - Alpha Dome 6-4BL (Pangyo)
 - The Prime Tower (Wonhyo-ro)
- AUM: KRW 595.5 billion
 - Public Offering : KRW 114 billion
 - Listed Amount : KRW 189 billion
- Wholly managed by Shinhan REITs Management

Forward-Looking Statements

Shinhan Financial Group's 1H2018 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.



Shinhan Mobile IR Application ① ir.shinhangroup.com or ②

