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Your Total Financial Solution : Shinhan Financial Group

2008 3Q Business Results

October 2008



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 statements may differ from the provided figures in this presentation.

For comparison purposes, please note the following facts :

- 1) As of October 1, 2007, LG Card merged with Shinhan Card and the new integrated Shinhan Card was launched. Figures for the pre-merger have been provided in an integrated (pro-forma) basis for comparison purposes.
- 2) As of FY 2008, according to the change in accounting treatment of Joint Venture companies, consolidation methods in lieu of equity methods were applied in accounting our JVs such as Shinhan BNPP ITMC, SH&C Life Insurance and Shinhan Macquarie Financial Advisory

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

Note) Some of the totals may not sum due to rounding.

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- II** Income Statements Highlights
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2008 3Q Business Results Highlights (1)

Net Income
KRW 1.73 tril.
(3Q KRW 323.3 bil.)

- Group's consolidated net income marked KRW 1.73 tril., 20.1% decrease YoY. However, on recurring basis, our earnings YoY slightly increased considering extraordinary one-off gains of approximately KRW 490 bil. in total, mostly from sale of LG Card securities (KRW 336.9 bil.) occurred in 2007.
- 3Q net income recorded KRW 323.3 bil., down 59.1% QoQ. Several one-off factors hampered 3Q performance: 1) write-downs related to Lehman Brothers, 2) provisioning over Taesan LCD, 3) un-recognition of valuation gain from equity in foreign currency related to overseas subsidiaries with significant depreciation of KRW. In addition, provisioning hike in the wake of SME asset quality deterioration triggered by sluggish economy have attributed to the YoY decline as well.
- Shinhan Card, Shinhan Life Insurance and Shinhan Capital earnings remained strong.

**Shinhan Bank +
Shinhan Card**
NIM 3.55%

- Combined NIM of Shinhan Bank and Shinhan Card remains at competitively high level of 3.55%.
- Shinhan Bank's pure 3Q NIM, which excludes credit card contribution, increased 7 bps QoQ to 2.10%. Moderation in top line growth along with alleviated funding pressure due to sufficient funding during 1H08 attributed to slight NIM improvement of Shinhan Bank in 3Q.

**Accelerating
non-bank subsidiaries
NI contribution:**
50.1%

- Combined earnings from non-bank subsidiaries as of 3Q marked KRW 1.10 tril. based on equity method, up 28.6% YoY. GMSH Securities net income dropped related to Lehman loss, while other non-bank subsidiaries such as Shinhan Card, Shinhan Life Insurance, Shinhan Capital continued their earning streak.
- Net income contribution from non-bank subsidiaries totals 50.1% (47.7% excluding 1Q08 VISA IPO gain)

2008 3Q Business Results Highlights (2)

Group Total Assets
KRW 315 tril.

- Total Asset (including AUM) increased by 13.9% to KRW 315 tril. YTD (Bank 16.2%, Non-bank 8.9%).
- Shinhan Bank's loan in KRW increased by 11.2% to KRW 118 tril. YTD (1H08 8.7%, 3Q08 2.5%).
During 3Q Shinhan Bank decelerated top line growth well reflecting not only deposit and funding difficulties but also escalating potential asset quality deterioration due to down turning credit cycle in Korea.

Group NPL Ratio
1.06%

SHB Delinquency Ratio
0.69%

**Shinhan Card
Delinquency Ratio**
3.09%

- Group NPL ratio inched to 1.06%, only 8 bps increase QoQ (SHB 0.87%, Shinhan Card 2.58%).
- SHB delinquency ratio marked 0.69%, 2 bps increase QoQ (Retail 0.36%, SME 1.27%).
SME delinquency ratio at 1.27%, which increased by 22 bps QoQ and 33bps YTD. This phenomena well reflects fragile economic condition, in particular within construction sector and related industries, resulting in deterioration of overall asset quality of SHB. However, retail delinquency ratio and asset quality is maintained at relatively low level.
- Shinhan Card's delinquency ratio (1M overdue) marked 3.09%, 2 bps decline QoQ, remaining at a stable level.

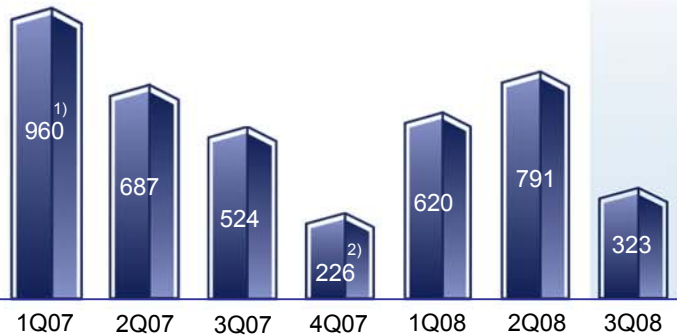
II Income Statement Highlights

- 1. SFG Income**
- 2. Subsidiaries Income (1)**
- 3. Subsidiaries Income (2)**
- 4. SHB Income / NIM**
- 5. SHB Non-Interest Income / SG&A**
- 6. Shinhan Card Income**

SFG Income

SFG Net Income

(KRW Billion)

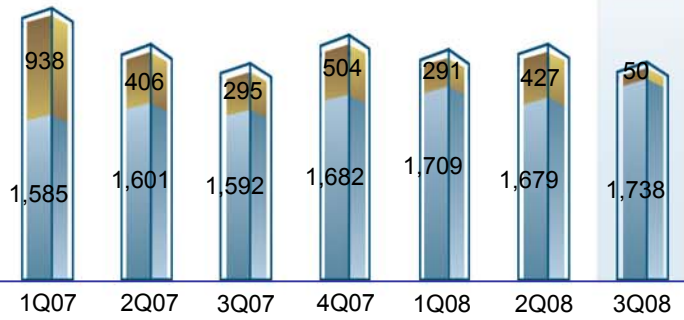


Note1) Including LG Card related income of 337 bil.(after-tax)

Note2) Including Shinhan Card unused credit limit provision 287 bil.,(after-tax) and Shinhan Bank corporate loan additional provision 137 bil. (after-tax)

Interest + Non-Interest Income

(KRW Billion)



■ Interest Income ■ Non-Interest Income

(KRW Billion)	2008 Sept.	2007 Sept.	YoY%	3Q08	2Q08	QoQ%
Total Operating Income (a=b+c)	5,892.7	6,416.7	-8.2	1,788.2	2,105.5	-15.1
Interest Income (b)	5,125.7	4,777.6	7.3	1,738.3	1,678.9	3.5
Non-Interest Income (c)	767.0	1,639.2	-53.2	49.9	426.6	-88.3
SG&A (d)	2,884.0	2,823.0	2.2	978.7	865.1	13.1
Pre-Provision Operation Income (e=a-d)	3,008.8	3,593.8	-16.3	809.5	1,240.4	-34.7
Non-Operating Income (f)	-12.5	62.0	n.a.	-20.9	-38.1	n.a.
Pre-Provision Income (g=e+f)	2,996.2	3,655.7	-18.0	788.6	1,202.3	-34.4
Loan Loss Provision (h)	488.5	105.1	364.8	294.3	91.4	222.1
Earnings before Income Tax (i=g-h)	2,507.7	3,550.6	-29.4	494.2	1,110.9	-55.5
Income Tax	772.0	425.4	81.5	172.3	319.6	-46.1
Net Income of Subsidiaries before purchase date	-	874.5	n.a.	-	-	-
Consolidated Net Income	1,734.9	2,170.6	-20.1	323.3	791.2	-59.1

Note) For comparison purpose, previous figures have been revised according to the changes in accounting treatment of JVs

Subsidiaries Income (1)

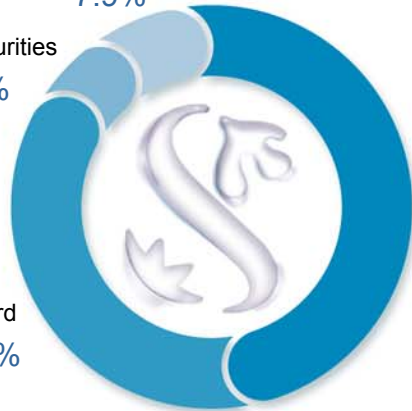
Net Income Contribution by Subsidiaries

Shinhan Life Insurance and others
7.9%

GMSH Securities
4.3%

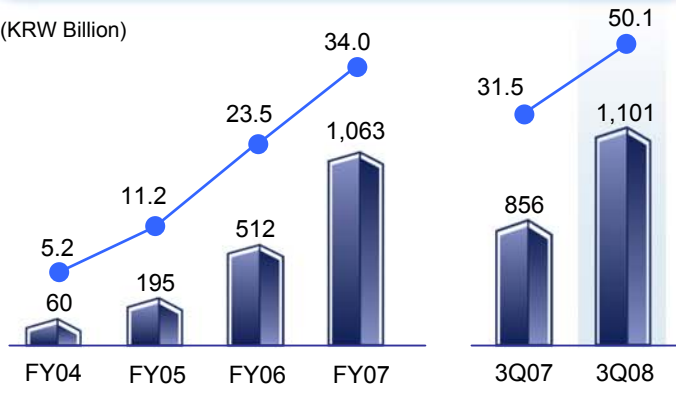
Bank
49.9%

Shinhan Card
37.9%



Net Income Contribution by Non-Bank Subsidiaries

(KRW Billion)



● NI Contribution (%)

■ Non-Bank total net income

Note) After reflecting ownership by SFG

(KRW Billion)	Net Income Ownership		Net Income (1XOwnership)	Adjustments	Net Income (Consolidated)
	[1]	[2]	[3=1 x 2]	[4]	[5=3+4]
Bank (a)	1,102.2		1,097.6	-52.8	1,044.8
Shinhan Bank	1,090.0	100.0%	1,090.0	-53.4 ¹⁾	1,036.6
Jeju Bank	12.2	62.4%	7.6	0.6	8.2
Non-Bank (b)	1,110.6		1,100.8	-284.4	816.4
Shinhan Card	832.7 ²⁾	100.0%	832.7	-217.0 ¹⁾	615.7
GMSH Securities	93.9	100.0%	93.9	-15.3 ¹⁾	78.6
Shinhan Life Insurance	106.9	100.0%	106.9	-50.1 ¹⁾	56.8
Shinhan Capital	56.0	100.0%	56.0	1.2	57.2
Shinhan Credit Information	1.5	100.0%	1.5		1.5
Shinhan Private Equity	-0.3	100.0%	-0.3		-0.3
Shinhan BNPP ITMC	24.1	50.0%	12.1		12.1
SH&C	3.4	50.0%	1.7	-3.2	-1.5
Shinhan Macquarie Financial Advisory	-7.6	51.0%	-3.7		-3.7
SFG (c)				-126.3 ³⁾	-126.3
Total (a+b+c)	2,212.8		2,198.4	-463.5	1,734.9

Note1) Goodwill amortization : SHB 46 bil., Shinhan Card 231.3 bil., GMSH Securities 12.8 bil., Shinhan Life 31.4 bil. etc

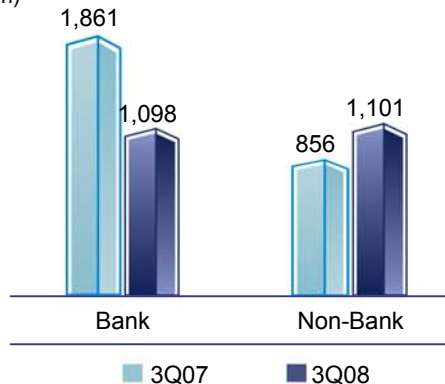
2) Includes 18.9 bil. earnings from SHC Management, a liquidating entity of former Shinhan Card

3) SFG (non-consolidated) : brand fee income 101.6 bil., interest expense 186.7 bil., SG&A expense 41.2bil., etc.

Subsidiaries Income (2)

Net Income YoY Comparison

(KRW Billion)

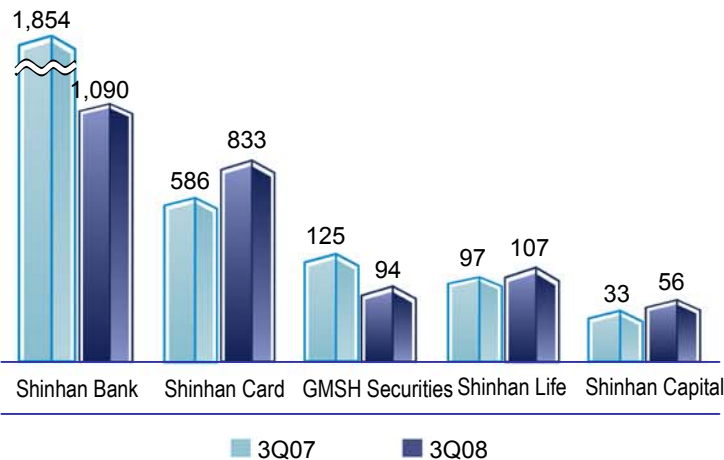


(After reflecting ownership, KRW Billion)	2008 Sept.	2007 Sept.	YoY%	3Q08	2Q08	QoQ%
Bank (a)	1,097.6	1,861.0	-41.0	216.2	497.7	-56.6
Shinhan Bank	1,090.0	1,853.9	-41.2	214.3	493.9	-56.6
Jeju Bank	7.6	7.1	7.0	1.9	3.8	-50.5
Non-Bank (b)	1,100.8	855.8	28.6	265.8	390.2	-31.9
Shinhan Card	832.7 ¹⁾	586.3	42.0	235.4	262.7	-10.4
GMSH Securities	93.9	124.6	-24.6	-17.8	55.4	n.a.
Shinhan Life Insurance	106.9	96.6	10.7	29.1	43.5	-33.1
Shinhan Capital	56.0	33.1	69.2	15.2	24.3	-37.4
Shinhan Credit Information	1.5	1.3	15.4	0.4	0.7	-42.9
Shinhan Private Equity	-0.3	-0.5	n.a.	0.2	-0.5	n.a.
Shinhan BNPP ITMC	12.1	6.8	78.5	3.8	4.3	-11.6
SH&C	1.7	5.2	-67.0	0.2	1.0	-84.2
Shinhan Macquarie Financial Advisory	-3.7	2.5	n.a.	-0.6	-1.2	n.a.
Total (a+b)	2,198.4	2,716.9	-19.1	482.0	887.9	-45.7
Consolidated Net Income	1,734.9	2,170.6	-20.1	323.3	791.2	-59.1

Note1) Includes KRW 18.9 bil. earnings from SHC Management, a liquidating entity of former Shinhan Card

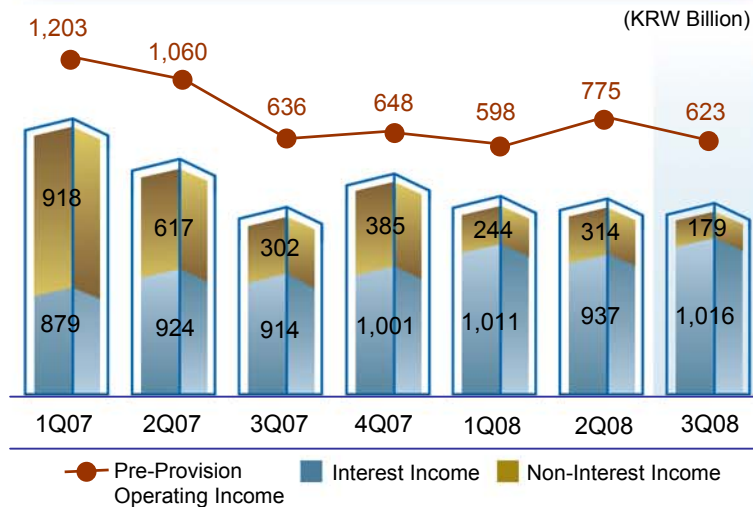
Net Income YoY Comparison by Subsidiaries

(KRW Billion)

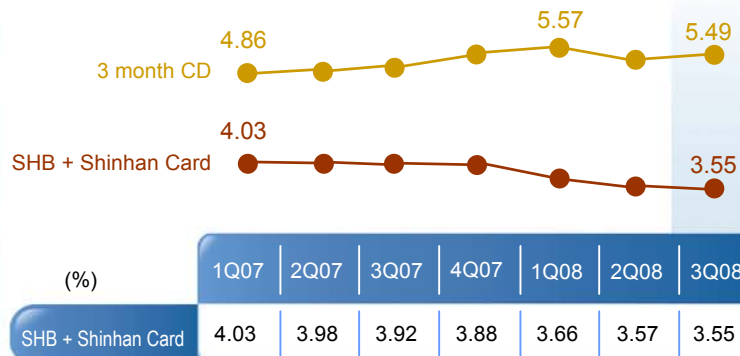


SHB Income / NIM

Interest + Non-Interest



NIM



(KRW Billion)	2008 Sept.	2007 Sept.	YoY%	3Q08	2Q08	QoQ%
Total Operating Income (a=b+c)	3,701.5	4,553.4	-18.7	1,194.4	1,251.2	-4.5
Interest Income (b)	2,964.1	2,717.4	9.1	1,015.5	937.1	8.4
Non-Interest Income (c)	737.4	1,836.0	-59.8	178.9	314.1	-43.0
SG&A (d)	1,705.5	1,654.2	3.1	571.6	476.4	20.0
Pre-Provision Operating Income (e=a-d)	1,996.0	2,899.2	-31.2	622.8	774.8	-19.6
Non-Operating Income (f)	-94.0	-94.4	n.a.	-30.6	-47.2	n.a.
Pre-Provision Income (g=e+f)	1,902.0	2,804.8	-32.2	592.2	727.5	-18.6
Loan Loss Provision (h)	434.9	207.6	109.5	298.0	82.8	260.0
Earnings before Income Tax (i=g-h)	1,467.1	2,597.2	-43.5	294.2	644.7	-54.4
Net Income	1,090.0	1,853.9	-41.2	214.3	493.9	-56.6

(KRW Billion)	1Q07	2Q07	3Q07	4Q07	1Q08	2Q08	3Q08
NIS (a-b)	2.75	2.72	2.66	2.76	2.65	2.49	2.48
Loan Interest Rate (a)	6.43	6.51	6.58	6.83	7.02	6.91	7.05
Deposit Interest Rate (b)	3.68	3.79	3.92	4.07	4.37	4.42	4.57
SHB NIM (Quarterly Basis)	2.28	2.27	2.21	2.30	2.18	2.03	2.10
SHB NIM (Cumulative Basis)	2.28	2.27	2.25	2.26	2.18	2.10	2.10

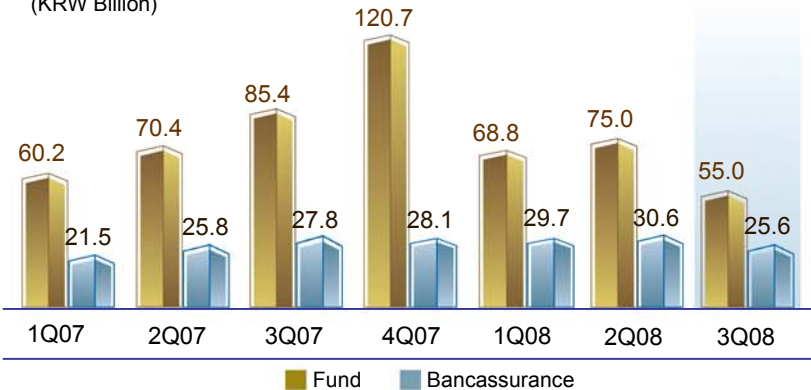
Note) Shinhan Bank stand alone figures, excluding Shinhan Card and one-offs

Note) Cumulative basis with one-offs excluded

SHB Non-Interest Income / SG&A

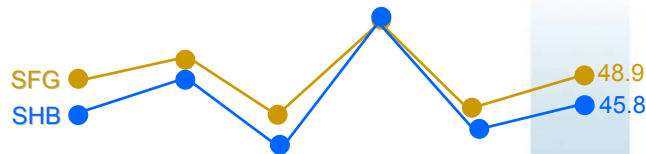
Fund/ Bancassurance Sale Fees & Commissions

(KRW Billion)



Note) During FY07, total fees&commissions related to fund and bancassurance were 336.8 bil. and 103.2 bil. respectively.

Cost Income Ratio



(%)

	FY05	FY06	FY07	1Q08	1H08	3Q08
SFG	48.4	49.7	46.6	52.0	46.4	48.9
SHB	44.2	46.3	40.2	52.2	44.9	45.8

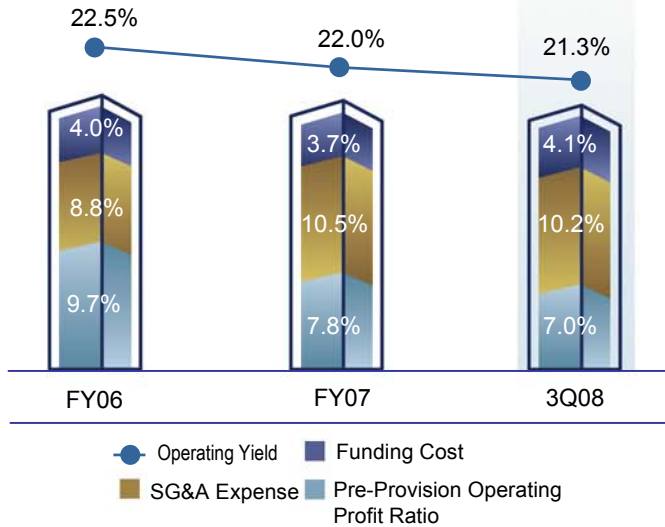
Note) SFG's cost income ratio includes goodwill amortization cost.
(97.4 bil. for FY05, 148.4 bil. for FY06, 375.9 bil. for FY07, 322.0 bil. as of 3Q08)

(KRW Billion)	2008 Sept.	2007 Sept.	YoY%	3Q08	2Q08	QoQ%
Non-Interest Income	737.4	1,836.0	-59.8	178.9	314.1	-43.0
Fees&Commissions	668.9	661.5	1.1	213.2	201.6	5.8
(Fund)	198.8	216.1	-8.0	55.0	75.0	-26.7
(Bancassurance)	85.9	75.1	14.4	25.6	30.6	-16.3
Trust Fees	33.2	36.1	-8.1	10.7	10.6	0.4
Securities Related	184.4	1,166.5	-84.2	46.9	85.7	-45.3
Others	-149.2	-28.2	n.a.	-91.8	16.2	n.a.

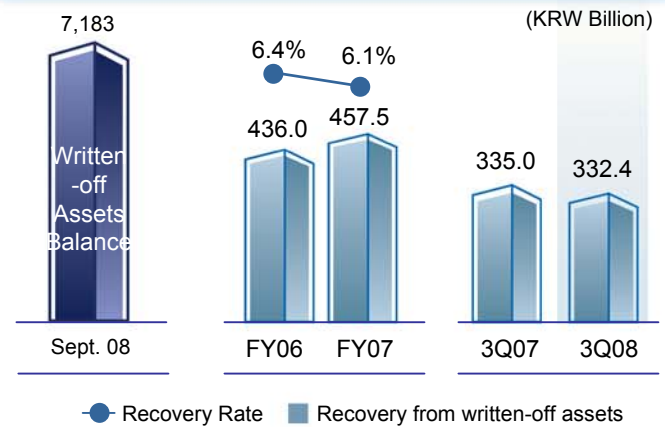
(KRW Billion)	2008 Sept.	2007 Sept.	YoY%	3Q08	2Q08	QoQ%
SG&A Expenses	1,705.5	1,654.2	3.1	571.6	476.4	20.0
Labor Cost	742.4	785.9	-5.5	239.7	146.9	63.2
Admin. Expenses	682.9	597.1	14.4	228.9	245.5	-6.8
D&A Cost	176.1	180.9	-2.7	63.2	59.0	7.0
Taxes & Dues	104.2	90.3	15.4	39.8	24.9	59.6

Shinhan Card Income

Operating Yield and PPOP Ratio



Recovery from Written-off Assets



(KRW Billion)	2008 Sept.	2007 Sept.	YoY%	3Q08	2Q08	QoQ%
Operating Revenue(a)	3,244.1	2,846.9	14.0	1,118.5	1,041.8	7.4
Credit Card	2,540.0	2,443.9	3.9	855.0	853.0	0.2
Installment Finance	124.0	100.6	23.2	41.8	41.8	0.1
Loans	1.6	22.1	-92.6	0.5	-0.9	n.a.
Lease	55.6	65.0	-14.5	17.0	19.0	-11.0
Others	522.9	215.3	142.9	204.3	128.9	58.5
Interest Expense (b)	543.1	439.5	23.6	189.0	180.4	4.8
SG&A Expense / Others (c)	1,645.2	1,384.4	18.8	633.1	493.3	28.4
Operating Income (d=a-b-c)	1,055.7	1,023.0	3.2	296.4	368.1	-19.5
Non-Operating Income (e)	54.2	10.7	407.4	2.1	1.4	44.3
Pre-Provision Income (f=d+e)	1,109.9	1,033.6	7.4	298.4	369.5	-19.2
Loan Loss Provision (g)	-12.6	-130.9	n.a.	-24.2	8.4	n.a.
Earnings before Income Tax (h=f-g)	1,122.5	1,164.6	-3.6	322.7	361.1	-10.6
Income Tax	308.7	-395.2	n.a.	87.8	99.6	-11.8
Net Income	813.8	1,559.7	-47.8	234.8	261.5	-10.2

Note) 3Q08 figures exclude KRW 18.9 bil. earnings from SHC Management, a liquidating entity of former Shinhan Card. 3Q07 figures are Pro Forma based : former Shinhan Card + LG Card

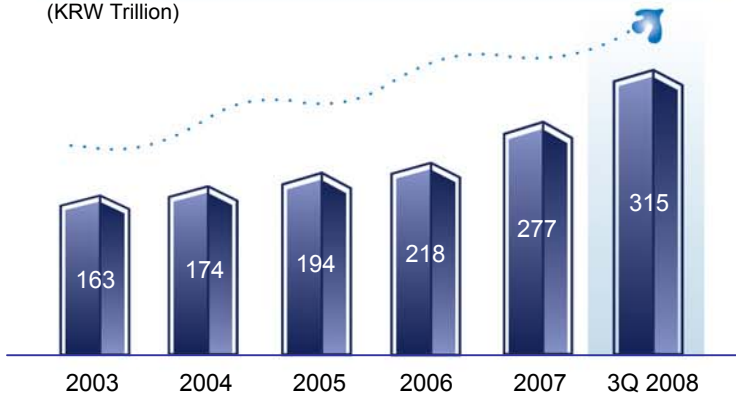
III Balance Sheet

- 1. SFG Asset Growth**
- 2. SHB Loan / Deposit Growth**
- 3. Shinhan Card Asset Growth**

SFG Asset Growth

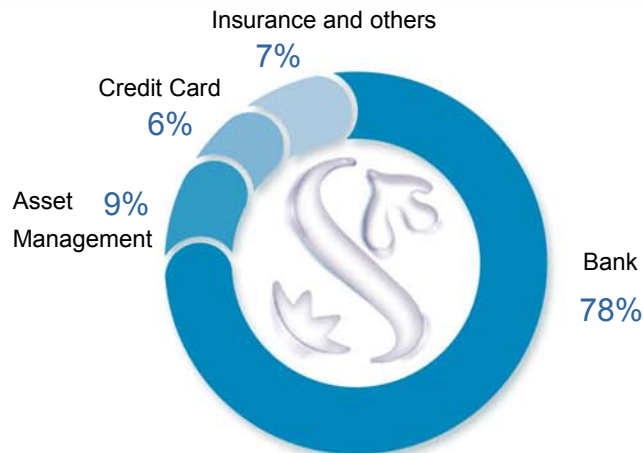
SFG Total Assets

(KRW Trillion)



Note) Including Trust A/C and AUM (Shinhan BNPP ITMC + SH Asset Management)
Sum of subsidiaries' stand-alone assets

Asset Contribution by Subsidiaries

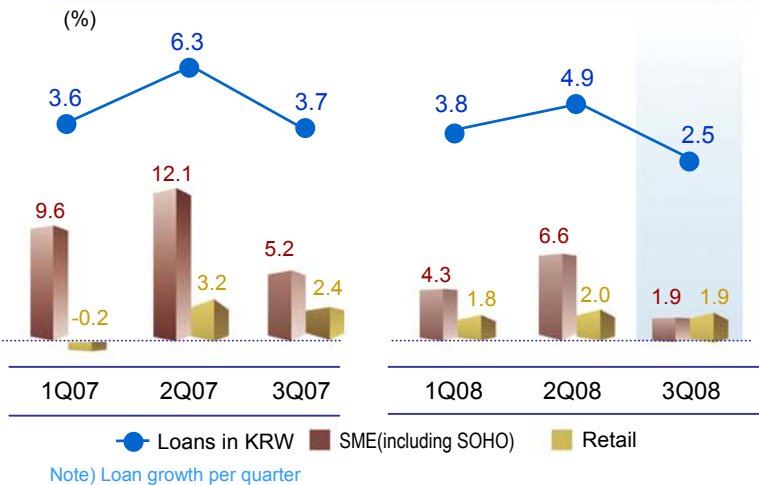


(KRW Billion)	2008.9	2007.12	YTD%	2008.6	QoQ%
Bank	245,263	211,100	16.2	232,300	5.6
Shinhan Bank	242,351	208,315	16.3	229,382	5.7
Jeju Bank	2,912	2,785	4.5	2,919	-0.3
Non-Bank	64,726	59,430	8.9	66,074	-2.0
Shinhan Card	17,393	16,881	3.0	17,255	0.8
GMSH Securities	7,185	6,686	7.5	7,121	0.9
Shinhan Life	8,204	7,411	10.7	7,961	3.0
Shinhan Capital	4,090	2,963	38.0	3,770	8.5
Shinhan BNPP ITMC	15,474	15,142	2.2	16,625	-6.9
SH Asset Mgt.	12,380	10,347	19.6	13,342	-7.2
Total Asset ¹⁾	315,241	276,666	13.9	303,994	3.7

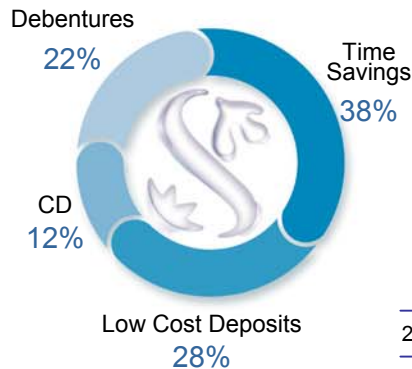
Note1) Including Trust A/C and AUM (Shinhan BNPP ITMC + SH Asset Management)
Sum of subsidiaries' stand-alone assets

SHB Loan / Deposit Growth

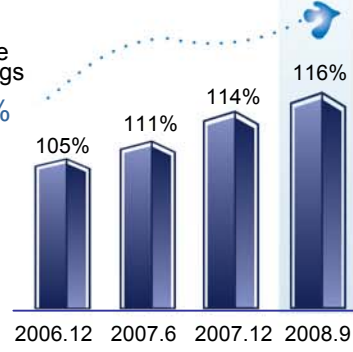
Retail and SME Loan Growth



Funding Composition



Loan-to-Deposit Ratio



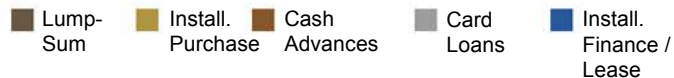
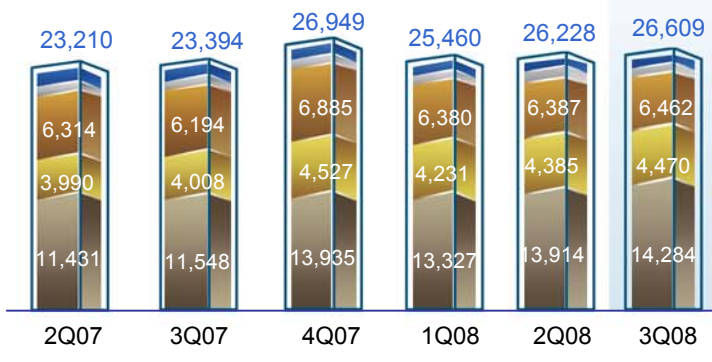
(KRW Billion)	2008.9	2007.12	YTD%	2008.6	QoQ%
Loans in KRW	117,892	105,995	11.2	115,230	2.5
Retail	55,214	52,257	5.7	54,260	1.8
Mortgage	33,606	31,744	5.9	32,880	2.3
Others	21,608	20,513	5.3	21,380	1.1
Corporate	62,678	53,737	16.6	60,971	3.2
SME	51,997	46,093	12.8	51,122	1.9
SOHO	18,461	17,109	7.9	18,300	0.9
Large Corp. etc	10,681	7,644	39.7	9,849	10.9
Loans in Foreign Currency	7,135	6,899	3.4	6,521	8.9

(KRW Billion)	2008.9	2007.12	YTD%	2008.6	QoQ%
Total Deposits in KRW	101,915	92,907	9.7	101,498	0.4
Low Cost Deposits	36,401	37,993	-4.2	37,985	-4.2
Demands	12,161	12,406	-2.0	12,629	-3.8
Savings	24,240	25,586	-5.3	25,356	-4.4
Other Savings	50,166	39,747	26.2	47,164	7.6
Time Deposits	44,901	34,293	30.9	41,969	8.6
Accumulative etc	5,265	5,453	-3.4	5,195	1.3
Certificate of Deposit	15,348	15,168	1.2	16,349	-6.6
Debentures in KRW	28,437	25,122	13.2%	28,465	-0.1

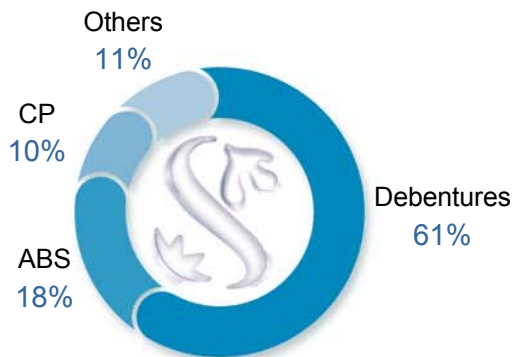
Shinhan Card Asset Growth

Transaction Volume

(KRW Billion)



Funding Composition



(KRW Billion)	2008.9	2007.12	YTD%	2008.6	QoQ%
Assets (Managed)	16,975	17,273	-1.7	17,229	-1.5
Receivables	8,188	8,093	1.2	8,363	-2.1
Cash Advances	3,764	3,727	1.0	3,721	1.1
Card Loans	3,009	3,432	-12.3	3,157	-4.7
(Re-aged Loans)	444	717	-38.1	518	-14.3
Installment Finance	1,307	1,219	7.3	1,308	-0.1
Lease	706	802	-12.0	679	3.9
Active Customers (thousands)	13,525	13,346	1.3	13,680	-1.1
Merchants (thousands)	2,240	2,154	4.0	2,206	1.5

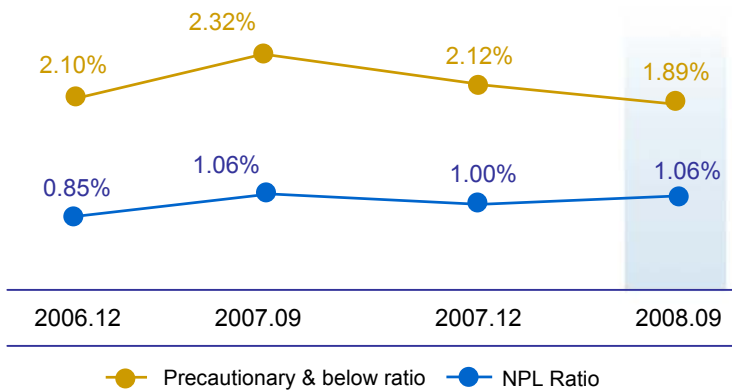
(KRW Billion)	2008.9	2007.12	YTD%	2008.6	QoQ%
Total Funding	12,280	12,347	-0.5	12,899	-4.8
Debentures	7,552	6,967	8.4	7,824	-3.5
ABS	2,243	2,799	-19.9	2,548	-12.0
CP	1,172	1,762	-33.5	1,364	-14.1
Others	1,312	819	60.3	1,162	13.0

IV Asset Quality

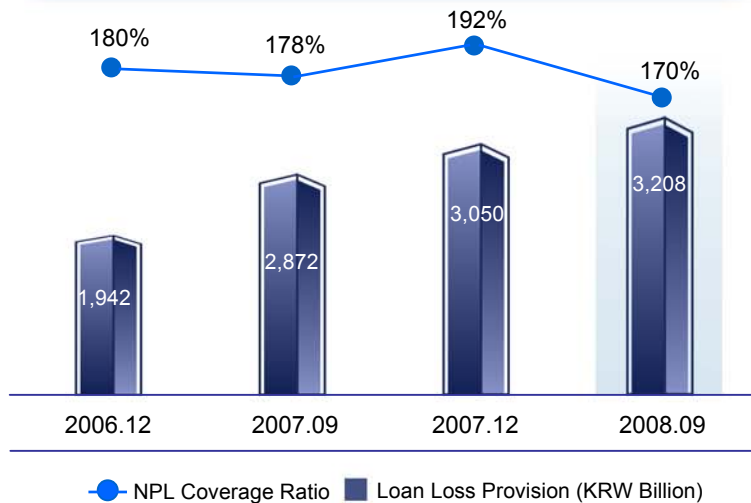
- 1. SFG Asset Quality**
- 2. SHB Asset Quality**
- 3. Shinhan Card Asset Quality**
- 4. Loan Loss Provision / Write-Off**

SFG Asset Quality

Precautionary & below Ratio / NPL Ratio



NPL Coverage Ratio

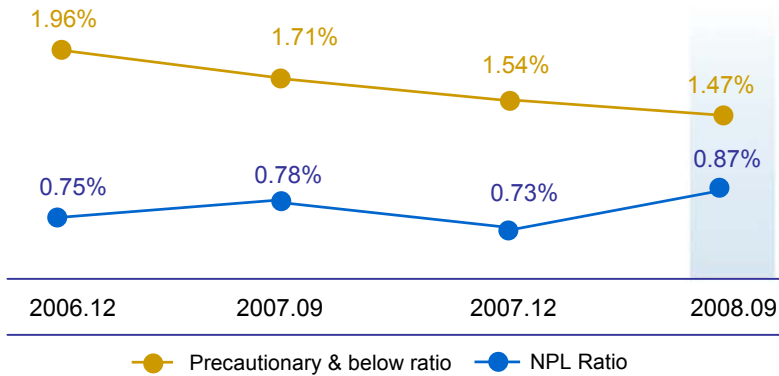


(KRW Billion)	2008.9	2007.12	YTD% (%p)	2008.6	QoQ% (%p)
Total Loan	178,719	159,486	12.1	173,244	3.2
Normal	175,334	156,109	12.3	170,090	3.1
Precautionary	1,493	1,787	-16.4	1,451	2.9
Substandard	789	518	52.2	676	16.7
Doubtful	290	241	20.7	195	48.9
Estimated Loss	813	831	-2.2	833	-2.4
Substandard & below	1,892	1,590	19.0	1,704	11.0
NPL ratio	1.06%	1.00%	0.06	0.98%	0.08
Loan Loss Reserves	3,208	3,050	5.2	3,103	3.4
NPL Coverage Ratio	170%	192%	-22.3	182%	-12.6

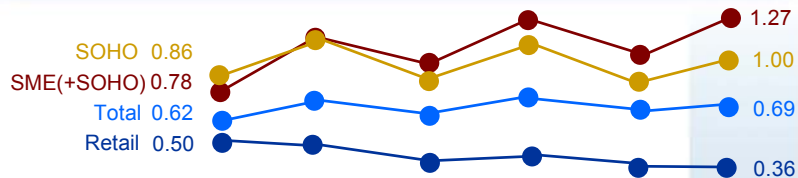
Note) Sum of assets of Shinhan Bank, Jeju Bank, Shinhan Card, GMSH Securities, Shinhan Life Insurance and Shinhan Capital

SHB Asset Quality

Precautionary & below Ratio / NPL Ratio



Delinquency ratio



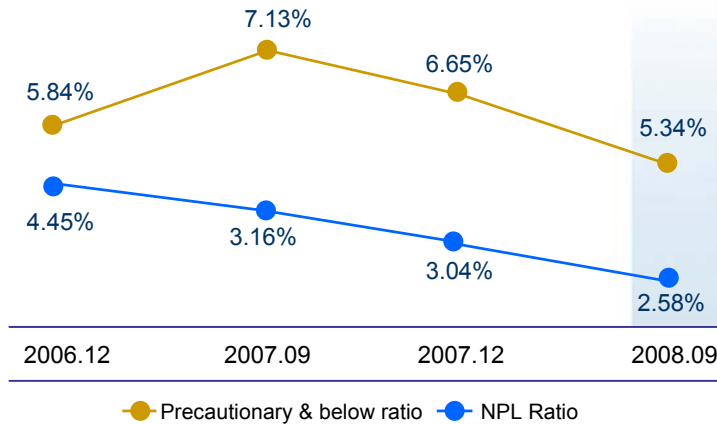
Category (%)	2007			2008		
	2Q	3Q	4Q	1Q	2Q	3Q
Total	0.62	0.73	0.64	0.74	0.67	0.69
Retail	0.50	0.48	0.38	0.42	0.36	0.36
SME(+SOHO)	0.78	1.10	0.94	1.19	1.05	1.27
SOHO	0.86	1.06	0.84	1.05	0.83	1.00

Note) 1 month overdue (FSS new standard)

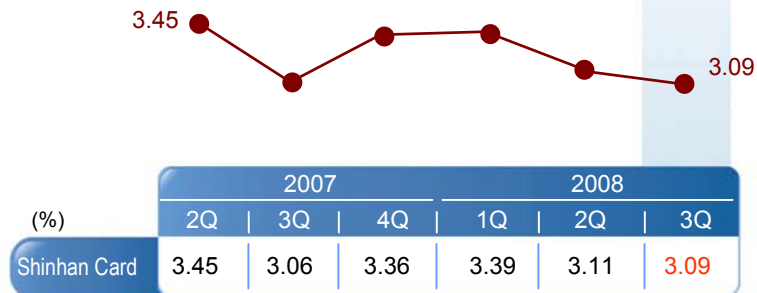
(KRW Billion)	2008.9	2007.12	YTD% (%p)	2008.6	QoQ% (%p)
Total Loans	152,531	134,241	13.6	146,907	3.8
Normal	150,288	132,180	13.7	144,905	3.7
Precautionary	910	1,081	-15.8	857	6.2
Substandard	767	503	52.5	653	17.4
Doubtful	146	124	17.6	87	67.4
Estimated Loss	420	354	18.8	405	3.8
Substandard & below	1,333	981	35.9	1,145	16.4
NPL ratio	0.87%	0.73%	0.14	0.78%	0.09
Loan Loss Reserves	2,145	1,869	14.8	2,018	6.3
NPL Coverage Ratio	161%	191%	-29.7	176%	-15.3

Shinhan Card Asset Quality

Precautionary & below Ratio / NPL Ratio



Delinquency ratio

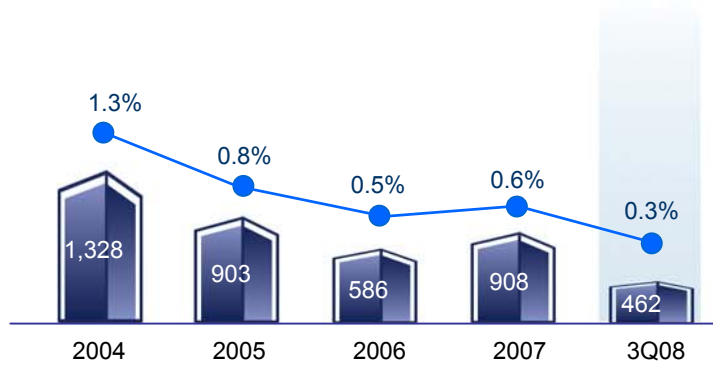


Note) 1 month overdue

(KRW Billion)	2008.9	2007.12	YTD% (%p)	2008.6	QoQ% (%p)
Total Assets (Managed)	16,975	17,273	-1.7	17,229	-1.5
Normal	16,068	16,125	-0.4	16,263	-1.2
Precautionary	469	623	-24.8	491	-4.5
Substandard	-	-	n.a	-	n.a
Doubtful	98	106	-7.4	98	0.2
Estimated Loss	340	420	-18.9	378	-10.0
Substandard & below	438	525	-16.6	476	-7.9
NPL ratio	2.58%	3.04%	-0.5	2.76%	-0.2
Loan Loss Reserve (Managed)	902	1,052	-14.2	955	-5.5
NPL Coverage Ratio	206%	200%	5.8	201%	5.2

Loan Loss Provision / Write-Off

Loan Loss Provision

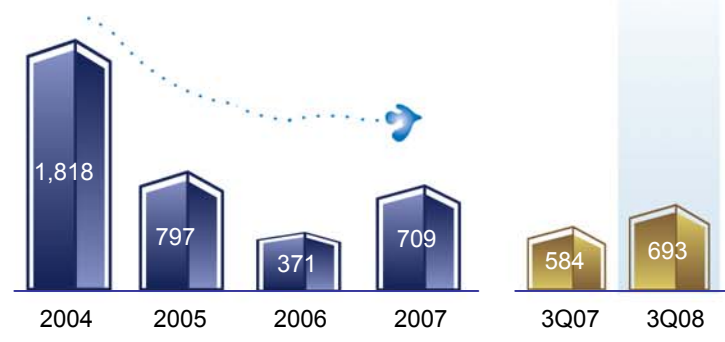


● Credit Cost ■ Loan Loss Provision (KRW Billion)

Note) Sum of provision of Shinhan Bank, Jeju Bank, Shinhan Card, GMSH Securities, Shinhan Life Insurance and Shinhan Capital

Write-Off

(KRW Billion)



(KRW Billion)	FY07				FY07	2008			2008
	1Q	2Q	3Q	4Q		1Q	2Q	3Q	
Shinhan Bank ¹⁾	52	119	36	379	586	53	82	296	431
Retail	53	15	0	84	151	2	1	49	52
Corporate	-1	104	36	296	435	51	81	247	379
Shinhan Card ¹⁾	-87	-34	-9	416	286	3	9	-24	-13 ²⁾
Total	-35	85	27	796	872	56	91	272	419

Note1) Shinhan Bank's figures are on-consolidated basis. Shinhan Card's figures are managed basis

Note2) KRW 18.3 bil. on reported basis

(KRW Billion)	FY07				FY07	2008			2008
	1Q	2Q	3Q	4Q		1Q	2Q	3Q	
Shinhan Bank	56	49	47	34	186	32	69	156	256
Retail	19	41	30	26	114	14	13	36	63
Corporate	37	9	17	9	72	18	56	120	194
Shinhan Card	147	138	147	91	523	118	152	167	437
Total	203	188	194	125	709	150	221	322	693

V Capital Adequacy

1. Capital Adequacy

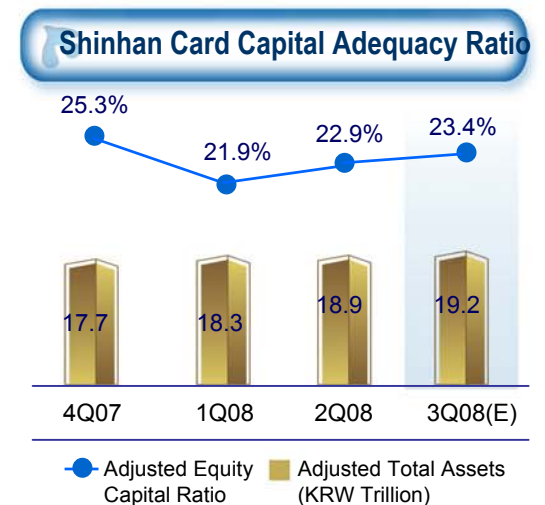
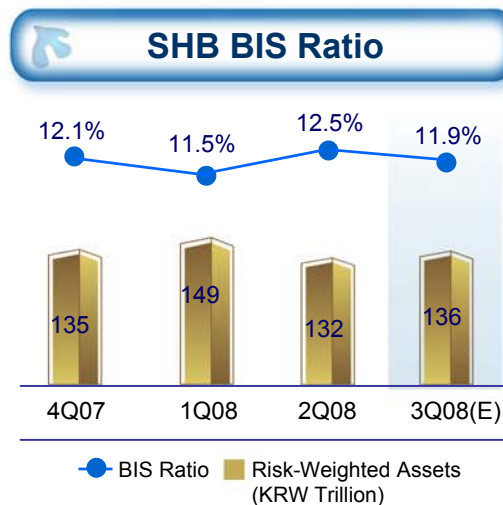
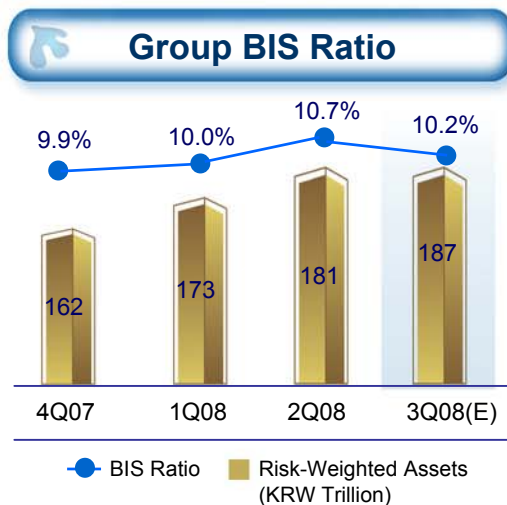
Capital Adequacy

Group BIS Ratio				
(KRW Billion)	2008.9(E)	2008.6	Chg	QoQ% (%p)
Risk-Weighted Assets	186,661	180,673	5,988	3.3
Capital	19,125	19,387	-262	-1.4
Tier 1	9,993	10,119	-126	-1.2
Tier 2	9,132	9,268	-136	-1.5
BIS Ratio	10.2%	10.7%		-0.5
Tier 1	5.3%	5.6%	n.a.	-0.3
Tier 2	4.9%	5.1%		-0.2

Note) Based on Basel I standard

SHB BIS Ratio				
(KRW Billion)	2008.9(E)	2008.6	Chg	QoQ% (%p)
Risk-Weighted Assets	136,222	131,835	4,387	3.3
Capital	16,212	16,452	-240	-1.5
Tier 1	11,575	11,450	125	1.1
Tier 2	4,637	5,002	-365	-7.3
BIS Ratio	11.9%	12.5%		-0.6
Tier 1	8.5%	8.7%	n.a.	-0.2
Tier 2	3.4%	3.8%		-0.4

Note) Based on Basel II FIRB approach



vi Appendix

1. Key Financial Ratios

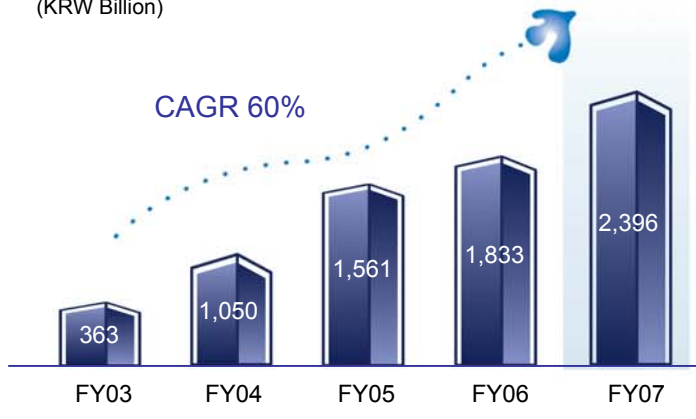
2. SHB Investment Securities

3. SHB SME Loans

Key Financial Ratios

Group Net Income

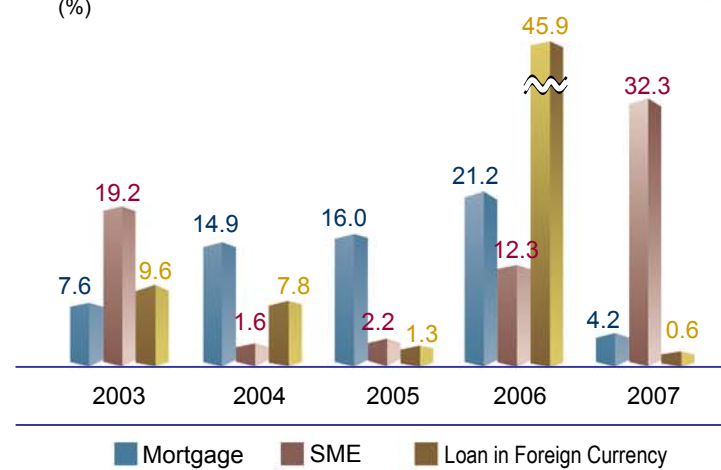
(KRW Billion)



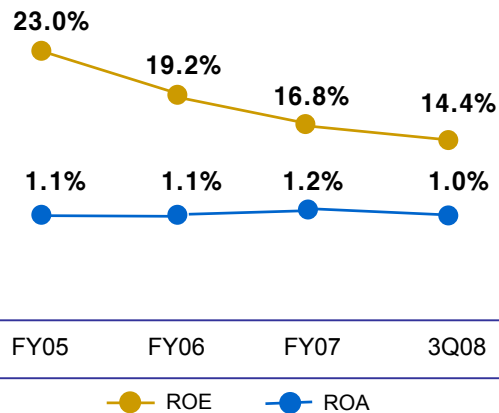
Note) CAGR(Compound Annual Growth Rate)

SHB Loan Growth Rate

(%)



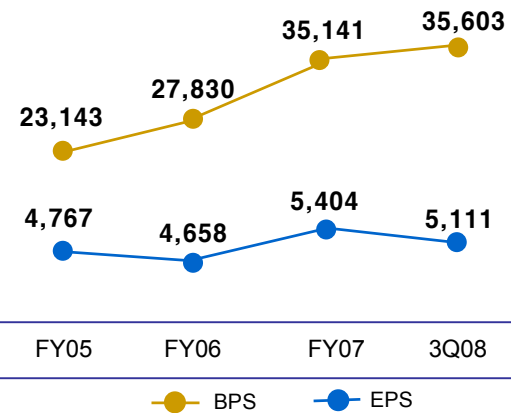
ROA / ROE



Note) ROE based on common stocks

BPS / EPS

(KRW)



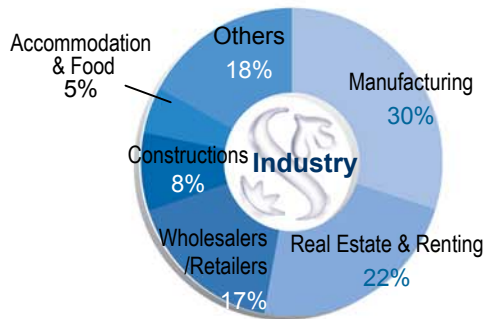
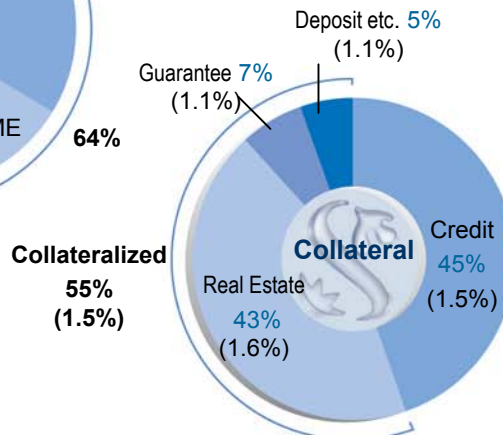
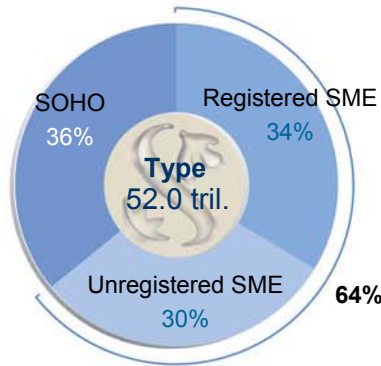
SHB Investment Securities

(As of end of September 2008)	No. of Shares (thousands)	Ownership (%)	Acquisition Cost (KRW)	Book Value Per Share (KRW)	Valuation Gain (KRW Billion)
Hynix	27,979	6.1	3,984	18,950	419
SK Networks	22,615	9.3	5,016	11,080	137
Hyundai Eng. & Con.	4,534	4.1	32,293	58,736	120
Ssangyoung Cement	10,000	13.4	10,661	7,866	-28
Total					648

SHB SME Loans

SME Loans

(As of Sept. 2008)



Note) Figures in parenthesis indicate delinquency ratio.

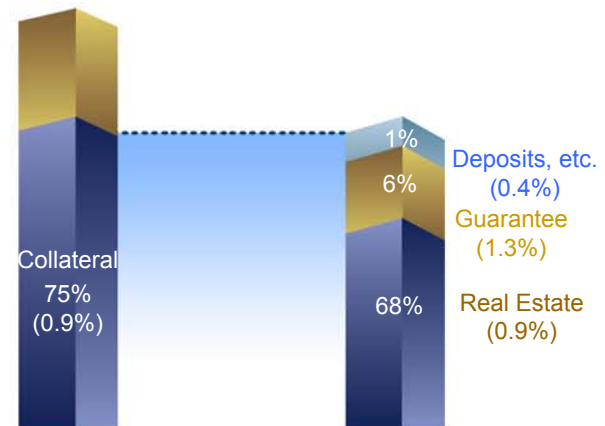
Delinquency Ratio by Industry for SME Loans

(%)	2008.09	2007.12	YTD%p	2008.6	QoQ%p
Manufacturing	1.41	1.15	0.26	1.09	0.32
Real Estate & Renting	1.03	0.82	0.21	0.82	0.21
Wholesalers/Retailers	0.97	0.71	0.26	1.03	-0.06
Constructions	2.64	1.33	1.31	2.06	0.58
Total	1.27	0.94	0.33	1.05	0.22

Note) 1 month overdue

SOHO Collateralization

(As of Sept. 2008)



Note) Figures in parenthesis indicate delinquency ratio.