

Your Total Financial Solution: Shinhan Financial Group

2007 1Q Business Results

May 2007



SHINHAN FINANCIAL GROUP

【 Disclaimer Statement 】

The financial information contained in this presentation has not been completely audited by our external auditor. Therefore, no assurance is provided that our financial statements are fully accurate, and thus our final audited financial statements may differ from the provided figures in this presentation.

For comparison purposes, please note the following facts:

- 1) As of April 1, 2006, the newly integrated Shinhan Bank was launched, and the credit card business of Chohung Bank was spun-off and merged into Shinhan Card. Please note that for comparison purposes, figures for the banking and credit card businesses have been provided in an integrated (pro-forma) basis.
- 2) LG Card joined Shinhan Financial Group (“SFG”) as a subsidiary on March 23, 2007. SFG currently owns 85.7% of LG Card. Therefore, one month (March) of LG Card’s income has been reflected in SFG’s consolidated income statement.
- 3) Gains or loss related to the disposal or impairment of available for sale securities, loans, and early retirement expenses, which were previously categorized as Non-Operating Income, have been re-classified as Operating Income, according to Article 24 of the Statements of Korea Accounting Standards (“SKAS”). Changes have also been reflected accordingly to prior periods.

This presentation material is available at our website, www.shinhangroup.com.

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Group

1Q07 Net Income 959.8 bil., 103% increase YoY

- A total of 71.1 bil. is deducted from the total net income of 1.03 tril. (after reflecting ownership). The deducted amount includes 59.6 bil. of goodwill amortization (LG Card 22.2 bil., Bank 15.3 bil., Life Insurance 10.5 bil., Shinhan Card 7.5 bil., Securities 4.3 bil.) and etc.
- Group's NIM increased to 4.15%, from 2.99% as end of FY2006 (LG Card acquisition effect)

Bank

1Q07 Net Income 832.0 bil., 93% increase YoY

- Shinhan Bank earned 827.8 bil. (including 337.0 bil. of net income related to LG Card), 93% increase YoY
- Bank NIM decreased by 0.08%p QoQ (2.36% → 2.28%)

Non-Bank

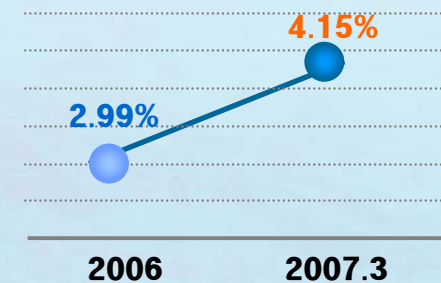
1Q07 Net Income 198.9 bil., 103% increase YoY

- Continuing improvement of business performance of major non-bank subsidiaries such as LG Card 76.0 bil. (March income, following incorporation into Group), Shinhan Card 54.2 bil., Life Insurance 32.1 bil., Securities 21.8 bil., Capital 10.3 bil.
- Non-Bank subsidiaries' net income contribution reached 19.3%, 0.8%p increase YoY (excluding 337.0 bil. of LG Card related income, non-bank contribution marked 28.7%)

SFG Net Income (Accumulated)



Group NIM (Accumulated)



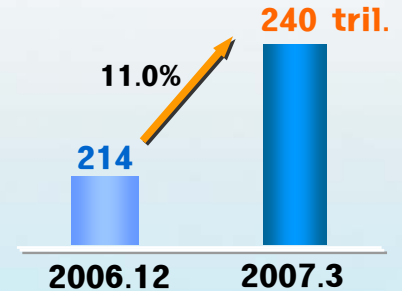


Group

Total Assets marked 240 tril. as end of 1Q07, 23.7 tril. or 11.0% increase YTD

- Bank Sector 188 tril. (78% of Total Assets), Non-Bank Sector 52 tril. (22% of Total Assets)

SFG Total Assets

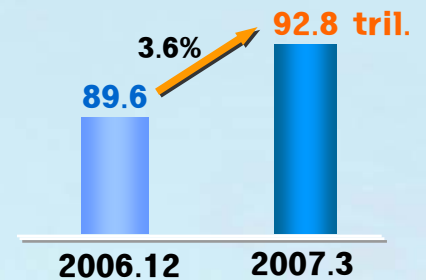


Bank

Total Assts marked 188 tril. for Bank Sector as end of 1Q07, 8.5 tril. (4.7%) increase YTD

- Loan Balance (KRW + Foreign Currency) totaling 99.9 tril., 3.4 tril. (3.6%) increase YTD
3.2 tril. (3.6%) increase for Loans in KRW, 0.2 tril. (2.9%) increase for Loans in Foreign Currency

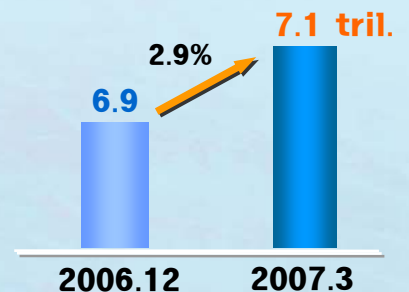
Bank Loans in KRW



- Retail loans slightly decreased (-0.2%) YTD due to strengthened restrictions on mortgage loans

However, corporate loans (KRW + Foreign Currency) increased by 3.4 tril. (7.3%) YTD based on expansion of loans to quality SME with BB- rating or higher, and extension of loans to existing customers

Bank Loans in Foreign Currency



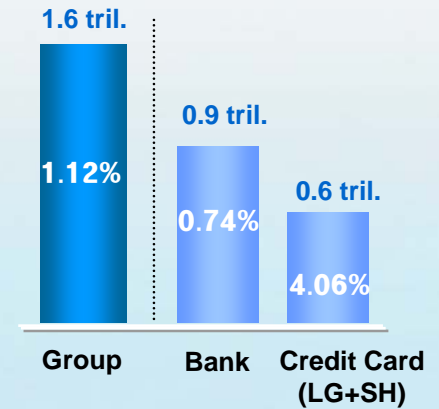


Asset Quality

Group's NPL Ratio 1.12%, 0.27%p increase YTD

- Group's NPL Ratio slightly rose following acquisition of LG Card as subsidiary, yet NPL Coverage Ratio maintained at stable level of 183%
- Shinhan Bank: NPL Ratio 0.74%, NPL Coverage Ratio 185%
 - LG Card: NPL Ratio 4.58%, NPL Coverage Ratio 181%
 - Shinhan Card: NPL Ratio 2.53%, NPL Coverage Ratio 200%

NPL Balance & Ratio

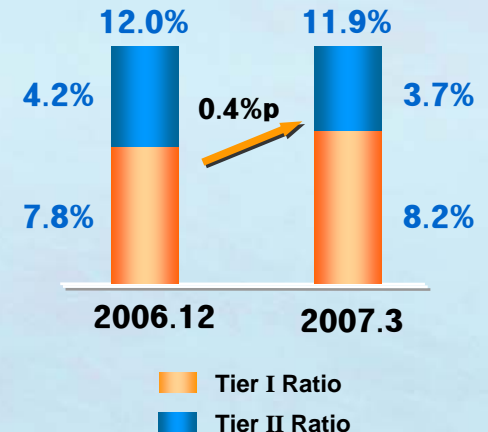


Capital Adequacy

**Shinhan Bank BIS Ratio 11.9%,
Tier I 8.2%, Tier II 3.7%**

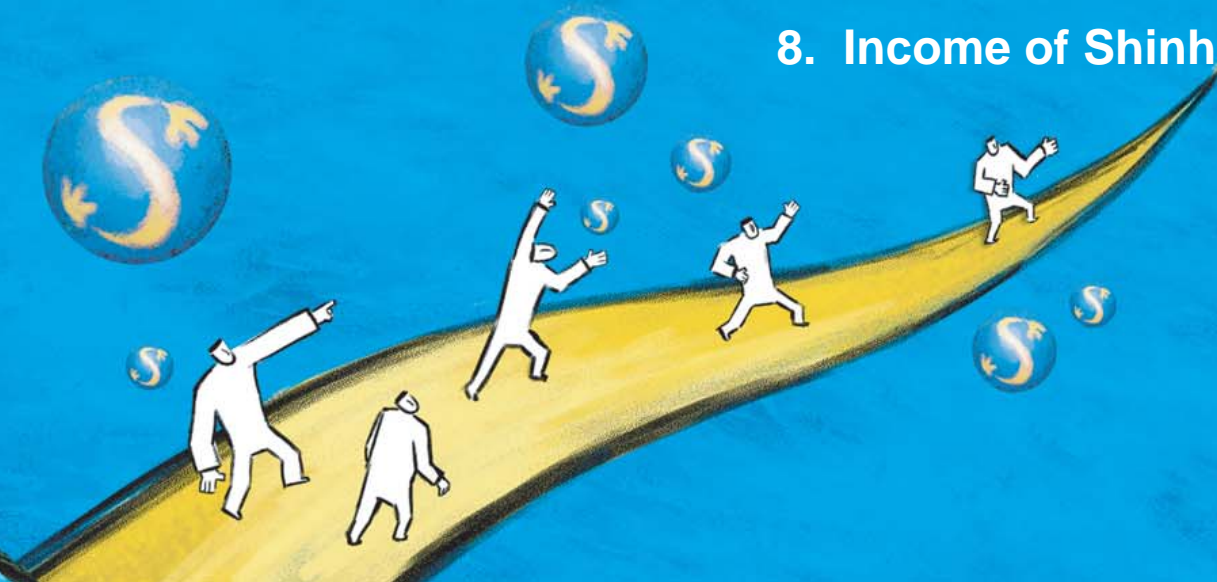
- Maintained Tier I Ratio above 8% based on strong income stream
 - Risk Adjusted Assets of 117.6 tril., Total Equity of 14 tril. (March 2007)

Bank BIS Ratio



I. Income Statement Highlights

1. Income of SFG
2. Income by Subsidiary (1) (2)
3. Income of Shinhan Bank
4. Interest Income/NIM of SHB
5. Non-Interest Income of SHB
6. SG&A Expenses of SHB
7. Income of LG Card
8. Income of Shinhan Card



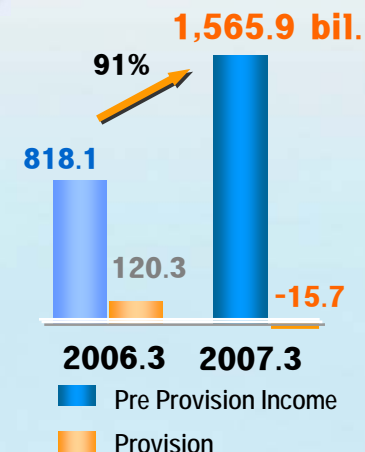
1. Income of SFG - I. Income Statement Highlights



(KRW Billion)

	2007 1Q	2006 1Q	YoY		2006 4Q	QoQ	
			Chg Amt	Chg%		Chg Amt	Chg%
Total Operating Income (a=b+c)	2,500.1	1,447.5	1,052.6	72.7%	1,552.2	947.9	61.1%
Interest Income (b)	1,583.1	1,113.5	469.6	42.2%	1,171.0	412.1	35.2%
Non-Interest Income (c)	917.0	334.0	583.0	174.5%	381.2	535.8	140.5%
SG&A Expenses (d)	940.2	674.4	265.8	39.4%	925.6	14.6	1.6%
Operating Income (e=a-d)	1,559.9	773.1	786.8	101.8%	626.6	933.3	149.0%
Non-Operating Income (f)	6.0	44.9	-38.9	-86.6%	25.4	-19.4	n.a.
Pre-Provision Income (g=e+f)	1,565.9	818.1	747.9	91.4%	652.0	913.9	140.2%
Loan Loss Provision (h)	-15.7	120.3	-136.0	n.a.	266.0	-281.7	n.a.
Earnings before Income Tax (i=g-h)	1,581.6	697.7	883.9	126.7%	386.0	1,195.7	309.8%
Income Tax (j)	-163.9	221.6	-385.5	n.a.	116.2	-280.1	n.a.
Net Income of Subsidiaries before Purchase Date (k)	768.6	0.0	768.6	n.a.	0.0	768.6	n.a.
Total Net Income (l=i-j-k)	976.9	476.2	500.7	105.2%	269.8	707.1	262.1%
Consolidated Net Income	959.8	473.4	486.5	102.8%	268.9	691.0	257.0%

PPI/ Provision



SFG Net Income



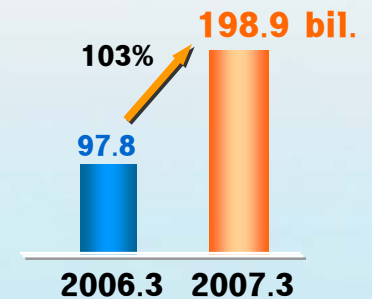
2. Income by Subsidiary (1) - I. Income Statement Highlights



(KRW Billion)

	Net Income [1]	Ownership [2]	Net Income [3=1*2]	Goodwill [4]	Consolidated Net Income [5=3+4]
Bank (a)	834.5		832.0	-24.7	807.3
Shinhan Bank	827.8	100.0%	827.8	-24.9¹⁾	802.9
Jeju Bank	6.7	62.4%	4.2	0.2¹⁾	4.4
Non-Bank (b)	223.5		198.9	-53.9	145.0
LG Card	96.8	85.7%	76.0	-21.2¹⁾	54.8
Shinhan Card	54.2	100.0%	54.2	-7.8¹⁾	46.4
GMSH Securities	21.8	100.0%	21.8	-10.9¹⁾	10.9
Shinhan Life Insurance	32.1	100.0%	32.1	-13.4¹⁾	18.7
Shinhan Capital	10.3	100.0%	10.3	-0.1	10.2
Shinhan Credit Information	0.6	100.0%	0.6		0.6
Shinhan Private Equity	0.1	100.0%	0.1		0.1
Shinhan BNPP Paribas ITMC	3.4	50.0%	1.7		1.7
SH&C Life Insurance	1.2	50.0%	0.6	-0.5	0.1
Shinhan Macquarie FA	3.0	51.0%	1.5		1.5
SFG (c)				7.5²⁾	7.5
Total (d=a+b+c)	1,058.0		1,030.9	-71.1	959.8

Group Net Income (Non-Bank)



Net Income Contributions of Non-Bank Subsidiaries



Note 1) Goodwill Amortization: Shinhan Bank 15.3 bil., Jeju Bank -0.2 bil., LG Card 22.2 bil., Shinhan Card 7.5 bil., GMSH 4.3 bil., Shinhan Life 10.5 bil.

2) SFG (non-consolidated); Interest Expenses -0.7 bil., SG&A Expenses -14.8 bil., Non-Operating Income etc. 23.0 bil.

2. Income by Subsidiary (2) - I. Income Statement Highlights



(KRW Billion)

(Reflecting Ownership of SFG)	2007 1Q	2006 1Q	YoY		2006 4Q	QoQ	
			Chg Amt	Chg%		Chg Amt	Chg%
Bank (a)	832.0	432.2	399.7	92.5%	247.1	584.9	236.7%
Shinhan Bank	827.8	429.0 ¹⁾	398.8	93.0%	249.1	578.7	232.3%
Jeju Bank	4.2	3.2	0.9	28.8%	-2.0	6.2	n.a.
Non-Bank (b)	198.9	97.8	101.1	103.4%	94.9	104.0	109.7%
LG Card	76.0		76.0	n.a.		76.0	n.a.
Shinhan Card	54.2	16.5	37.7	228.5%	45.0	9.2	20.4%
GMSH Securities	21.8	25.1	-3.3	-13.1%	15.2	6.6	43.4%
Shinhan Life Insurance	32.1	30.0	2.1	6.9%	24.3	7.8	32.0%
Shinhan Capital	10.3	21.2	-10.9	-51.4%	5.2	5.1	98.1%
Shinhan Credit Information	0.6	0.5	0.1	20.0%	0.6	0.0	0.0%
Shinhan Private Equity	0.1	-0.2	0.3	n.a.	1.8	-1.7	-94.4%
Shinhan BNPP ITMC	1.7	1.2	0.6	47.8%	0.9	0.8	88.9%
SH&C Life Insurance	0.6	1.0	-0.4	-40.0%	1.0	-0.4	-40.0%
Shinhan Macquarie FA	1.5	2.6	-1.0	-40.0%	0.9	0.7	76.5%
Total Net Income (c=a+b)	1,030.9	530.0	500.8	94.5%	342.0	688.9	201.5%
Consolidated Net Income	959.8	473.4	486.5	102.8%	268.9	690.9	256.9%

Note 1) Including pre-merger SHB's 061Q income

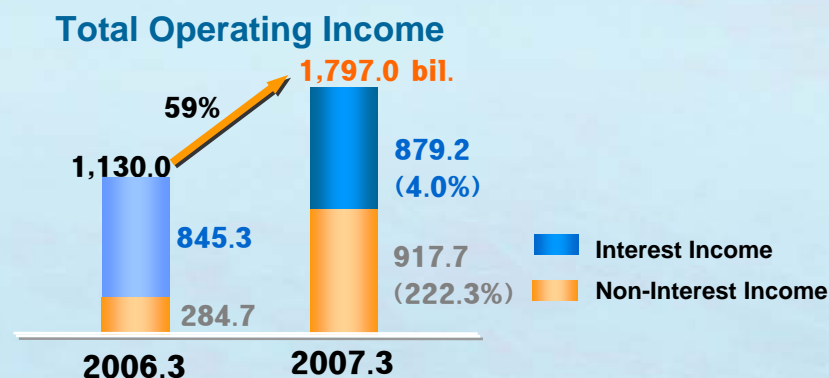
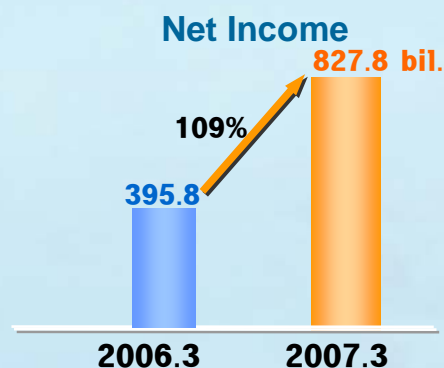
3. Income of Shinhan Bank (“SHB”) - I . Income Statement Highlights



(KRW Billion)

	2007 1Q	2006 1Q	YoY		2006 4Q	QoQ	
			Chg Amt	Chg%		Chg Amt	Chg%
Total Operating Income (a=b+c)	1,797.0	1,130.0	666.9	59.0%	1,330.3	466.7	35.1%
Interest Income (b)	879.2	845.3	33.9	4.0%	887.0	-7.7	-0.9%
Non-Interest Income (c)	917.7	284.7	633.0	222.3%	443.3	474.4	107.0%
SG&A Expenses (d)	593.8	496.4	97.4	19.6%	762.7	-169.0	-22.2%
Operating Income (e=a-d)	1,203.2	633.6	569.6	89.9%	567.6	635.6	112.0%
Non-Operating Income (f)	-13.0	28.7	-41.7	-145.2%	27.3	-40.3	n.a.
Pre-Provision Income (g=e+f)	1,190.3	662.3	527.9	79.7%	594.9	595.3	100.1%
Loan Loss Provision (h)	52.0	85.6	-33.6	-39.2%	237.2	-185.2	-78.1%
Earnings before Income Tax (i=g-h)	1,138.2	576.7	561.5	97.4%	357.7	780.5	218.2%
Net Income	827.8	395.8	432.0	109.1%	247.9	579.9	233.9%

Note) 2006 figures are Pro-forma based



Note) Including pre-merger SHB's 1Q income, excluding income of CHB's credit card business

Note) In parenthesis shows increase YoY

4. Interest Income/NIM of SHB - I . Income Statement Highlights

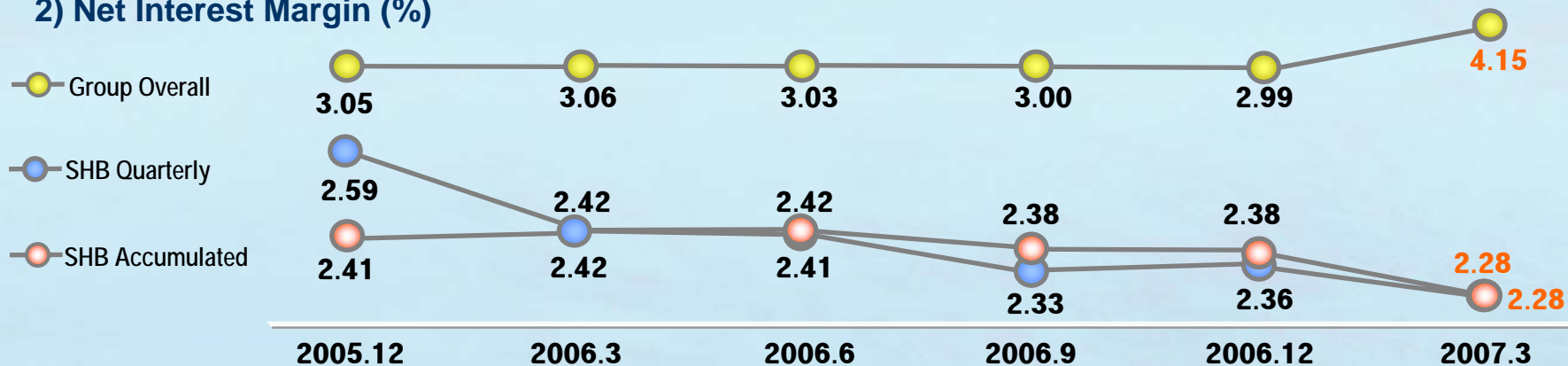
1) Interest Income

(KRW Billion)

	2007 1Q	2006 1Q	YoY		2006 4Q	QoQ	
			Chg Amt	Chg%		Chg Amt	Chg%
Interest Revenue (a)	2,173.4	1,845.8	327.6	17.7%	2,125.9	47.5	2.2%
Loans	1,830.6	1,533.7	296.9	19.4%	1,817.0	13.6	0.7%
Securities/Others	342.8	312.1	30.7	9.8%	308.9	33.9	11.0%
Interest Expense (b)	1,294.2	1,000.5	293.7	29.4%	1,239.0	55.2	4.5%
Deposits	803.5	618.6	184.9	29.9%	764.3	39.2	5.1%
Debentures/Borrowings	490.7	381.9	108.8	28.5%	474.7	16.0	3.4%
Net Interest Income (a-b)	879.2	845.3	33.9	4.0%	887.0	-7.7	-0.9%

Note) 2006 figures are Pro-Forma based

2) Net Interest Margin (%)



Note) Group NIM : Includes SHB, Jeju Bank, LG Card, Shinhan Card, Shinhan Capital, GMSH Securities

5. Non-Interest Income of SHB - I. Income Statement Highlights



(KRW Billion)

	2007 1Q	2006 1Q	YoY		2006 4Q	QoQ	
			Chg Amt	Chg%		Chg Amt	Chg%
Non-Interest Income (A)	917.7	284.7	633.0	222.3%	443.3	474.4	107.0%
Fees & Commissions	214.8	176.1	38.7	22.0%	174.2	40.6	23.3%
(Fund)	60.3	40.5	19.8	48.9%	39.6	20.7	52.3%
(Bancassurance)	21.5	29.7	-8.2	-27.6%	20.0	1.5	7.5%
Trust Fees	11.1	9.3	1.8	19.4%	11.8	-0.7	-5.6%
Securities related	708.1	84.9	623.2	734.0%	182.6	525.5	287.8%
F/X Comm. & Others	-16.2	14.4	-30.6	n.a.	74.7	-90.9	n.a.

Note) 2006 figures are pro-forma based

Fund/Bancassurance related Fees & Commissions

(KRW Billion)



6. SG&A Expenses of SHB - I. Income Statement Highlights

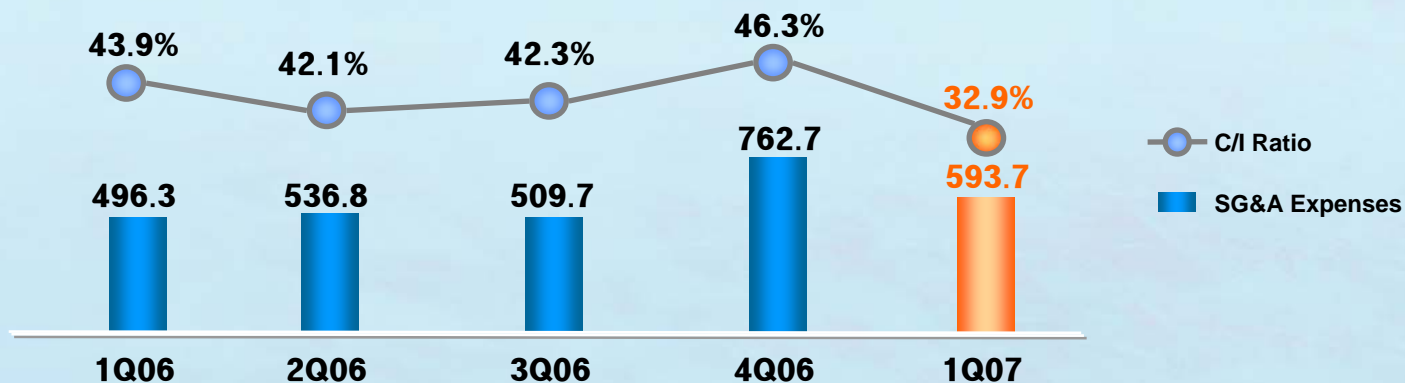


(KRW Billion)

	2007 1Q	2006 1Q	YoY		2006 4Q	QoQ	
			Chg Amt	Chg%		Chg Amt	Chg%
SG&A Expenses	593.8	496.4	97.4	19.6%	762.7	-169.0	-22.2%
Labor Costs	354.7	244.4	110.3	45.1%	390.4	-35.6	-9.1%
Admin Expenses	162.0	201.9	-39.9	-19.8%	289.9	-127.9	-44.1%
D&A Costs	54.1	34.5	19.6	56.7%	56.3	-2.2	-4.0%
Taxes & Dues	22.9	15.5	7.4	47.6%	26.2	-3.2	-12.4%

Note) 2006 figures are pro-forma based

SG&A Expenses and Cost Income Ratio



7. Income of LG Card - I. Income Statement Highlights



(KRW Billion)

	2007 1Q	2006 1Q	YoY		2006 4Q	QoQ	
			Chg Amt	Chg%		Chg Amt	Chg%
Operating Revenue (a)	675.7	723.6	-47.9	-6.6%	694.2	-18.4	-2.7%
Credit Card	452.7	464.8	-12.1	-2.6%	469.2	-16.6	-3.5%
Installment Finance	32.6	23.0	9.6	41.5%	31.4	1.1	3.6%
Loans	118.1	149.0	-30.9	-20.7%	128.9	-10.9	-8.4%
Lease	21.0	18.4	2.6	14.1%	20.9	0.0	0.2%
Others	51.5	68.5	-17.0	-24.9%	43.6	7.9	18.0%
Interest Expense (b)	102.0	122.3	-20.3	-16.6%	113.0	-11.0	-9.7%
SG&A Expenses/Others (c)	314.8	286.3	28.5	10.0%	286.9	28.0	9.7%
Operating Income (d=a-b-c)	258.9	315.0	-56.1	-17.8%	294.3	-35.4	-12.0%
Non-Operating Income (e)	4.2	-1.3	5.5	n.a.	-25.8	30.1	n.a.
Pre-Provision Income (f=d+e)	263.1	313.7	-50.6	-16.1%	268.5	-5.3	-2.0%
Loan Loss Provision (g)	-82.3	-39.8	-42.4	n.a.	24.0	-106.3	n.a.
Earnings before Income Tax (h=f-g)	345.4	353.6	-8.2	-2.3%	244.5	100.9	41.3%
Income Tax	-520.0	-	n.a.	n.a.	-	n.a.	n.a.
Net Income	865.4	353.6	511.8	144.7%	244.5	620.9	254.0%

Note) Managed basis

8. Income of Shinhan Card - I. Income Statement Highlights



(KRW Billion)

	2007 1Q	2006 1Q	YoY		2006 4Q	QoQ	
			Chg Amt	Chg%		Chg Amt	Chg%
Operating Revenue (a)	253.0	112.3	140.7	125.2%	252.9	0.1	0.0%
Credit Card	246.1	109.7	136.5	124.4%	246.3	-0.2	-0.1%
Others	6.8	2.6	4.2	158.7%	6.5	0.3	4.6%
Interest Expense (b)	37.9	19.6	18.3	93.4%	38.7	-0.8	-2.1%
SG&A Expenses & Others (c)	142.5	61.1	81.4	133.2%	157.0	-14.5	-9.2%
Operating Income (d=a-b-c)	72.5	31.6	41.0	129.6%	57.1	15.4	27.0%
Non-Operating Income (e)	-2.0	-0.5	-1.5	n.a.	-3.0	1.0	n.a.
Pre-Provision Income (f=d+e)	70.6	31.1	39.5	126.9%	54.2	16.4	30.3%
Loan Loss Provision (g)	-4.7	7.0	-11.7	n.a.	15.3	-20.0	n.a.
Earnings before Income Tax (h=f-g)	75.3	24.1	51.2	212.6%	38.9	36.4	93.7%
Net Income	54.2	16.5	37.7	228.4%	45.0	9.2	20.4%

(Note) Reported basis (excluding 061Q results of CHB's credit card operations)

II. Balance Sheet Highlights

1. SFG Asset Growth
2. SHB Loan Growth
3. SHB Deposits/Finance Debentures
4. LG Card/Shinhan Card
5. Status of Integrated Credit Card Company





1. SFG Asset Growth - II. Balance Sheet Highlights



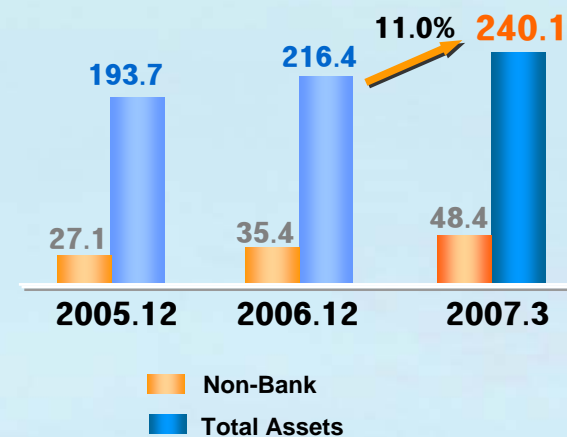
1) Total Asset of SFG

(KRW Billion)

	2005.12	2006.12	2007.3	YTD	
				Chg Amt	Chg%
Bank	165,358	179,489	187,945	8,456	4.7%
Shinhan Bank	163,289	177,008	185,291	8,284	4.7%
Jeju Bank	2,069	2,482	2,654	172	6.9%
Non-Bank	27,085	35,412	48,386	12,974	36.6%
LG Card	-	-	9,868	9,868	n.a.
Shinhan Card	1,532	3,558	3,553	-5	-0.1%
GMSH Securities	3,883	4,127	5,460	1,333	32.3%
Shinhan Life Insurance	5,129	6,226	6,485	259	4.2%
Shinhan Capital	1,401	1,948	2,350	401	20.6%
Shinhan BNPP ITMC	7,353	8,511	9,290	779	9.2%
SH Asset Mgmt.	7,788	11,041	11,379	338	3.1%
Total Assets	193,739	216,362	240,133	23,771	11.0%

SFG Total Assets

(KRW trillion)



Note) Including Trust A/C and AUM (Shinhan BNPP ITMC+SH Asset Mgmt.)

2. SHB Loan Growth - II. Balance Sheet Highlights

(KRW Billion)

	2007.3	2006.12	YTD		2006.3	YoY	
			Chg Amt	Chg%		Chg Amt	Chg%
Loans in Won (A)	92,835	89,592	3,243	3.6%	81,409	11,427	14.0%
Retail	47,863	47,943	-80	-0.2%	42,456	5,408	12.7%
Mortgage	29,923	30,452	-529	-1.7%	26,314	3,609	13.7%
Others	17,941	17,491	450	2.6%	16,141	1,799	11.1%
Corporate	44,972	41,649	3,323	8.0%	38,953	6,019	15.5%
SME	38,210	34,866	3,344	9.6%	31,497	6,712	21.3%
SOHO	14,213	13,023	1,191	9.1%	11,461	2,752	24.0%
Large Corp etc.	6,762	6,784	-21	-0.3%	7,456	-694	-9.3%
Loans in Foreign Currency (B)	7,052	6,856	196	2.9%	4,630	2,422	52.3%
Total Loans (A+B)	99,887	96,448	3,439	3.6%	86,039	13,848	16.1%

Mortgage Loan Growth Amount per year

5.3 tril.



Note) CAGR (2003~2006) : 15%

SME Loan Growth per year

3.8 tril.



Note) CAGR (2004~2006) : 7%

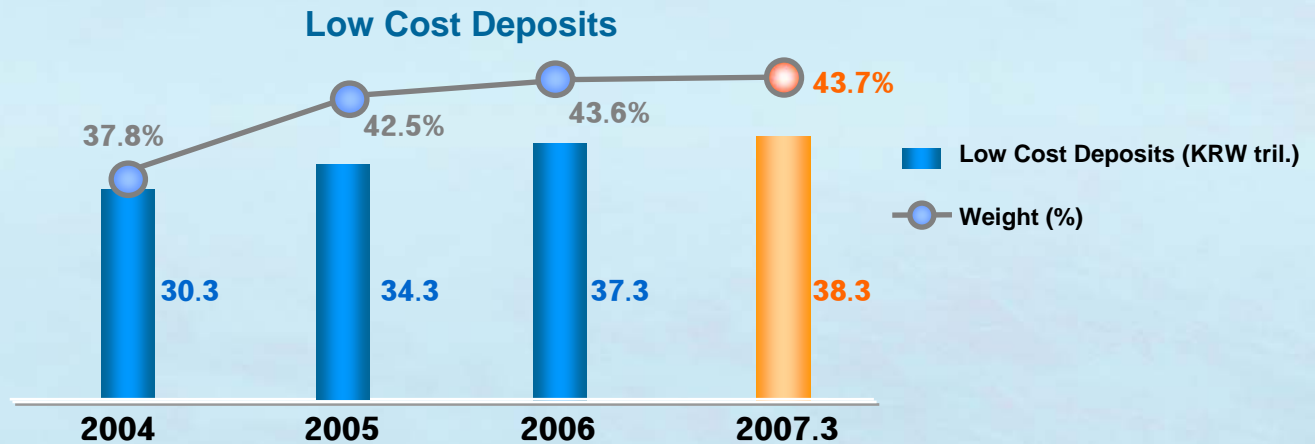
3. SHB Deposits/Finance Debentures - II. Balance Sheet Highlights



(KRW Billion)

	2007.3	2006.12	YTD		2006.3	YoY	
			Chg Amt	Chg%		Chg Amt	Chg%
Total Deposits in Won	87,563	85,562	2,001	2.3%	77,791	9,772	12.6%
Low Cost Deposits	38,267	37,290	977	2.6%	34,580	3,687	10.7%
Demands	11,580	12,481	-901	-7.2%	11,028	552	5.0%
Savings	26,687	24,809	1,879	7.6%	23,552	3,135	13.3%
Other Savings	37,277	35,305	1,972	5.6%	34,709	2,568	7.4%
Time Deposits	30,609	28,394	2,215	7.8%	26,971	3,638	13.5%
Accumulative/Others	6,667	6,911	-244	-3.5%	7,738	-1,071	-13.8%
Certificate of Deposits	12,019	12,967	-948	-7.3%	8,502	3,517	41.4%
Finance Debentures in Won	23,061	21,704	1,357	6.3%	19,937	3,124	15.7%

Note) Pro Forma based



Note) CAGR (2004-2006) : Demands 11%

4. LG Card - II. Balance Sheet Highlights



(KRW Billion)

	2007.3	2006.3	YoY		2006.12	QoQ	
			Chg Amt	Chg%		Chg Amt	Chg%
Assets (Managed)	11,693	11,621	72	0.6%	11,929	-236	-2.0%
Receivables	4,755	4,391	364	8.3%	4,771	-16	-0.3%
(Purchase Card Assets)	379	248	132	53.2%	375	4	1.0%
Cash Advances	2,589	2,815	-226	-8.0%	2,686	-97	-3.6%
Card Loans	2,727	3,308	-581	-17.6%	2,932	-205	-7.0%
(Re-Aged Loans)	928	1,524	-596	-39.1%	1,051	-123	-11.7%
Installment Finance	997	704	293	41.7%	965	32	3.3%
Lease	625	404	221	54.8%	576	49	8.6%
Quarterly Sales Volume	14,884	15,029	-145	-1.0%	15,180	-296	-1.9%
Lump-Sum	6,768	6,374	394	6.2%	6,869	-102	-1.5%
(Check Cards)	225	182	43	23.3%	231	-6	-2.4%
Installments	2,544	2,257	287	12.7%	2,492	52	2.1%
Cash Advances	4,450	5,051	-601	-11.9%	4,606	-156	-3.4%
Card Loans	697	919	-222	-24.2%	724	-27	-3.7%
Installment Finance	279	252	27	10.7%	327	-48	-14.6%
Lease	146	176	-29	-16.8%	161	-15	-9.4%
Active Customers* (thousands)	10,564	10,000	564	5.6%	10,438	126	1.2%
Merchants (thousands)	2,033	1,940	93	4.8%	2,011	22	1.1%

* Total Card Holders – Check Card Holders – Suspended Card Holders

4. Shinhan Card - II. Balance Sheet Highlights



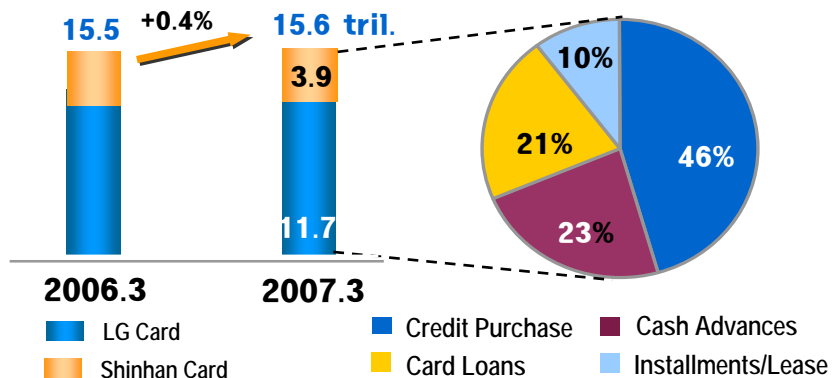
(KRW Billion)

	2007.3	2006.3	YoY		2006.12	QoQ	
			Chg Amt	Chg%		Chg Amt	Chg%
Asset (Managed)	3,881	3,889	-9	-0.2%	3,900	-20	-0.5%
Receivables	2,339	2,278	61	2.7%	2,389	-51	-2.1%
(Purchase Card Asset)	163	220	-57	-25.8%	194	-31	-15.8%
Cash Advances	988	1,100	-112	-10.2%	984	4	0.4%
Card Loans	554	512	42	8.2%	527	27	5.1%
(Re-Aged Loans)	79	235	-157	-66.6%	99	-21	-20.9%
Quarterly Sales Volume	7,135	6,610	525	7.9%	7,116	19	0.3%
Lump-Sum	4,144	3,610	534	14.8%	4,083	61	1.5%
(Check Cards)	420	307	113	36.9%	360	60	16.7%
Installments	997	872	125	14.3%	1,012	-15	-1.5%
Cash Advances	1,783	2,072	-288	-13.9%	1,818	-34	-1.9%
Card Loans	211	57	154	271.4%	204	8	3.9%
Active Customers (thousands)	4,998	4,375	623	14.2%	4,767	231	4.8%
Merchants (thousands)	3,201	3,274	-72	-2.2%	3,107	94	3.0%

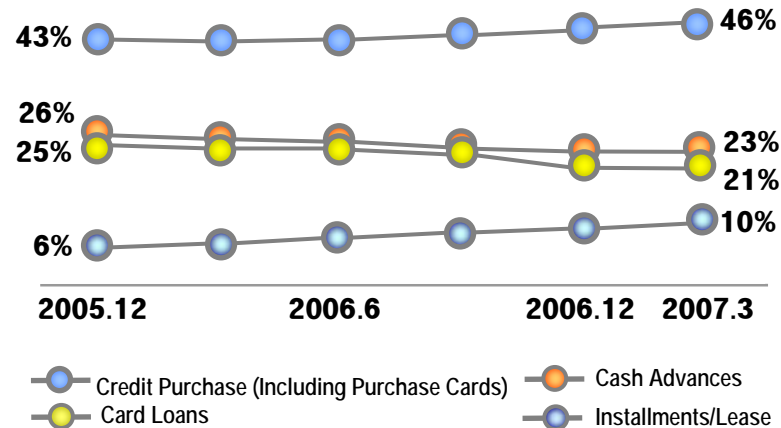
Note) Pro Forma based: Pre-merger Shinhan Card + CHB's credit card division

5. Status of Integrated Credit Card Company - II. Balance Sheet Highlights

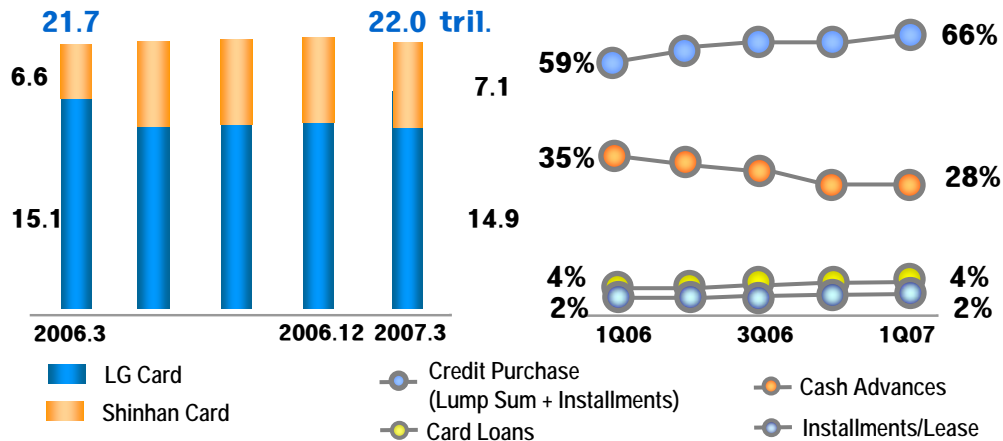
1) Total Assets



2) Proportion to Total Assets



3) Quarterly Sales and Proportion by Product



III. Asset Quality

1. Asset Quality of SFG
2. Asset Quality of SHB
3. Asset Quality of LG Card/Shinhan Card
4. Asset Quality of Integrated Credit Card Companies
5. Loan Loss Provision/Write-Off



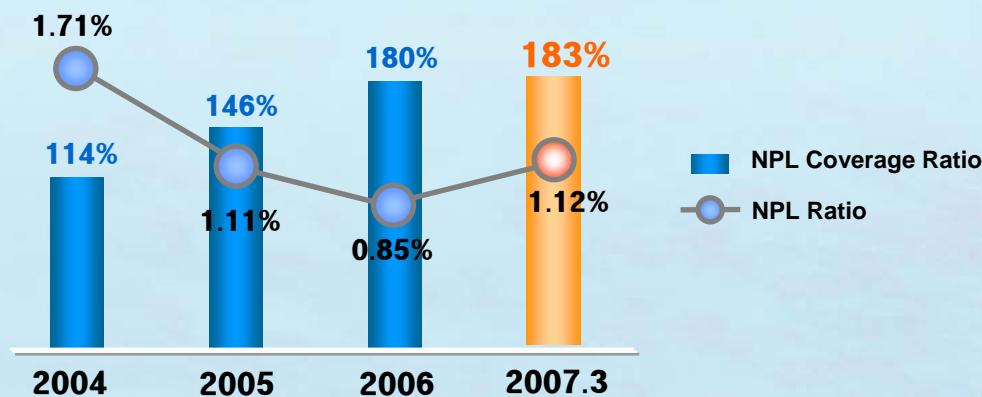
1. Asset Quality of SFG - III. Asset Quality



(KRW Billion)

	2007.3	2006.12	YTD		2006.3	YoY	
			Chg Amt	Chg%		Chg Amt	Chg%
Total Loans*	143,702	127,095	16,606	13.1%	109,989	33,713	30.7%
Normal	139,706	124,424	15,281	12.3%	106,502	33,204	31.2%
Precautionary	2,390	1,593	797	50.1%	2,227	163	7.3%
Substandard	506	492	13	2.7%	697	-192	-27.5%
Doubtful	244	200	44	22.1%	211	33	15.6%
Estimated Loss	856	386	470	121.7%	352	505	143.6%
Substandard & Below	1,606	1,079	528	48.9%	1,260	346	27.5%
NPL Ratio	1.12%	0.85%	n.a	0.27%p	1.15%	n.a	-0.03%p
Loan Loss Reserve	2,943	1,942	1,000	51.5%	1,940	1,003	51.7%
NPL Coverage Ratio	183%	180%	n.a	3%p	154%	n.a	29%p

* Including assets of Shinhan/Jeju Bank, LG Card, Shinhan Card, Good Morning Shinhan Securities, Shinhan Life Insurance, and Shinhan Capital

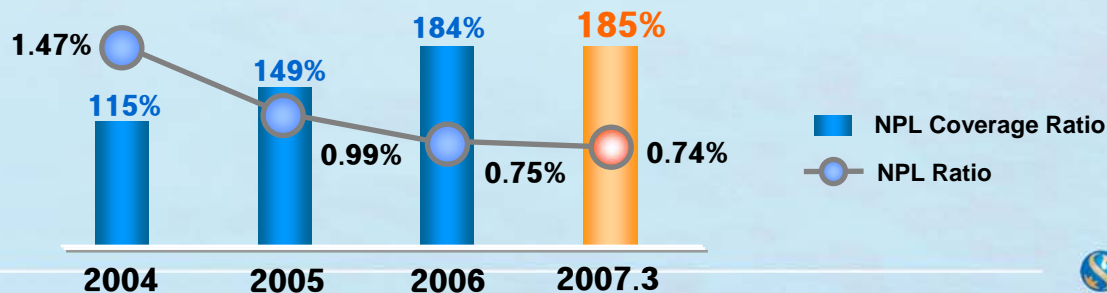


2. Asset Quality of SHB - III. Asset Quality

(KRW Billion)

	2007.3	2006.12	YTD		2006.3	YoY	
			Chg Amt	Chg%		Chg Amt	Chg%
Total Loans	121,413	117,552	3,861	3.3%	101,621	19,792	19.5%
Normal	118,995	115,253	3,741	3.2%	98,579	20,416	20.7%
Precautionary	1,514	1,416	98	6.9%	1,999	-485	-24.3%
Substandard	488	471	17	3.7%	675	-187	-27.7%
Doubtful	111	126	-15	-12.2%	120	-10	-8.0%
Estimated Loss	304	285	19	6.7%	247	57	23.0%
Substandard & Below	904	883	21	2.4%	1,043	-139	-13.4%
NPL Ratio	0.74%	0.75%		-0.01%p	1.03%		-0.28%p
Loan Loss Reserves	1,667	1,626	41	2.5%	1,652	15	0.9%
NPL Coverage Ratio	185%	184%		0.3%p	158%		26%p
Write-off (Quarterly)	56	52	4	6.8%	32	24	73.4%
Delinquency Ratio	0.70%	0.65%		0.06%p	1.02%		-0.31%p
Retail	0.64%	0.61%		0.04%p	0.86%		-0.22%p
Mortgage	0.32%	0.32%		-0.01%p	0.40%		-0.09%p
Others	1.26%	1.16%	n.a.	0.09%p	1.57%	n.a.	-0.31%p
Corporate	1.07%	0.98%		0.09%p	1.40%		-0.34%p
SME	0.94%	0.85%		0.09%p	1.68%		-0.74%p
SOHO	1.04%	0.99%		0.05%p	1.85%		-0.82%p
Large Corp.	2.09%	1.82%		0.26%p	0.00%		2.09%p

Note) Pro Forma based



3. Asset Quality of LG Card - III. Asset Quality



(KRW Billion)

	2007.3	2006.12	QoQ		2006.3	YoY	
			Chg Amt	Chg%		Chg Amt	Chg%
Assets (Managed)	11,693	11,929	-236	-2.0%	11,621	72	0.6%
Normal	10,466	11,237	-771	-6.9%	10,828	-362	-3.3%
Precautionary	691	111	581	524.8%	144	548	381.7%
Substandard	-	-	-	-	-	-	-
Doubtful	83	93	-10	-10.5%	196	-113	-57.5%
Estimated Loss	452	488	-36	-7.5%	454	-2	-0.4%
Substandard & Below	535	581	-46	-7.9%	650	-115	-17.7%
NPL Ratio	4.58%	4.87%	-	-0.3%p	5.59%	-	-1.0%p
Loan Loss Reserves (Managed)	969	1,105	-136	-12.3%	1,157	-188	-16.2%
NPL Coverage Ratio	181%	190%	-	-9%p	178%	-	3%p
NPL Sales (Quarterly)	-	-	-	-	-	-	-
Write-Off (Quarterly)	115	150	-35	-23.5%	180	-65	-36.2%
Delinquency Ratio (1M and Over)	4.4%	4.5%	-	-0.1%p	4.5%	-	-0.1%p

3. Asset Quality of Shinhan Card - III. Asset Quality



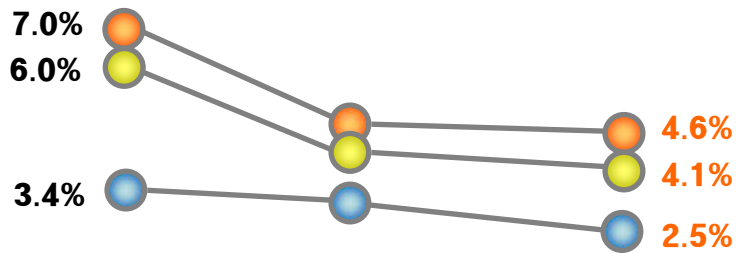
(KRW Billion)

	2007.3	2006.12	QoQ		2006.3	YoY	
			Chg Amt	Chg%		Chg Amt	Chg%
Assets (Managed)	3,881	3,900	-20	-0.5%	3,889	-9	-0.2%
Normal	3,674	3,668	6	0.2%	3,585	89	2.5%
Precautionary	108	109	0	-0.4%	170	-62	-36.4%
Substandard	-	-	-	-	1	-1	n.a.
Doubtful	43	67	-24	-36.3%	80	-37	-46.2%
Estimated Loss	55	56	-1	-1.0%	53	2	4.0%
Substandard & Below	98	123	-25	-20.3%	134	-35	-26.4%
NPL Ratio	2.53%	3.16%	-	-0.6%p	3.43%	-	-0.9%p
Loan Loss Reserves (Managed)	196	211	-15	-7.0%	188	8	4.4%
NPL Coverage Ratio	200%	171%	-	29%p	141%	-	59%p
NPL Sales (Quarterly)	-	4	-4	n.a.	-	-	-
Write-Off (Quarterly)	32	63	-31	-49.3%	46	-14	-30.5%
Delinquency Ratio (1M and Over)	2.3%	2.4%	-	-0.1%p	2.5%	-	-0.2%p

Note) Pro Forma based: Pre-merger Shinhan Card + CHB's credit card division



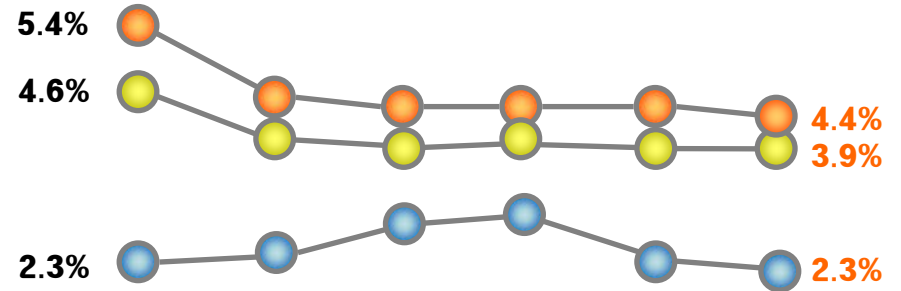
1) NPL Ratio and NPL Coverage Ratio



2005.12 2006.12 2007.3

● LG Card ● Shinhan Card
● LG Card + Shinhan Card Integrated basis

2) Delinquency Ratio of 1M and Over



2005.12 2006.3 2006.6 2006.9 2006.12 2007.3

● LG Card ● Shinhan Card
● LG Card + Shinhan Card Integrated basis

	2005.12	2006.12	2007.3
NPL Amount (KRW bil.)	928.4	704.6	633.4
NPL Coverage Ratio	163%	187%	184%

5. Loan Loss Provision/Write-Off - III. Asset Quality



1) Loan Loss Provision

(KRW Billion)

	FY2005	FY2006	1Q	FY2007
Shinhan Bank*				
Retail	275.1	265.7	52.6	52.6
Corporate	395.8	209.7	-0.7	-0.7
Sub-Total	670.9	475.4	51.9	51.9
LG Card	-	-	-82.3	-82.3
Shinhan Card**	249.4	116.7	-4.7	-4.7
Total	920.3	592.1	-35.1	-35.1

* Pre-merger SHB + Pre-merger CHB

** Pre-merger Shinhan Card + Pre-merger credit card operations of CHB

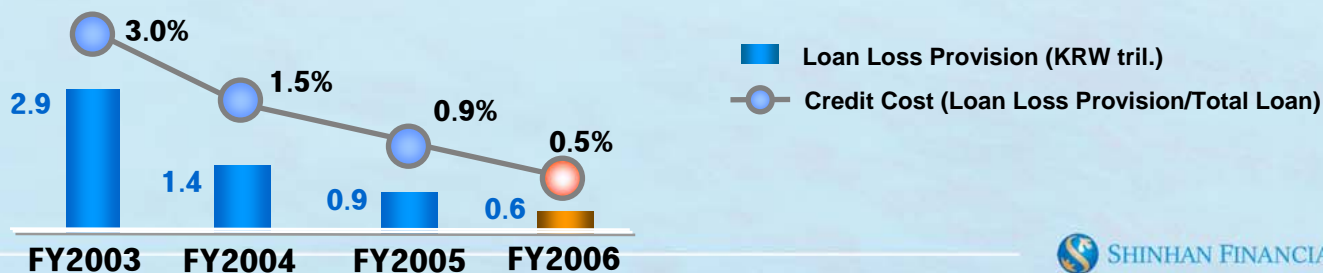
2) Write-Off

(KRW Billion)

	FY2005	FY2006	1Q	FY2007
Shinhan Bank*				
Retail	246.7	81.9	18.6	18.6
Corporate	197.3	82.2	37.2	37.2
Sub-Total	444.0	164.1	55.8	55.8
LG Card	-	-	115.0	115.0
Shinhan Card**	353.2	207.3	31.8	31.8
Total	797.2	371.4	202.6	202.6

* Pre-merger SHB + Pre-merger CHB

** Pre-merger Shinhan Card + Pre-merger credit card operations of CHB



IV. Capital Adequacy Highlights

1. Capital Adequacy



1. Capital Adequacy - IV. Capital Adequacy Highlights



Shinhan Bank*

(KRW Billion)

	2007.3 (E)	2006.12	QoQ		2006.3	YoY	
			Chg Amt	Chg%		Chg Amt	Chg%
Risk-Weighted Assets	117,575	113,558	4,018	3.5%	100,857	16,718	16.6%
Tier I Capital	9,678	8,870	808	9.1%	7,765	1,913	24.6%
Tier II Capital	4,362	4,770	-408	-8.6%	4,074	288	7.1%
BIS Ratio	11.9%	12.0%		-0.1%p	11.7%		0.2%p
Tier I Capital	8.2%	7.8%	n.a.	0.4%p	7.7%	n.a.	0.5%p
Tier II Capital	3.7%	4.2%		-0.5%p	4.0%		-0.3%p

* Pre-merger Shinhan Bank + Pre-merger Chohung Bank

V. Key Financial Ratios

1. Key Financial Ratios





1. Key Financial Ratios - V. Key Financial Ratios



	2007 1Q	FY2006	FY2005
SFG			
ROA	2.11%	1.08%	1.03%
ROE	27.28%	17.66%	18.90%
BPS (KRW)	33,661	27,430	23,991
EPS (KRW)	8,492	4,425	3,694
Cost/Income ¹⁾	37.6%	49.7%	48.4%
Cost/Income ²⁾	35.1%	47.2%	46.5%
Shinhan Bank			
ROA	2.06%	1.11%	1.09%
ROE	34.23%	18.56%	20.72%
Loan/Deposit	106.0%	104.7%	99.2%
Cost/Income ¹⁾	32.9%	46.3%	44.2%
NPL	0.74%	0.75%	1.05%

Note 1) Reflecting revision of accounting standard

2) Excluding goodwill amortization from cost

VI. Appendix

1. Investment Securities of SHB
2. Accounting Treatment of LG Card Acquisition
3. Loans to SMEs



1. Investment Securities by SHB - VI. Appendix



(As of March 2007)

	Shares (thousands)	Ownership (%)	Acquisition Cost/Share (KRW)	Book Value/Share (KRW)	Valuation Gain (KRW Billion)
Hynix	27,979	6.10	3,862	31,560	775.0
SK Networks	22,615	9.45	5,016	23,017	407.1
Hyundai Eng. & Con.	5,527	5.00	28,395	45,572	94.9
Ssangyong Cement	10,000	13.39	9,520	10,259	7.4
Daewoo Eng. & Con.	3,808	1.12	26,262	17,858	-32.0
Daewoo International	1,523	1.60	3,406	33,174	45.3
Ssangyong Eng. & Con.	1,365	4.58	4,230	12,772	11.7
Total					1,309.4



1) Goodwill Recognition

(Unit: KRW Billion)

	Tender Offer (A)	Owned by SHB (B)	Total (A+B)	Note
No. of Shares (thousands)	98,517	8,960	107,477	-
Ownership %	78.6%	7.1%	85.7%	-
Acquisition Cost	6,683.8 ¹⁾	528.9	7,212.7	▶ Tender offer price @ KRW 67,770 ▶ Shares held by SHB @ KRW 59,030
Fair Value of Net Assets (Feb. 2007)	2,947.5	268.1	3,215.6	▶ Ownership % x Fair Value of Total Net Assets
Goodwill	3,736.3	260.8	3,997.1	▶ Acquisition Cost – Fair Value of Net Assets

Note 1) Preferred Shares 3.75 tril. (RPS 2.9 tril. + RCPS 0.85 tril.) + corporate bonds and etc. 2.93 tril.

2) Goodwill Amortization

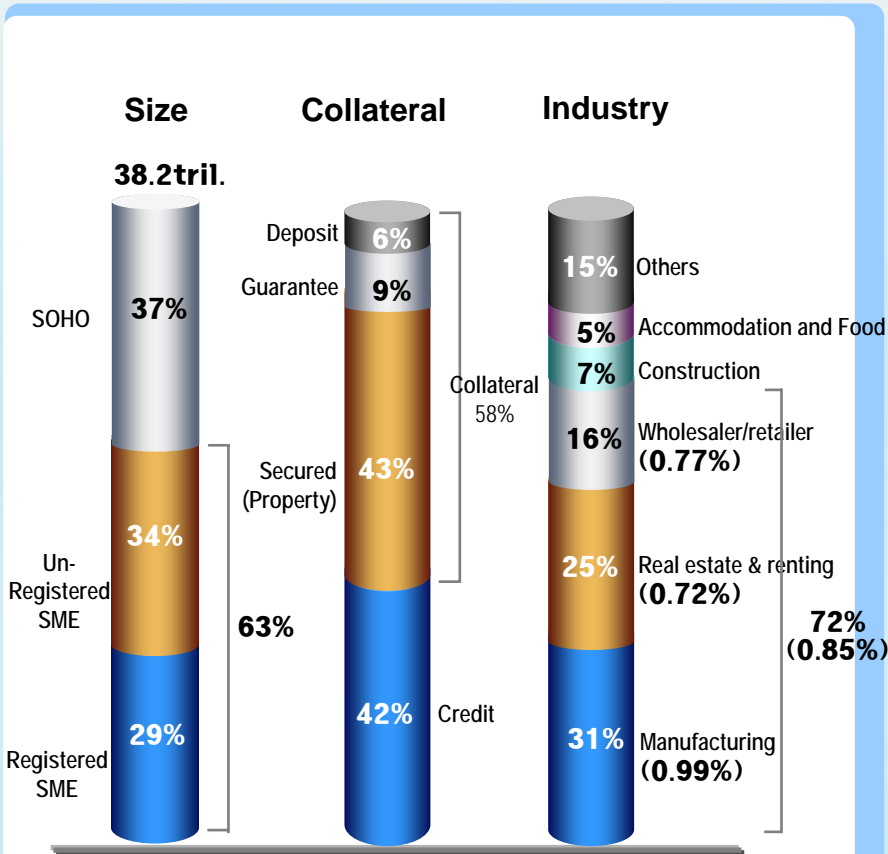
- ▶ Amortization over a period of 14 years (KRW 285.5 bil. per year)



3. Loans to SMEs - VI. Appendix



1) Loans to SMEs (March 2007)



Note) Loans by collateral are of Dec.06 basis, whereas parenthesis show delinquency ratio as of March 07

2) SME Loan Growth during 1Q07

	Increase Amt	Delinquency Ratio (07.3)
Registered SME	0.9	} 0.88%
Un-registered SME	1.3	
SOHO	1.2	1.04%
Total	3.3	0.94%

(KRW Trillion)

3) SOHO Collateral (March 2007)

