

1Q2003 SUMMARY REPORT

April 29, 2003



SHINHAN
FINANCIAL GROUP



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1. B/S – Highlight of Key Accounts



(KRW bn)	YE2001	YE2002	1Q2003	Change	YTD
Total Asset					
Bank Only	62,017.5	69,715.1	74,452.7	4,737.6	6.8%
SFG ¹⁾	65,568.7	80,829.6	85,892.3	5,062.7	6.3%
Total Deposit					
Bank Only	42,494.0	45,896.8	48,602.0	2,705.2	5.9%
SFG	42,666.8	47,791.8	50,505.2	2,713.4	5.7%
Total Loan					
Bank Only	34,409.9	40,850.3	42,759.9	1,909.6	4.7%
SFG	35,045.6	45,341.1	47,166.0	1,825.0	4.0%
Total Securities					
Bank Only	19,568.7	19,465.5	20,744.4	1,278.9	6.6%
SFG	19,284.8	19,910.5	21,447.7	1,537.2	7.7%

Footnote 1): includes Asset Under Management (AUM) of Shinhan BNP Paribas Investment Trust Management



1. B/S – Details in Assets by Subsidiary



(KRW bn)	YE2001	YE2002	1Q2003	Chg Amt	YoY
SHB	62,017.5	69,715.1	74,452.7	4,737.6	6.8%
B/A	53,356.0	58,889.4	64,283.4	5,394.0	9.2%
T/A	9,422.8	11,090.4	10,323.0	-767.4	-6.9%
GMSH	631.4	1,569.6	1,999.7	430.1	27.4%
SHCard		2,473.7	2,438.4	-35.3	-1.4%
SHC	855.5	960.2	988.8	28.6	3.0%
SBITM	45.2	47.1	45.3	-1.8	-3.8%
AuM	2,784.9	4,618.0	4,658.1	40.1	0.9%
Jeju Bank		1,802.2	1,705.1	-97.1	-5.4%
SH&C Life		29.7	29.3	-0.4	-1.5%
(Intra Transac.)	(765.8)	(386.1)	(425.1)	39.0	10.1%
Total	65,568.7	80,829.6	85,892.3	5,062.7	6.3%



1. B/S - Loan Growth



(KRW bn)	YE2001	YE2002	1Q2003	Chg Amt	YTD
Consumer	10,772.9	15,992.7	15,957.4	-35.3	-0.2%
Home Equity	6,940.2	10,738.6	10,475.0	-263.6	-2.5%
Others	3,832.7	5, 254.1	5, 482.4	228.3	4.3%
SMEs	10,618.9	11,876.0	12,991.6	1,115.6	9.4%
Large Corps.	2,937.5	3,754.3	4,060.2	305.9	8.1%
Public & Others	93.0	111.1	233.6	122.5	110.3%
Total Loans	24,422.3	31,734.1	33,242.8	1,508.7	4.8%

Footnote: Bank Account Loan in Korean Won



1. B/S - Credit Card Business



	Y2001	Y2002	1Q2003	Chg Amt	YTD
Members (thousand)					
Card holders	2,181	2,548	2,661	113	4.4%
Merchant Line	590	1,545	1,665	120	7.8%
Sales volume (W bn)					
Lump-sum	4,647.9	6,849.0	2,074.6	624.0	43.0%
Installment	537.4	704.6	220.6	63.6	40.5%
Cash advance	5,007.3	7,822.4	1,871.1	30.0	1.6%
Total	10,192.5	15,376.0	4,166.2	717.6	20.8%
Assets in balance (W bn)					
General billings	864.2	1,109.2	1,121.4	12.1	1.1%
Cash advances	745.7	953.1	985.3	32.1	3.4%
Card loans	478.5	472.6	421.2	-51.4	-10.9%
Total	2,093.4	2,535.0	2,527.8	-7.2	-0.3%
Re-aged Card Loans	8.8	38.3	37.6	-0.7	-1.8%

Transaction volume is YoY basis, not YTD



1. B/S Highlight

2. P/L Highlight

- *SFG Net Profit*
- *YoY Comparison*
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- *Interest Income vs. Non-interest Income*
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2. P&L - SFG Net Profit



<i>(KRW bn)</i>	Net Profit	Goodwill	Provision Adjustment	Operating Expense	Total
Bank	93.5		0.3		93.8
Securities	(11.9)	(4.3)	2.5		(13.7)
Card	(34.1)		5.0		(29.1)
Capital	3.5		12.5		16.0
SBITM	(0.7)				(0.7)
Jeju Bank	0.3	0.2	(1.8)		(1.3)
SH&C Insurance	(0.3)				(0.3)
e Shinhan	(0.2)				(0.2)
SMFA	(0.1)				(0.1)
Credit Information	0.3				0.3
SFG				(8.3)*	(8.3)
Total	50.3	(4.1)	18.5	(8.3)	56.4

* Interest income 1.0, Other income -1.9, G&A expenses 7.4



2. P&L – YoY Comparison



(KRW bn)

1Q2002

1Q2003

Chg Amt

YoY

Valuation Gain using the Equity Method of Accounting

	1Q2002	1Q2003	Chg Amt	YoY
Bank	180.6	93.8	(86.8)	-48.1%
Securities	6.6	(13.7)	(20.3)	Na.
Card		(29.1)	(29.1)	Na.
Capital	4.7	16.0	11.3	240.4%
SBITM	0.8	(0.7)	(1.5)	Na.
Jeju Bank		(1.3)	(1.3)	Na.
SH&C Insurance		(0.3)	(0.3)	Na.
e Shinhan	(0.2)	(0.2)	(0.0)	0.0%
SMFA	0.3	(0.1)	(0.4)	Na.
Credit Information		0.3	0.3	Na.
Total	192.8	64.7	(128.1)	-66.4%
SFG Expense()*	2.4	8.3	5.9	245.8%
Net Profit	190.4	56.4	-134.0	-70.4%

* Including interest /other t income(loss)



2. P&L - Income By Individual Subsidiaries



(KRW bn)	1Q2002	1Q2003	Chg Amt	YoY
Pre-Provision Income				
Bank	312.6	247.1	-65.5	-21.0%
Securities	8.5	-5.5	-14.0	Na.
Card		23.9	23.9	Na.
Capital	8.7	6.9	-1.8	-20.9%
ITMC	1.2	-0.9	-2.1	Na.
Jeju		6.5	6.5	Na.
SH&C Insurance		-0.3	-0.3	Na.
Total	331.0	277.6	-53.5	-16.2%
Loan Loss Provision				
Bank	46.0	97.7	51.7	112.4%
SHCard		58.3	58.3	Na.
Other Companies	1.9	2.6	0.7	36.8%
Total	47.9	158.6	110.7	230.9%
Net Profit				
Bank	180.6	93.5	-87.1	-48.2%
Securities	6.3	-11.9	-18.2	-287.9%
Card		-34.1	-34.2	Na.
Capital	3.8	3.5	-0.3	-7.4%
ITMC	0.8	-0.7	-1.5	Na.
Jeju		0.3	0.3	Na.
SH&C Insurance		-0.3	-0.3	Na.
Total	191.5	50.3	-141.2	-73.7%



2. P&L - Interest Income vs Non-Interest Income



(KRW bn)	1Q2002		1Q2003		
	Amount	Portion	Amount	Portion	Portion
Bank					
Interest Income	261.9	57%	343.1	85%	73%
Non-Interest Income	200.2	43%	61.5	15%	
Non-Interest Income ¹⁾			110.8		27%
1) Including Shinhan Card's credit card income(W64.2bn)					
SFG					
Interest Income	269.2	53%	332.8	67%	
Non-Interest Income	241.2	47%	160.9	33%	



2. P&L - Non-Interest Income Summary (Shinhan Bank)



<i>(KRW bn)</i>	1Q2002	1Q2003	Chg Amt	YoY
Fees & Commissions	101.9	70.5	-31.4	-30.8%
Credit Card Income	86.3	25.4	-60.9	-70.6%
Fees on Trust Account	39.9	19.3	-20.5	-51.5%
Securities related Income	42.1	-25.3	-67.4	n.a
Income on FC Transaction	18.6	15.7	-2.9	-15.4%
Others	-2.3	-18.8	-16.5	n.a
Total	200.2	61.5	-138.7	-69.3%

2. P&L - NIS and NIM (Accumulated basis)



	FY2001	1Q2002	FY2002	1Q2003	YTD
NIS in KRW	2.23%	2.49%	2.58%	2.48%	-0.10%p
Average Lending Rate	7.95%	7.00%	6.92%	6.71%	-0.20%p
Average Deposit Rate	5.71%	4.51%	4.34%	4.24%	-0.10%p
NIM	2.44%	2.37%	2.49%	2.43%	-0.06%p
NIM in KRW	2.47%	2.44%	2.59%	2.59%	0.00%p
NIM in FX	2.28%	1.86%	1.79%	1.56%	-0.23%p
NIM after Provisioning	1.36%	1.96%	2.26%	1.69%	-0.57%p

Excluding Credit Card



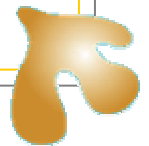
1. B/S Highlight

2. P/L Highlight



3. *Asset Quality*

- *Summary*
- *Asset Classification and Coverage Ratio (Shinhan Bank)*
- *Delinquency Ratio (Shinhan Bank)*
- *Asset Classification and Coverage Ratio (Credit Card)*
- *Delinquency Ratio (Credit Card)*
- *Exposure to SK Group*



4. Capital Adequacy Ratio

5. Major Financial Figures



3. Asset Quality – Asset Classification & Coverage Ratio (Shinhan Bank)



(KRW bn)	YE2001	YE2002	1Q2003	YTD
Total Credits	35,920.7	43,316.0	47,005.2	8.5%
Substandard & below Ratio	868.1 2.42%	616.4 1.42%	689.3 1.47%	11.8% 0.05p%
Precautionary & below Ratio	1,939.6 5.40%	1,260.2 2.91%	1,933.2 4.11%	53.4% 1.20%p
Provisions¹⁾	623.2	615.3	710.2	15.4%
Coverage Ratio				
Substandard & below	71.8%	99.8%	103.0%	3.2%p
Precautionary & below	32.1%	48.8%	36.7%	-12.1%p
NPLs Sold²⁾	161.4	116.1	0.0	Na.
Write-offs	729.8	137.5	5.9	Na.

Footnote) 1. Based on all the loan loss provisions including special provision against ABS issue
2. ABS Issue



3. Asset Quality – Delinquency Ratio (Shinhan Bank)



(KRW bn)		YE2001	YE2002	1Q2003	YTD
Retail	Loan Amount	11,140.4	16,149.0	16,127.4	-0.13%
	Delinquency Amount	89.0	115.9	176.5	52.3%
	Home Equity Loan	27.0	66.5	89.3	34.3%
	Unsecured Loan	38.8	51.6	55.7	7.9%
Corporate	Loan Amount	13,730.5	15,736.4	17,153.5	9.0%
	Delinquency Amount	240.6	179.6	239.1	33.1%
Total	Loan Amount	33,469.7	41,916.5	45,330.0	8.1%
	Delinquency Amount	565.6	347.1	551.8	59.0%

Delinquency Ratio					
Retail		0.80%	0.72%	1.09%	0.37%p
	Home Equity Loan	0.39%	0.59%	0.80%	0.21%p
	Unsecured Loan	1.48%	1.93%	2.05%	0.12%p
Corporate		1.75%	1.14%	1.39%	0.25%p
Total		1.69%	0.83%	1.22%	0.39%p

Footnote) 1. Shinhan Bank only

2. Delinquency in Home Equity Loan and Unsecured Loan is based on bank account only.



3. Asset Quality – Asset Classification & Coverage Ratio (Shinhan Card)



(KRW bn)	YE2001	YE2002	1Q2003	YTD
Normal	2,012.2	2,352.7	2,266.6	-3.7%
Precautionary	35.5	104.3	142.2	36.3%
Substandard	1.0	0.0	0.0	Na.
Doubtful	17.0	45.3	73.4	62.0%
Estimated Loss	27.7	32.8	45.9	39.9%
Total Credits	2,093.4	2,535.1	2,528.1	-0.3%
Substandard & below	2.19%	3.08%	4.72%	1.64%p
Precautionary & below	3.88%	7.19%	10.35%	3.16%p
Provisions	85.3	95.9	129.7	35.2%
Coverage Ratio				
Substandard & below	186.3%	122.8%	108.7%	-14.1%p
Precautionary & below	104.9%	52.6%	49.6%	-3.0%p

Footnote) The figures in YE2001 are those of Shinhan Bank's credit card



3. Asset Quality – Asset Classification & Coverage Ratio (Shinhan Card)



(KRW bn)	YE2001	YE2002	1Q2003	YTD
Delinquency Amount				
Over 1 month	63.5	132.9	178.3	34.1%
Over 1 day	133.2	233.3	260.3	11.6%
Delinquency Ratio				
Over 1 month	3.03%	5.24%	7.05%	1.81%p
Over 1 day	6.30%	9.20%	10.30%	1.10%p
NPL Sold and Write-off				
NPL Sold	0.0	0.0	0.0	Na.
Write-off	30.1	60.7	27.2	Na.
Total	30.1	60.7	27.2	Na.

Footnote) Shinhan Card only



1. B/S Highlight

2. P/L Highlight

3. *Asset Quality*



4. Capital Adequacy Ratio



5. Major Financial Figures



4. Capital Adequacy Ratio



<i>(KRW bn)</i>	YE2001	YE2002	1Q2003(E)	YTD
Risk-weighted Assets	35,772.0	40,387.3	43,776.7	8.4%
Tier 1 Capital	2,955.9	2,749.4	2,848.2	3.6%
Tier 2 Capital	1,343.5	1,707.1	1,691.6	-0.9%
Capital Adequacy Ratio	12.02%	10.91%	10.15%	-0.76%p
Tier 1 Ratio	8.26%	6.81%	6.51%	-0.30%p
Tier 2 Ratio	3.76%	4.23%	3.87%	-0.36%p



1. B/S Highlight

2. P/L Highlight

3. *Asset Quality*

4. Capital Adequacy Ratio

5. Major Financial Figures





6. Major Financial Figures



(KRW)	FY2000	FY2001	FY2002	1Q2003
ROA	0.72%	0.79%	0.94%	0.28%
ROE	10.18%	13.83%	17.57%	6.60%
BVPS	11,492	12,312	13,178	13,028
EPS	1,156	1,498	2,066	783
Loan to Deposit Ratio	76.6%	81.1%	95.7%	95.8%
Cost-income Ratio Consolidated Bank	39.64% 37.74%	42.23% 36.21%	45.04% 36.27%	50.78% 39.91%
Substandard & below ratio*	3.98%	2.42%	1.42%	1.47%

* Loan to deposit ratio / Substandard & below ratio are for Shinhan Bank only

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