

2010 1H

Shinhan Financial Group Business Results

July 2010



Disclaimer Statement

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

For comparison purposes, please note the following facts :

- 1) On June 26, 2009, Shinhan Financial Group transferred its title of 50%+1 share of SH&C Life Insurance to BNP Paribas Assurance and Shinhan Bank, in which BNP Paribas Assurance purchased 35%+2 shares and Shinhan Bank 15%-1share.
Following this transaction, SH&C Life Insurance is no longer our subsidiary.
- 2) On January 4, 2010, Shinhan Data System became a Shinhan Financial Group's subsidiary.
Since the total assets of Shinhan Data System were less than KRW 10 billion as of the end of 2009, equity accounting method was applied in lieu of consolidation method.
- 3) For Shinhan Macquarie Financial Advisory, equity accounting method was applied in lieu of consolidation method starting from April 1, 2010, since the total assets were less than KRW 10 billion as of the end of fiscal year 2009. In addition, on July 16, 2010, Shinhan Financial Group decided to disaffiliate Shinhan Macquarie Financial Advisory from the Group.

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

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





Contents

- I . 2010 1H Business Results Highlights**
- II . Income Statement Highlights**
- III . Balance Statement Highlights**
- IV . Asset Quality Highlights**
- V . Capital Adequacy Highlights**
- VI . Appendix**

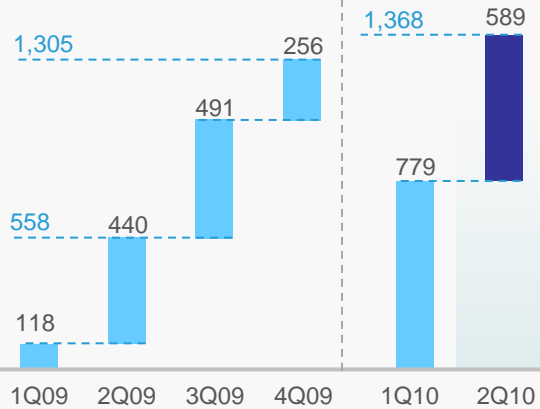




2010 1H Business Results Highlights (1)

Group Net Income

(KRW bil.)



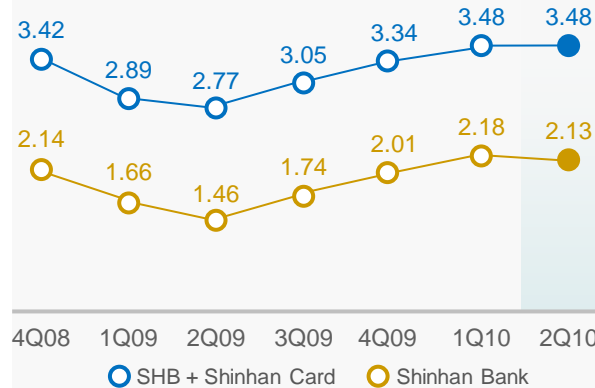
**1H10 Net Income KRW 1.368 tril.
(2Q10 Net Income KRW 588.6 bil.)**

- 1H10 net income increased by 145.2% YoY. Bank demonstrated resilient interest income, controlled SG&A, stable credit cost while non-bank subsidiaries showed consistent performance. (NI contribution : bank vs non-bank 57:43)
- Despite headwinds (CD rate decline, additional provisioning for 3rd corporate restructuring) and elapse of Hynix sales gain in 1Q10, group NIM and asset quality well preserved during 2Q10 to report KRW 588.6 bil. net income.

Net Interest Margin

(%)

Quarterly figures

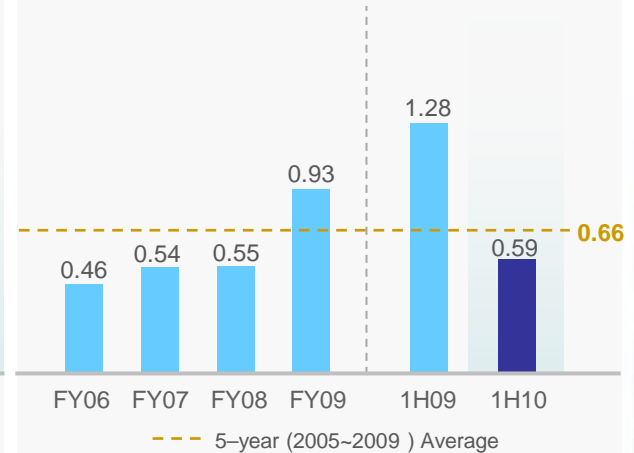


**Group NIM marked 3.48%,
Bank NIM 2.13% (-5bp QoQ)**

- Group's NIM at stable condition : 1) Overall funding cost well adjusted to accommodate CD rate decline, 2) increased interest income from card operations.
- Bank : CD rate decline negatively affected loan margin, however, offset by low cost deposits increase and cost savings in overall funding to stabilize NIM.
- Card: Interest income increased as earnings assets, such as credit purchases and card loans, grew 4% QoQ stabilizing card NIM.

Credit Cost Ratio

(%)



**Credit cost ratio marked 0.59%
(-0.69%p YoY)**

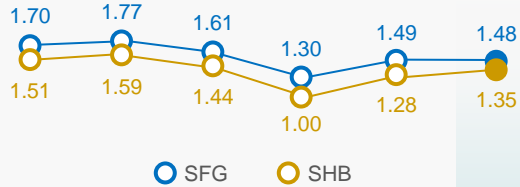
- Given prudent provisioning policy in 2009 and improvement in asset quality in 2010, credit cost dropped 0.69%p YoY to 0.59%.
- Despite of 2Q's additional provisions related to 3rd restructuring process, credit cost ratio maintained below past 5-year average level.



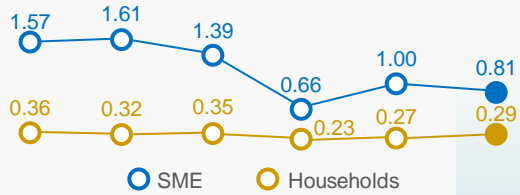
2010 1H Business Results Highlights (2)

NPL Ratio / Delinquency Ratio (%)

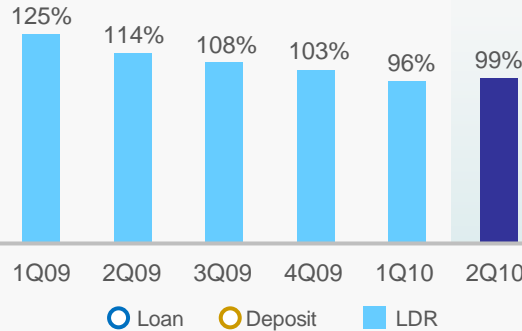
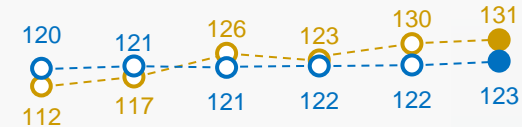
NPL Ratio



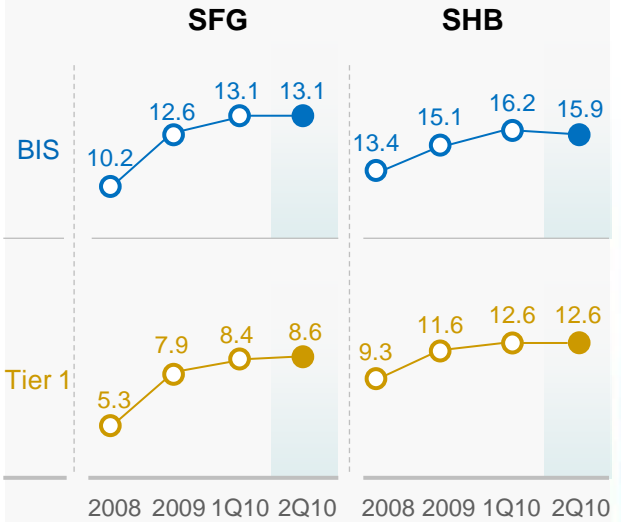
Delinquency Ratio(SHB)



Loans & Deposits (KRW tril.)



Capital Adequacy (%)



**Group NPL ratio stands at 1.48%,
Bank NPL ratio 1.35%**

- While bank's NPL rose mainly due to the 3rd round of corporate restructuring, non-bank's NPL improvement enhanced group's NPL to 1.48%.
- Bank's delinquency ratio, SME 0.81% (-19bp QoQ) and households 0.29% (+2bp QoQ), remains at stable level, reflecting sound asset quality.
- Total write-offs and NPL sales of SHB and SHC in 2Q10 were KRW 570 bil. (KRW 744 bil. in 1H10, KRW 2.1 tril. in FY2009)

**LDR 99% at June 2010
Deposit constitutes stable funding source**

- Loans balance as of Jun. 2010 marked KRW 123 tril., growing 1.2% YTD, while deposits balance marked KRW 131 tril., rising 5.9% YTD.
- LDR as of Jun. 2010 marked 99%, again complying with the FSS recommendation of below 100% level after the 1Q10 96%.

**Resilient earnings builds up capital base
(Group T1: 8.6%, Bank T1: 12.6%)**

- Group's selective asset growth and strong net income of KRW 1.37 tril. boosted BIS and Tier 1 ratio respectively by 0.5%p and 0.7%p YTD. (based on BIS I)
- Shinhan Bank maintains its strong capital adequacy, supported by KRW 968.8 bil. of net income during 1H10. (based on BIS II)

II . Income Statement

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

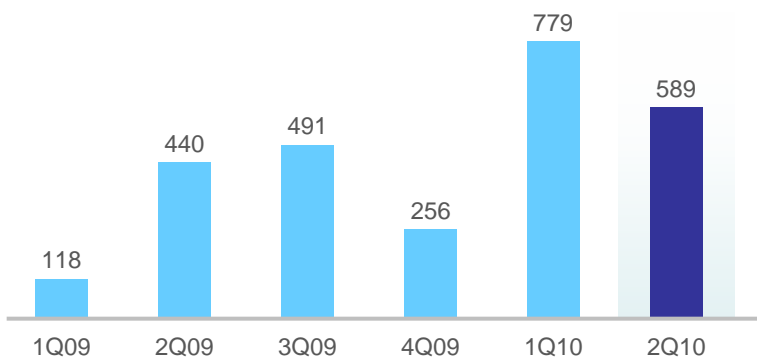




SFG Income

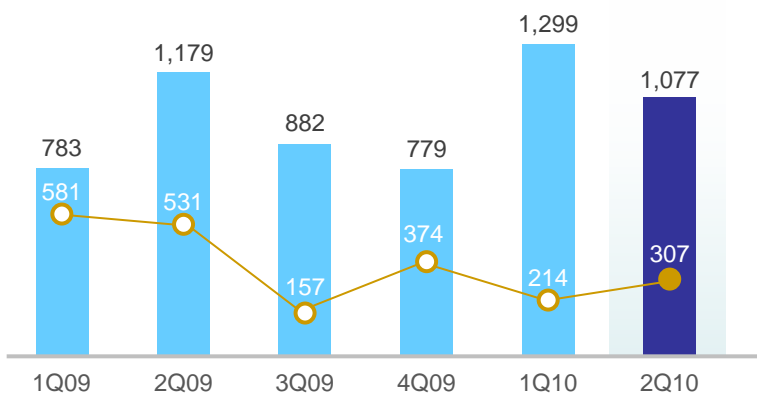
Net Income

(KRW bil.)



Pre-Provision Income & LLP

(KRW bil.)



Pre-Provision Income Loan Loss Provision

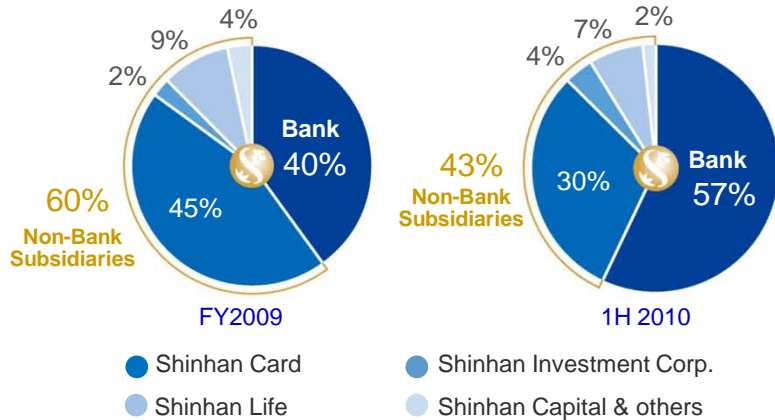
(KRW bil.)	1H10	1H09	YoY%	2Q10	1Q10	QoQ%
Total Operating Income (a=b+c)	4,337.6	3,736.5	16.1	2,029.1	2,308.5	-12.1
Interest Income (b)	3,802.8	2,994.1	27.0	1,925.0	1,877.7	2.5
Non-Interest Income (c)	534.8	742.3	-28.0	104.1	430.8	-75.8
SG&A (d)	1,946.6	1,782.2	9.2	952.4	994.2	-4.2
Pre-Provision Operating Income (e=a-d)	2,391.0	1,954.3	22.3	1,076.7	1,314.3	-18.1
Non-Operating Income (f)	-15.9	8.2	n.a.	-0.2	-15.7	n.a.
Pre-Provision Income (g=e+f)	2,375.1	1,962.5	21.0	1,076.5	1,298.6	-17.1
Loan Loss Provision (h)	521.1	1,112.5	-53.2	307.0	214.2	43.3
Earnings before Income Tax (i=g-h)	1,853.9	850.0	118.1	769.5	1,084.4	-29.0
Income Tax	479.4	296.5	61.7	173.6	305.8	-43.3
Consolidated Net Income	1,367.6	557.8	145.2	588.6	779.0	-24.5



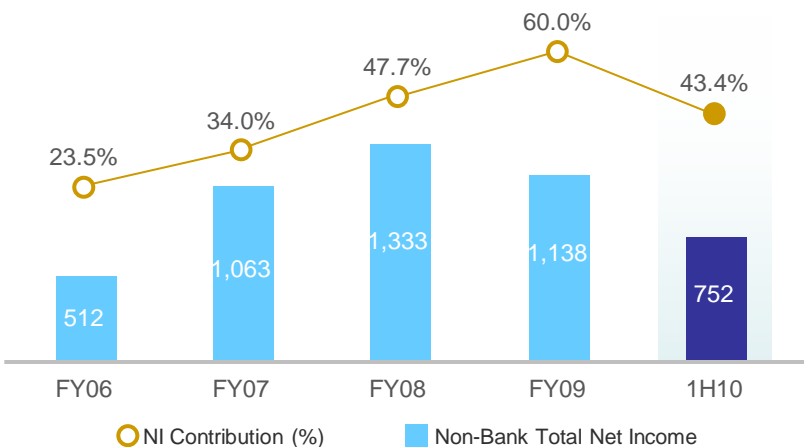
Subsidiaries Income (1)



Net Income Contribution by Subsidiaries



Net Income Contribution by Non-Bank Subsidiaries (KRW bil.)



Note) After reflecting ownership by SFG

(KRW bil.)	Net Income Ownership [A]	Net Income Ownership (A x Ownership) [B]	Net Income Adjustment [C=A x B]	Net Income Adjustment [D]	Net Income (Consolidated) [E=C+D]
Bank (a)	980.2		976.7	-62.7	914.0
Shinhan Bank	968.8	100.0%	968.8	-63.1 ¹⁾	905.7
Jeju Bank	11.4	68.9%	7.9	0.4 ¹⁾	8.3
Non-Bank (b)	758.5		751.5	-212.4	539.1
Shinhan Card	526.0	100.0%	526.0	-150.9 ¹⁾	375.1
Shinhan Investment Corp.	65.1	100.0%	65.1	-43.1 ¹⁾	22.0
Shinhan Life Insurance	121.2	100.0%	121.2	-17.3 ¹⁾	103.9
Shinhan Capital	23.8	100.0%	23.8	-1.2 ¹⁾	22.6
Shinhan BNPP AM	19.9	65.0%	12.9	0.1	13.0
Shinhan Credit Information	0.7	100.0%	0.7		0.7
Shinhan PE	1.8	100.0%	1.8		1.8
SFG (c)				-85.5 ²⁾	-85.5
Total (d=a+b+c)	1,738.7		1,728.2	-360.6	1,367.6

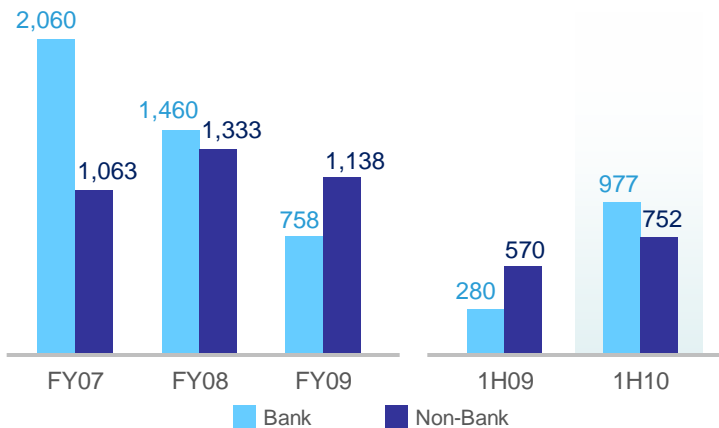
Note1) Goodwill amortization : SHB 30.8 bil., Shinhan Card 151.7 bil., Shinhan Investment Corp. 42.5 bil., Shinhan Life Insurance 20.9 bil., etc.

2) SFG (non-consolidated): brand fee income 60.6 bil., interest expense -115.5 bil., SG&A -34.9 bil., tax Income 4.3 bil., etc.

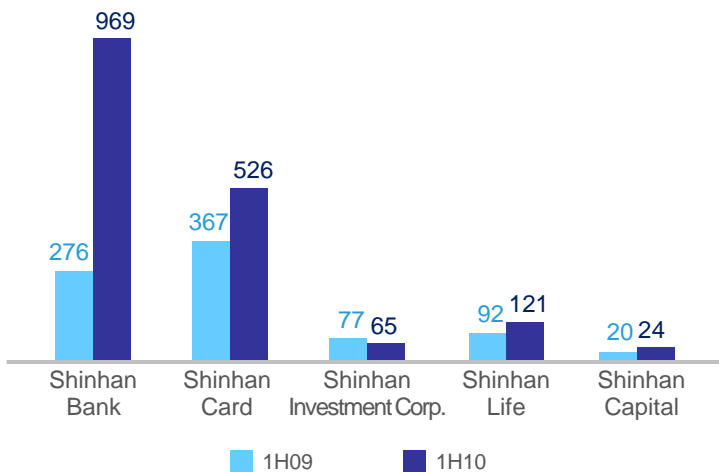


Subsidiaries Income (2)

Bank & Non-Bank Net Income Trend (KRW bil.)



Net Income YoY Comparison by Subsidiaries (KRW bil.)



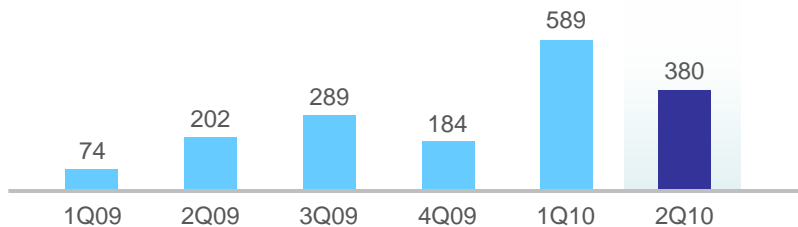
(After reflecting ownership, KRW bil.)	1H10	1H09	YoY%	2Q10	1Q10	QoQ%
Bank (a)	976.7	279.7	249.2	383.7	593.0	-35.3
Shinhan Bank	968.8	275.7	251.4	380.2	588.6	-35.4
Jeju Bank	7.9	3.9	99.2	3.4	4.4	-23.0
Non-bank (b)	751.5	569.7	31.9	352.8	398.7	-11.5
Shinhan Card	526.0	367.1	43.3	263.4	262.6	0.3
Shinhan Investment Corp.	65.1	77.2	-15.7	10.6	54.4	-80.5
Shinhan Life Insurance	121.2	91.6	32.2	61.9	59.3	4.5
Shinhan Capital	23.8	20.1	18.6	9.2	14.6	-36.7
Shinhan BNPP AM	12.9	10.9	19.0	6.2	6.7	-7.1
Shinhan Credit Information	0.7	0.8	-6.1	0.4	0.3	48.4
Shinhan PE	1.8	2.1	-13.0	1.0	0.8	27.5
Total (a+b)	1,728.2	849.4	103.5	736.5	991.7	-25.7
Consolidated Net Income	1,367.6	557.8	145.2	588.6	779.0	-24.5



SHB Income / NIM

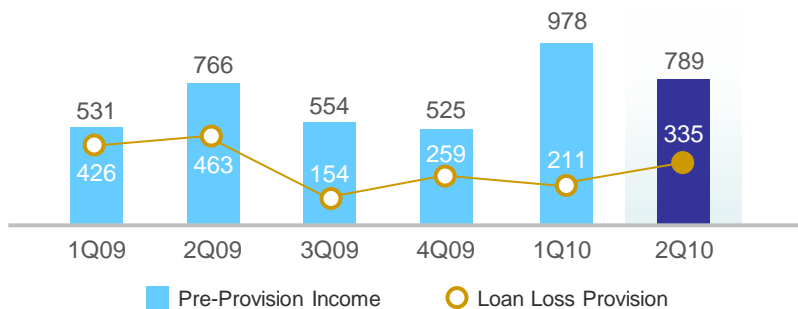
Net Income

(KRW bil.)



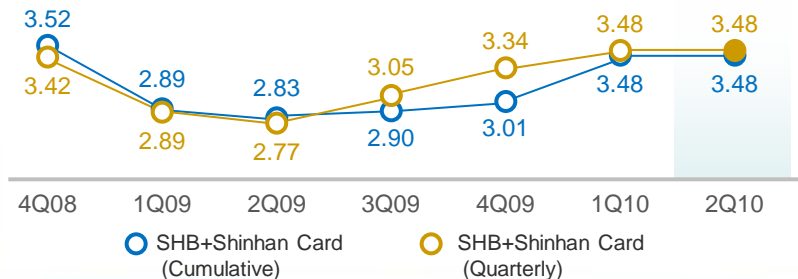
Pre-Provision Income & LLP

(KRW bil.)



Shinhan Financial Group NIM

(%)



(KRW bil.)	1H10	1H09	YoY%	2Q10	1Q10	QoQ%
Total Operating Income (a=b+c)	2,894.1	2,327.2	24.4	1,332.0	1,562.1	-14.7
Interest Income (b)	2,209.9	1,694.2	30.4	1,115.2	1,094.7	1.9
Non-Interest Income (c)	684.2	633.0	8.1	216.7	467.5	-53.6
SG&A (d)	1,097.3	1,031.7	6.4	534.3	563.0	-5.1
Pre-Provision Operating Income (e=a-d)	1,796.8	1,295.5	38.7	797.7	999.1	-20.2
Non-Operating Income (f)	-29.9	1.4	n.a.	-8.6	-21.4	n.a.
Pre-Provision Income (g=e+f)	1,766.9	1,296.9	36.2	789.1	977.8	-19.3
Loan Loss Provision (h)	545.8	888.7	-38.6	335.1	210.6	59.1
Earnings before Income Tax (i=g-h)	1,221.1	408.2	199.2	454.0	767.1	-40.8
Net Income	968.8	275.7	251.4	380.2	588.6	-35.4

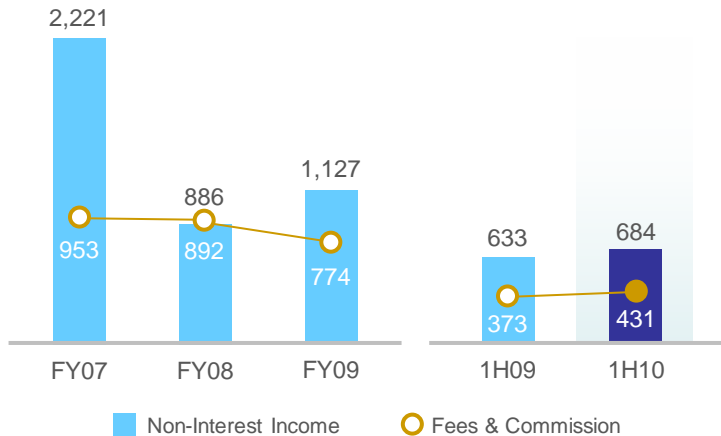
(%)	4Q08	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10
NIS(a-b) (cumulative figures)	2.54	1.80	1.65	1.77	1.91	2.48	2.44
Loan interest rate (a)	7.10	6.09	5.58	5.43	5.43	5.67	5.59
Deposit interest rate (b)	4.56	4.29	3.93	3.67	3.52	3.19	3.15
NIM (SHB, quarterly)	2.14	1.66	1.46	1.74	2.01	2.18	2.13
NIM (SHB, cumulative figures)	2.12	1.66	1.56	1.62	1.72	2.18	2.16



SHB Non-Interest Income / SG&A

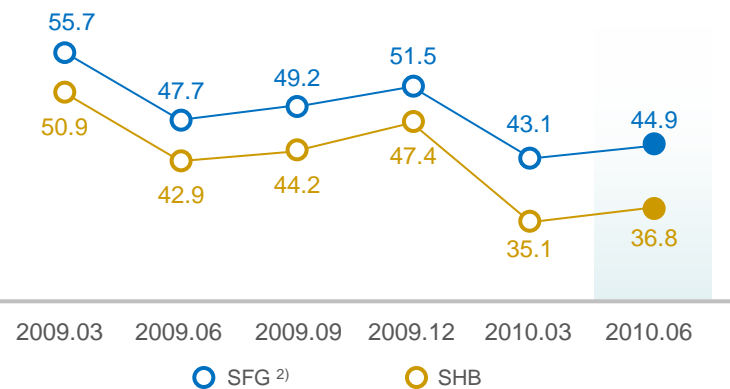
Fees and Commission

(KRW bil.)



Cost-Income Ratio¹⁾

(%)



Note 1) Based on accumulated figure

Note 2) SFG's cost income ratio includes goodwill amortization cost.

(423.6 for FY09 and 245.9 bil. for 1H10)

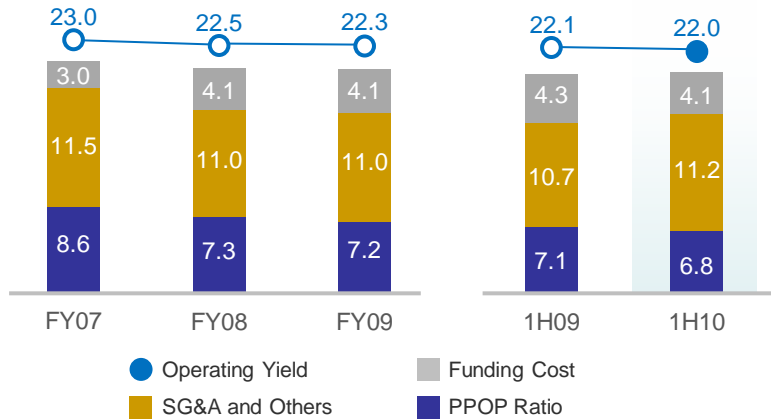
(KRW bil.)	1H10	1H09	YoY%	2Q10	1Q10	QoQ%
Non-Interest Income	684.2	633.0	8.1	216.7	467.5	-53.6
Fees & Commission	430.6	372.7	15.5	224.6	206.0	9.0
(Fund)	92.8	79.0	17.5	45.9	46.9	-2.1
(Bancassurance)	47.0	36.7	28.1	24.9	22.1	12.7
Trust Fees	17.3	19.6	-11.6	9.0	8.3	7.7
Securities related	426.3	259.5	64.3	125.8	300.5	-58.1
Others	-190.0	-18.7	n.a.	-142.6	-47.3	n.a.

(KRW bil.)	1H10	1H09	YoY%	2Q10	1Q10	QoQ%
SG&A Expense	1,097.3	1,031.7	6.4	534.3	563.0	-5.1
Labor Cost	467.1	512.0	-8.8	217.4	249.8	-13.0
Admin. Expense	471.4	364.0	29.5	256.6	214.9	19.4
D&A	83.2	109.9	-24.3	42.7	40.4	5.7
Taxes & Dues	75.6	45.9	64.8	17.7	57.9	-69.5



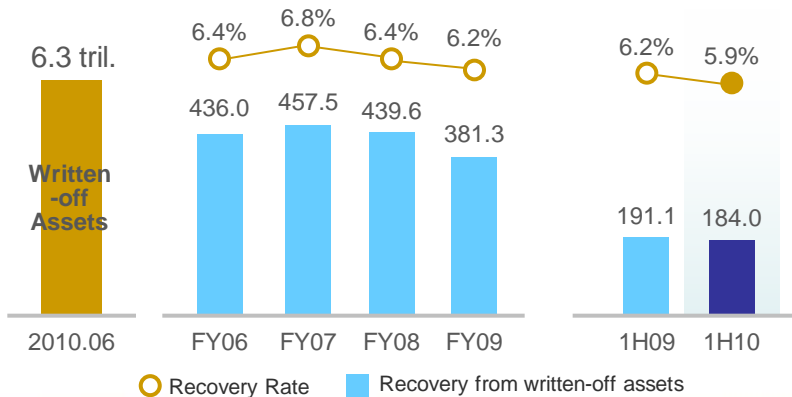
Shinhan Card Income

Operating Yield and PPOP Ratio (%)



Note 1) cumulated basis
 Note 2) Net of Derivatives & F/X

Recovery from Written-off Assets (KRW bil.)



(KRW bil.)	1H10	1H09	YoY%	2Q10	1Q10	QoQ%
Operating Revenue (a)	1,998.6	1,824.1	9.6	996.0	1,002.6	-0.7
Card Business	1,732.8	1,585.1	9.3	885.1	847.7	4.4
Installment Finance	64.8	71.5	-9.4	32.6	32.2	1.1
Lease	20.3	23.0	-11.5	10.3	10.0	3.4
Others	180.7	144.5	25.0	68.0	112.7	-39.7
(Derivatives & F/X)	44.4	32.9	34.7	9.8	34.5	-71.6
Interest Expense(b)	362.8	349.9	3.7	183.6	179.2	2.4
SG&A(c)	351.1	316.8	10.8	186.6	164.5	13.4
Commissions & Others Expenses(d)	684.5	576.7	18.7	349.0	335.4	4.1
(Derivatives & F/X)	38.9	27.8	39.6	7.1	31.8	-77.8
Operating Income (e=a-b-c-d)	600.1	580.6	3.4	276.7	323.4	-14.4
Non-Operating Income (f)	9.7	3.2	203.3	3.1	6.6	-52.4
Pre-Provision Income (g=e+f)	609.8	583.8	4.5	279.9	330.0	-15.2
Loan Loss Provision (h)	-65.8	116.1	n.a.	-59.3	-6.5	n.a.
Earnings before Income Tax (i=g-h)	675.7	467.7	44.5	339.2	336.5	0.8
Income Tax	149.7	100.6	48.8	75.8	73.9	2.6
Net Income	526.0	367.1	43.3	263.4	262.6	0.3

Note) Managed basis



III. Balance Sheet

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

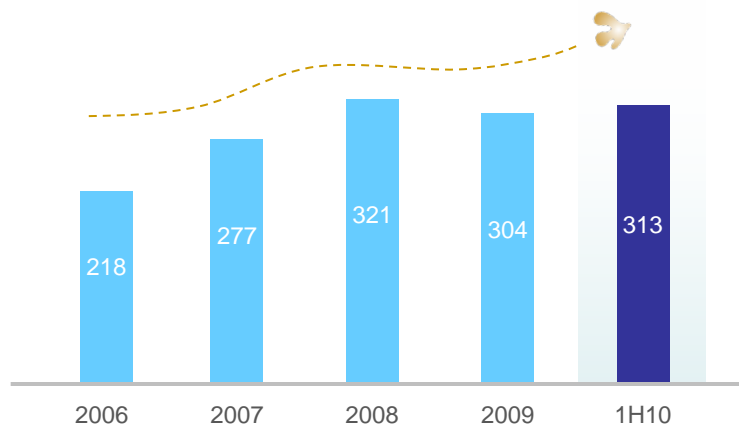




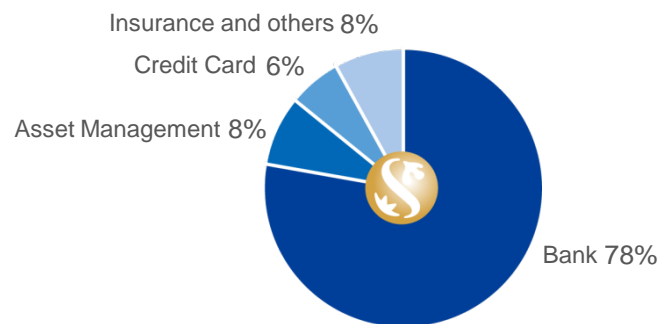
SFG Asset Growth

SFG Total Asset

(KRW bil.)



Asset Contribution by Subsidiary



(KRW bil.)	2010.6	2009.12	YTD%	2010.3	QoQ%
Bank	243,316	236,493	2.9	241,691	0.7
Shinhan Bank	240,335	233,537	2.9	238,763	0.7
Jeju Bank	2,981	2,956	0.8	2,928	1.8
Non-Bank	66,451	63,764	4.2	66,045	0.6
Shinhan Card	19,115	17,573	8.8	19,064	0.3
Shinhan Investment Corp.	9,063	7,552	20.0	8,385	8.1
Shinhan Life Insurance	10,889	10,055	8.3	10,437	4.3
Shinhan Capital	3,717	3,684	0.9	3,593	3.5
Shinhan BNPP AM	23,667	24,900	-5.0	24,567	-3.7
Total Assets ¹⁾	313,381	303,902	3.1	311,658	0.6

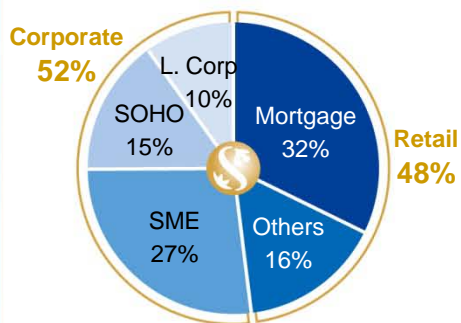
Note 1) Including Bank trust A/C and AUM of Shinhan BNPP AM



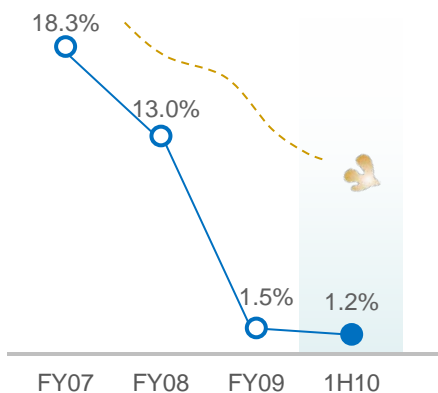
SHB Loan / Deposit Growth



Loan Composition



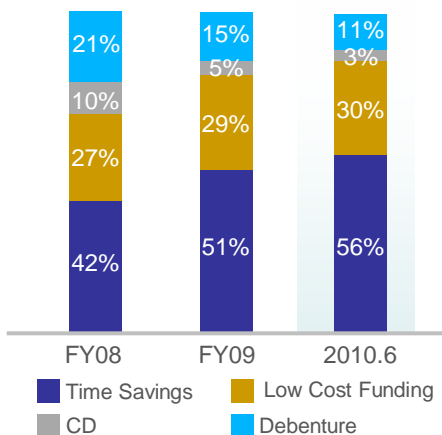
Loan Growth



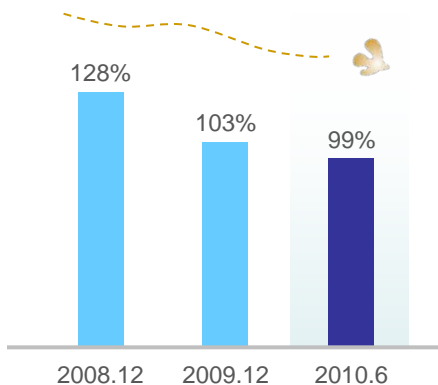
(KRW bil.)	2010.6	2009.12	YTD%	2010.3	QoQ%
Loan in KRW	123,050	121,596	1.2	122,272	0.6
Retail	59,261	58,553	1.2	58,943	0.5
Mortgage	39,611	38,174	3.8	39,247	1.0
Others	19,650	20,379	-3.6	19,696	-0.2
Corporate	63,790	63,043	1.2	63,330	0.7
SME	51,688	52,824	-2.1	52,379	-1.3
SOHO	18,644	18,456	1.0	18,541	0.6
Large Corporate etc.	12,101	10,220	18.4	10,951	11.3
Loan in FX	5,555	4,732	17.4	4,960	12.6

Funding Composition

Note) Ending balance basis



Loan-to-Deposit Ratio



Note) Excluding CDs & monthly average basis

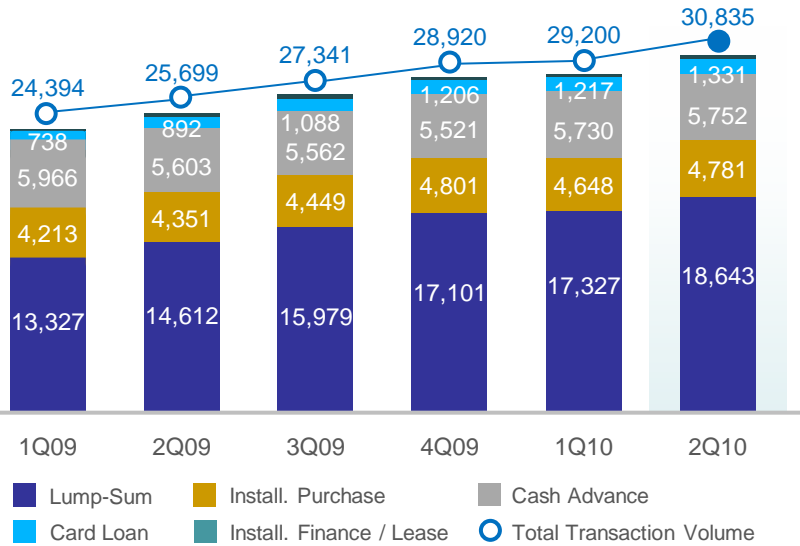
(KRW bil.)	2010.6	2009.12	YTD%	2010.3	QoQ%
Total Deposits in KRW	130,624	123,311	5.9	129,998	0.5
Low Cost Deposits	44,071	42,184	4.5	42,176	4.5
Demand	15,265	13,380	14.1	14,449	6.1
Savings	28,806	28,805	0.0	27,727	3.7
Other savings	82,795	73,770	12.2	82,785	0.0
Time Deposits	77,179	67,586	14.2	76,945	0.3
Accumulative etc.	5,616	6,184	-9.2	5,841	-3.6
Certificate of Deposits	3,758	7,357	-48.9	5,037	-17.4
Debentures in KRW	17,930	20,760	-13.6	18,978	-5.0



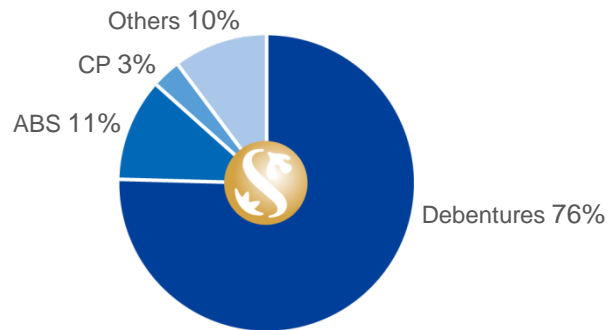
Shinhan Card Asset Growth

Transaction Volume

(KRW bil.)



Funding Composition



Note) Ending balance basis

(KRW bil.)	2010.6	2009.12	YTD%	2010.3	QoQ%
Earning Assets (Managed)	17,856	17,158	4.1	17,383	2.7
Credit purchase	9,564	9,312	2.7	9,327	2.5
Cash Advances	3,299	3,273	0.8	3,312	-0.4
Card Loan	3,174	2,808	13.1	2,979	6.5
(Re-aged Loan)	238	298	-20.2	268	-11.1
Installment Finance	1,133	1,106	2.5	1,097	3.3
Lease	684	659	3.8	667	2.5
Effective Cardholders ¹⁾	14,805	14,324	3.4	14,572	1.6
Merchants ¹⁾	2,484	2,425	2.4	2,446	1.6

Note 1) in thousands

(KRW bil.)	2010.6	2009.12	YTD%	2010.3	QoQ%
Total Funding	12,992	11,916	9.0	12,531	3.7
Debentures	9,777	8,492	15.1	9,191	6.4
ABS	1,461	1,904	-23.3	1,579	-7.5
CP	418	512	-18.2	568	-26.4
Others	1,335	1,008	32.4	1,193	11.9

IV. Asset Quality

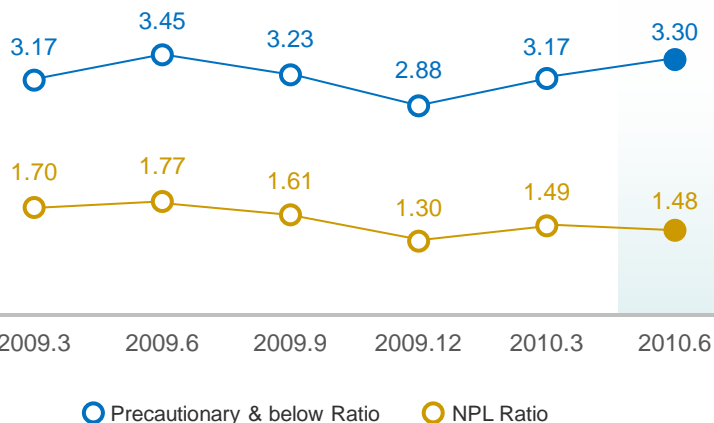
1. SFG Asset Quality
2. SHB Asset Quality
3. Shinhan Card Asset Quality
4. Loan Loss Provision / Write-off



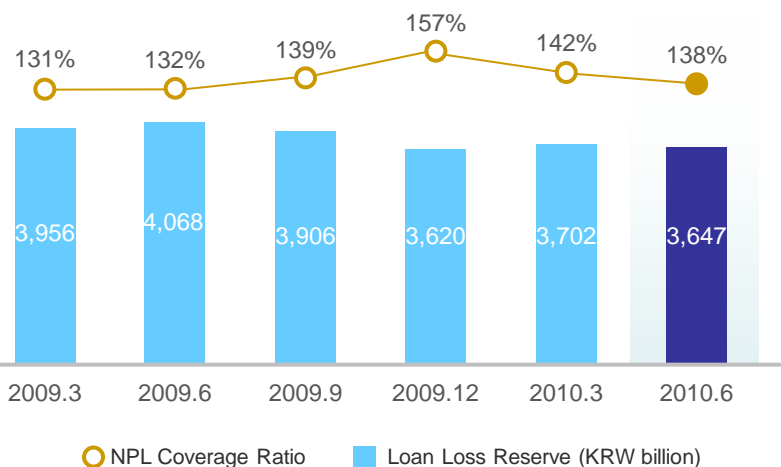


SFG Asset Quality

Precautionary & below Ratio / NPL Ratio (%)



NPL Coverage Ratio



(KRW bil.)	2010.6	2009.12	YTD% (%P)	2010.3	QoQ% (%P)
Total Loans ¹⁾	178,371	176,737	0.9	174,595	2.2
Normal	172,485	171,642	0.5	169,055	2.0
Precautionary	3,239	2,795	15.9	2,942	10.1
Substandard	1,468	1,148	27.9	1,391	5.5
Doubtful	677	524	29.3	563	20.3
Estimated Loss	502	628	-20.1	644	-22.0
Substandard & below	2,647	2,300	15.1	2,598	1.9
NPL Ratio	1.48%	1.30%	0.18%p	1.49%	-0.01%p
Loan Loss Reserve	3,647	3,620	0.7	3,702	-1.5
NPL Coverage Ratio	138%	157%	-19%p	142%	-4%p

Note 1) Sum of loans of Shinhan Bank, Jeju Bank, Shinhan Card, Shinhan Investment Corp., Shinhan Life Insurance and Shinhan Capital



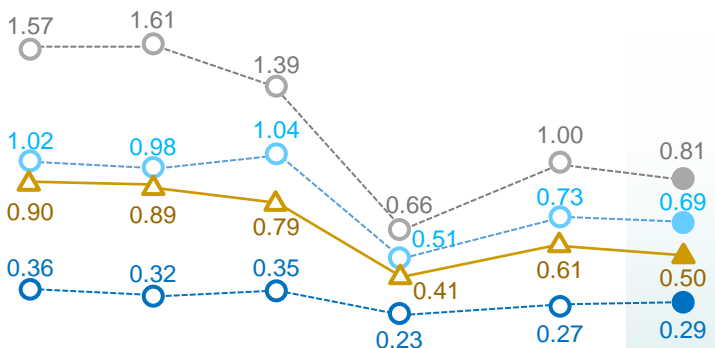
SHB Asset Quality

Precautionary & below Ratio / NPL Ratio (%)



○ Precautionary & below Ratio ● NPL Ratio ■ NPL Coverage Ratio

Delinquency Ratio (%)



○ SME (+SOHO) ● SOHO ▲ Total Delinquency ● Retail

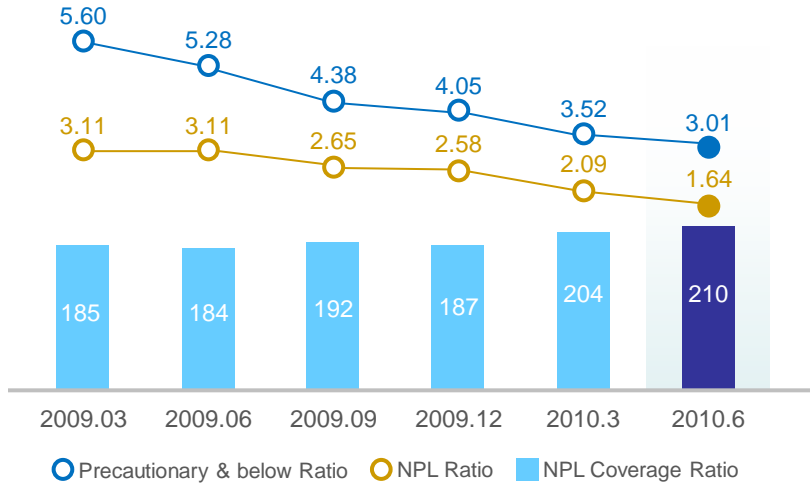
Note) 1 month overdue

(KRW bil.)	2010.6	2009.12	YTD% (%P)	2010.3	QoQ% (%P)
Total Loans	151,266	150,175	0.7	147,723	2.4
Normal	146,560	146,504	0.0	143,526	2.1
Precautionary	2,656	2,172	22.3	2,304	15.3
Substandard	1,357	1,039	30.6	1,285	5.6
Doubtful	487	258	88.9	327	48.9
Estimated Loss	205	202	1.5	281	-27.0
Substandard & below	2,049	1,499	36.7	1,893	8.3
NPL Ratio	1.35%	1.00%	0.35%p	1.28%	0.07%p
Loan Loss Reserve	2,747	2,468	11.3	2,640	4.0
NPL Coverage Ratio	134%	165%	-31%p	139%	-5%p

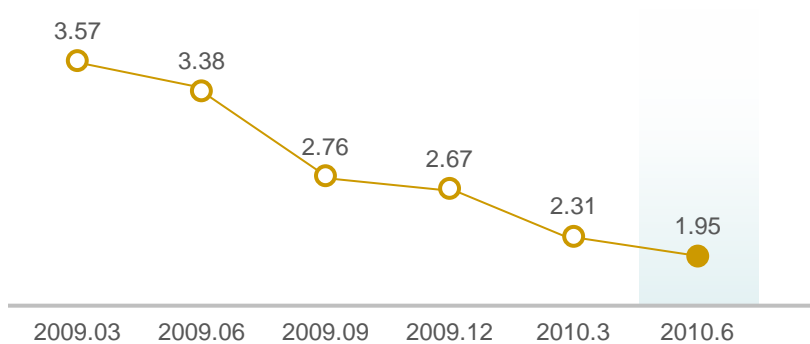


Shinhan Card Asset Quality

Precautionary & below Ratio / NPL Ratio (%)



Delinquency Ratio (%)



Note) 1 month overdue

(KRW bil.)	2010.6	2009.12	YTD% (%P)	2010.3	QoQ% (%P)
Earning Assets (Managed)	17,856	17,158	4.1	17,383	2.7
Normal	17,318	16,463	5.2	16,770	3.3
Precautionary	245	252	-2.7	249	-1.6
Substandard	-	-	n.a	-	n.a
Doubtful	57	64	-11.9	52	9.3
Estimated Loss	236	378	-37.5	311	-24.2
Substandard & below	293	442	-33.8	363	-19.4
NPL Ratio	1.64%	2.58%	-0.94%p	2.09%	-0.45%p
Loan Loss Reserve (Managed) ¹⁾	615	829	-25.8	742	-17.0
NPL Coverage Ratio	210%	187%	23%p	204%	6%p

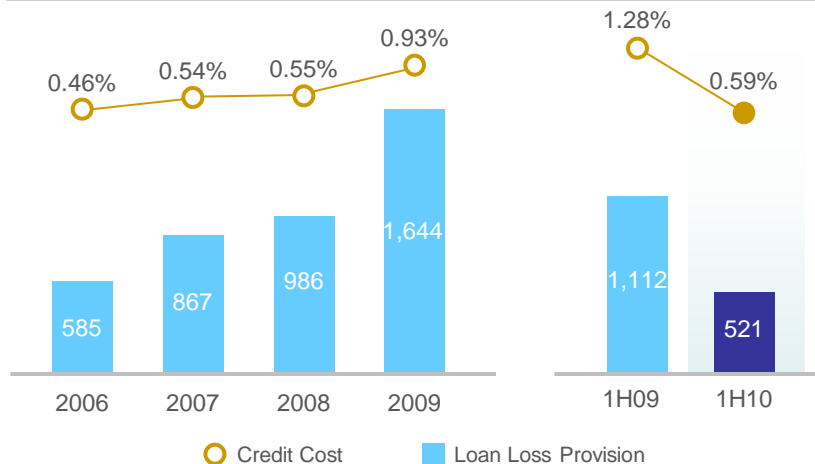
Note 1) Excluding reserve for unused credit line



Loan Loss Provision / Write-off

SFG Loan Loss Provision

(KRW bil.)



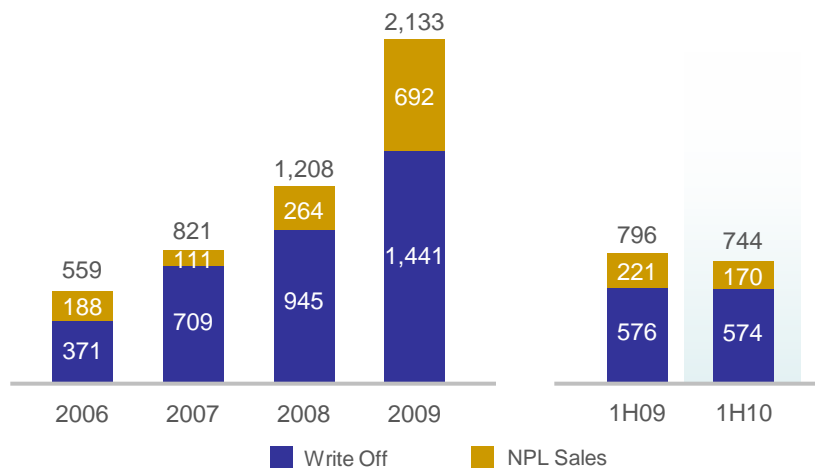
Credit Costs

(KRW bil.)	2010 1H	1Q	2Q	2009	1Q	2Q	3Q	4Q
Shinhan Bank ¹⁾	530	206	324	1,242	421	460	152	209
Retail	-48	-16	-32	113	31	41	21	20
Corporate	579	222	357	1,128	390	419	131	188
Shinhan Card ¹⁾	-66	-7	-59	73	81	35	-37	-6
Total	464	199	265	1,315	502	495	115	203

Note 1) Shinhan Bank's figures are non-consolidated basis.
Shinhan Card's figures are managed basis.

Write-Off & NPL Sales

(KRW bil.)



Write-offs & NPL Sales

(KRW bil.)	2010 1H	1Q	2Q	2009	1Q	2Q	3Q	4Q
Shinhan Bank	441	25	416	1,664	256	276	376	756
(Sale)	170	-	170	692	125	96	161	310
Retail	49	7	41	229	57	44	14	114
(Sale)	22	-	22	97	26	25	-	46
Corporate	393	18	375	1,434	198	232	362	642
(Sale)	148	-	148	596	98	72	161	264
Shinhan Card	303	150	153	469	106	158	142	63
Total	744	175	570	2,133	362	434	518	819

V. Capital Adequacy

1. Capital Adequacy





Capital Adequacy

Group BIS Ratio

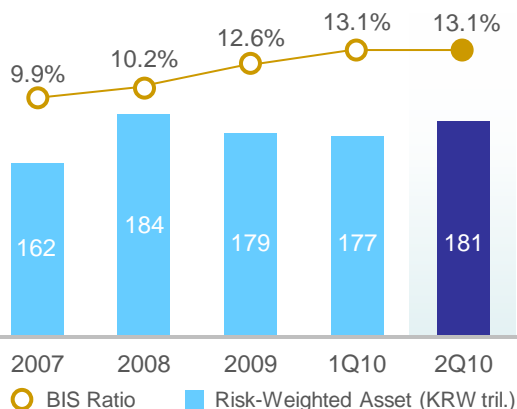
(KRW bil.)	2010.6(e)	2010.3	change	QoQ% (%p)
Risk-Weighted Assets	181,009	177,310	3,699	2.1
Capital	23,736	23,218	518	2.2
Tier 1	15,566	14,962	604	4.0
Tier 2	8,170	8,256	-86	-1.0
BIS Ratio	13.1%	13.1%		0.0%p
Tier 1	8.6%	8.4%		0.2%p
Tier 2	4.5%	4.7%		-0.2%p

Shinhan Bank BIS Ratio

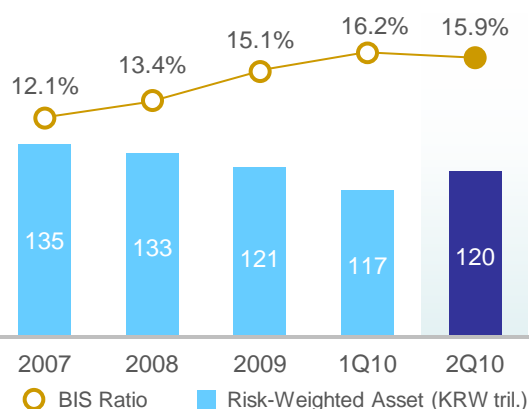
(KRW bil.)	2010.6(e)	2010.3	change	QoQ% (%p)
Risk-Weighted Assets	119,713	117,097	2,616	2.2
Capital	18,979	18,966	13	0.1
Tier 1	15,097	14,779	318	2.2
Tier 2	3,882	4,187	-305	-7.3
BIS Ratio	15.9%	16.2%		-0.3%p
Tier 1	12.6%	12.6%		0.0%p
Tier 2	3.2%	3.6%		-0.4%p

Note) Based on Basel II FIRB approach

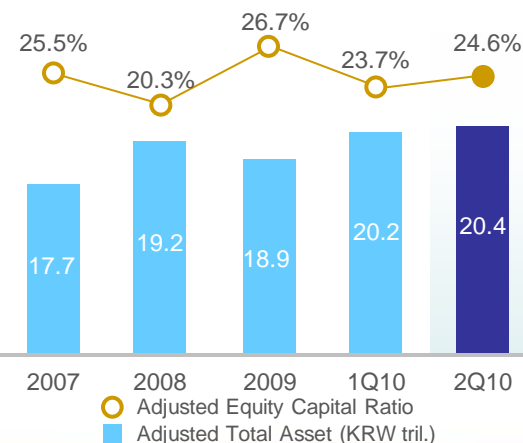
Group BIS Ratio



SHB BIS Ratio



Shinhan Card Capital Adequacy Ratio





VI. Appendix

1. SFG Subsidiaries
2. Key Financial Ratios
3. SHB SME Loans

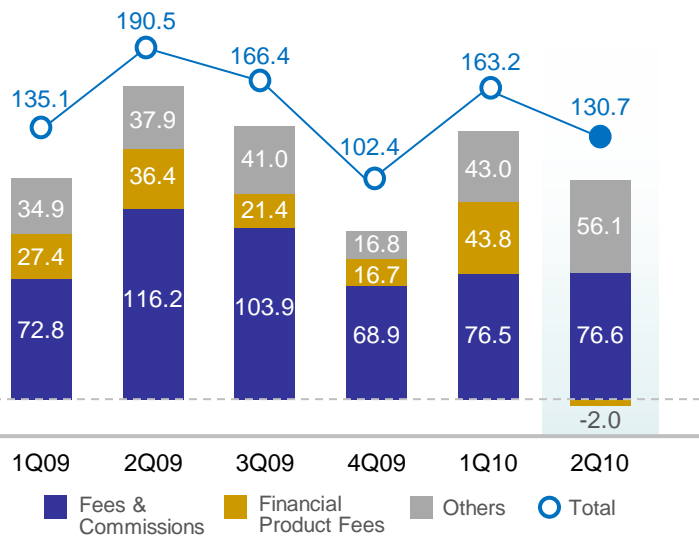




SFG Subsidiaries _ Shinhan Investment Corp.

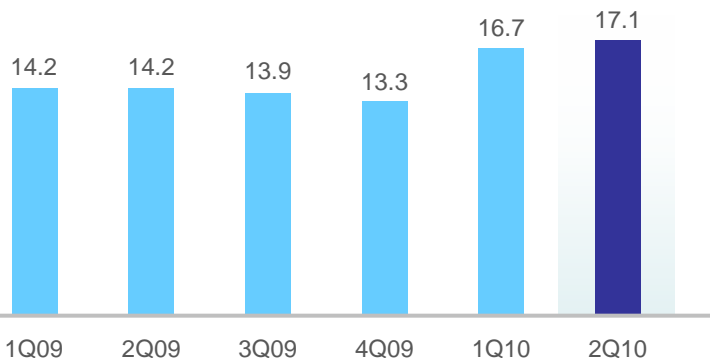
Operating Revenue

(KRW bil.)



Financial Products¹⁾

(KRW tril.)



Note 1) Balance of financial products sold to clients such as beneficiary certificate, trust account, WRAP, ELS, RPs and micro debentures

Condensed I/S & Capital Adequacy Ratio

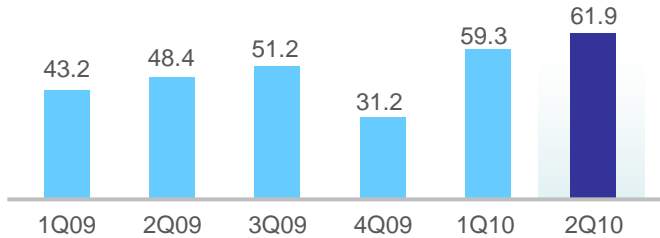
(KRW bil.)	1H10	1H09	YoY%	2Q10	1Q10	QoQ%
Operating Revenue	293.9	325.6	-9.7	130.7	163.2	-19.9
Fees & Commissions	153.0	189.0	-19.0	76.6	76.5	0.1
Financial Product Fees	41.8	63.8	-34.5	-2.0	43.8	n.a.
Others	99.1	72.8	36.2	56.1	43.0	30.4
Operating Expense	210.1	237.9	-11.7	115.0	95.1	20.9
SG&A	177.6	159.8	11.2	89.3	88.3	1.1
Commission Expense	23.0	29.6	-22.4	12.4	10.7	15.9
Loan Loss Provision	9.5	48.5	-80.5	13.3	-3.9	n.a.
Operating Income	83.8	87.7	-4.4	15.7	68.1	-77.0
Net Income	65.1	77.2	-15.7	10.6	54.4	-80.5
Net Capital Ratio	598.4	694.2	-95.8	598.4	592.0	6.4



SFG Subsidiaries _ Shinhan Life Insurance

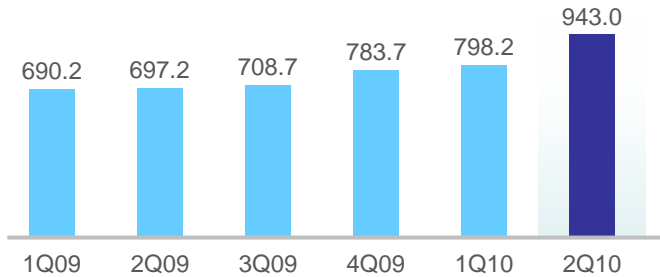
Net Income

(KRW bil.)



Premium Received

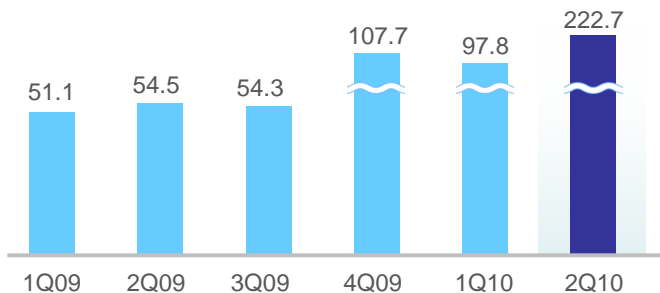
(KRW bil.)



Note 1) Excluding Retirement Pensions

New Premium

(KRW bil.)



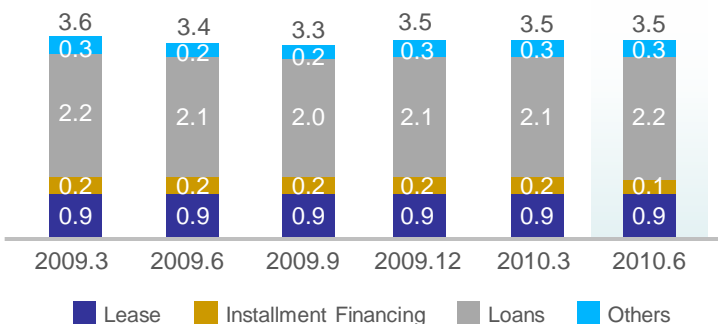
Condensed I/S & Capital Adequacy Ratio

(KRW bil.)	1H10	1H09	YoY%	2Q10	1Q10	QoQ%
Total Income	1,069.6	698.6	53.1	603.6	466.0	29.5
Net Premium Income	831.5	553.8	50.1	483.5	348.0	38.9
Net Investment Income	267.9	207.2	29.3	134.7	133.2	1.1
Special Account / Others	-29.8	-62.4	n.a.	-14.6	-15.2	n.a.
Policy Reserve (Δ)	913.0	582.9	56.6	524.1	388.9	34.8
Net Income	121.2	91.6	32.2	61.9	59.3	4.5
Solvency Margin Ratio (% , %p)	283.5	238.2	45.3	283.5	306.2	-22.7



Shinhan Capital

Operating Assets (KRW tril.)

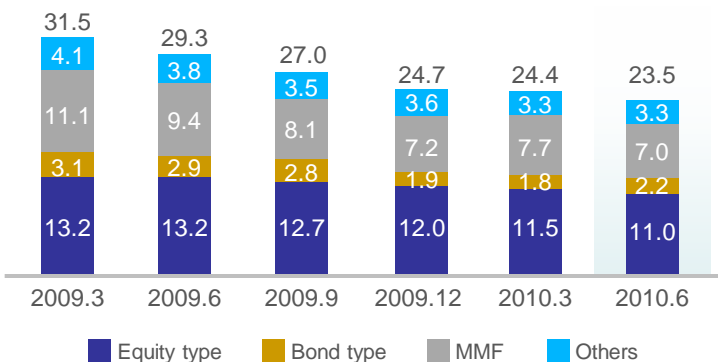


Condensed I/S

(KRW bil.)	1H10	1H09	YoY%	2Q10	1Q10	QoQ%
Operating Revenue	204.9	240.4	-14.8	94.9	110.1	-13.8
Operating Expense	154.8	184.0	-15.9	72.2	82.6	-12.7
(Interest Expense)	78.4	94.8	-17.3	38.9	39.5	-1.8
(SG&A)	8.3	9.4	-11.7	4.3	4.0	7.4
Loan Loss Provision	18.8	29.2	-35.6	10.6	8.2	30.3
Net Income	23.8	20.1	18.6	9.2	14.6	-36.7

Shinhan BNPP AM

Assets Under Management (KRW tril.)



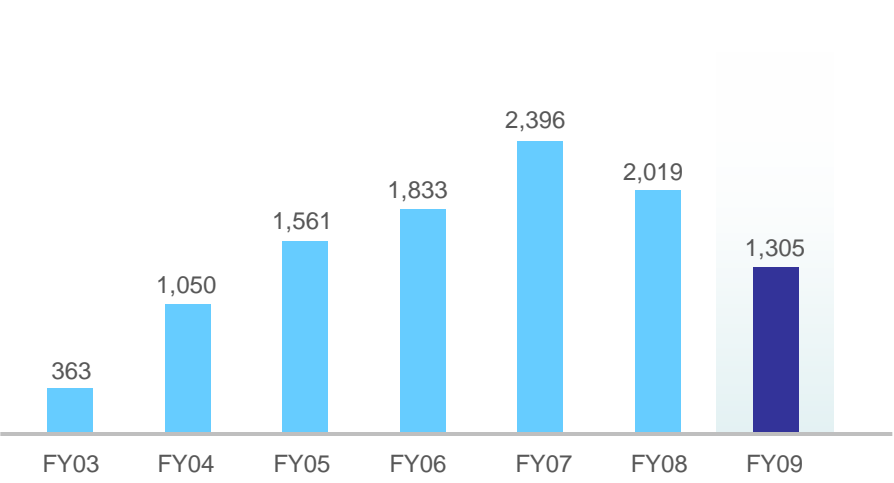
Condensed I/S

(KRW bil.)	1H10	1H09	YoY%	2Q10	1Q10	QoQ%
Operating Revenue	59.1	53.2	11.1	29.1	30.0	-3.0
Operating Expense	32.7	30.0	8.9	16.4	16.3	0.8
(SG&A)	17.5	17.9	-2.1	9.0	8.5	5.7
Operating Income	26.4	23.2	14.0	12.7	13.7	-7.6
Net Income	19.8	16.7	18.5	9.5	10.3	-7.9

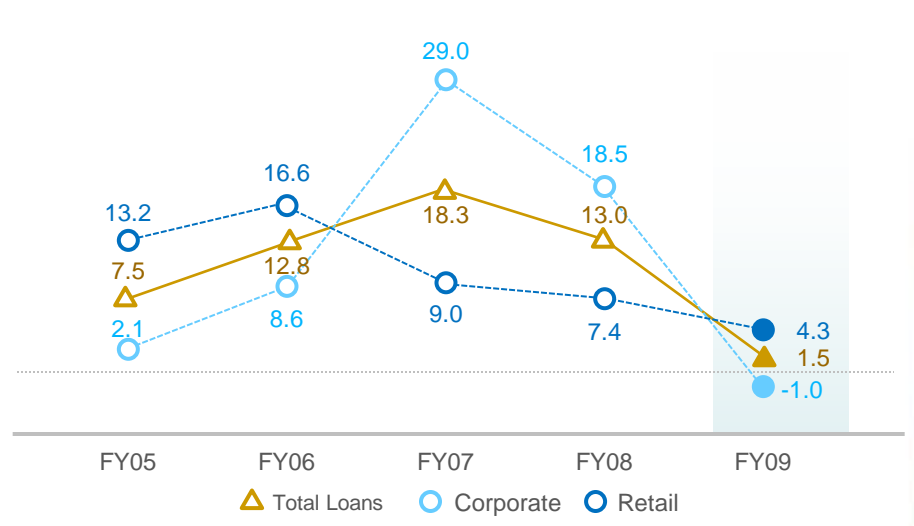


Key Financials

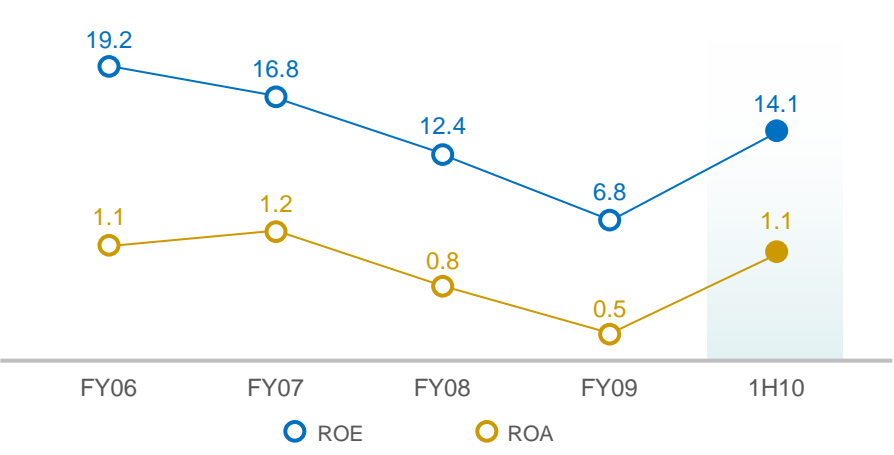
Group Net Income (KRW bil.)



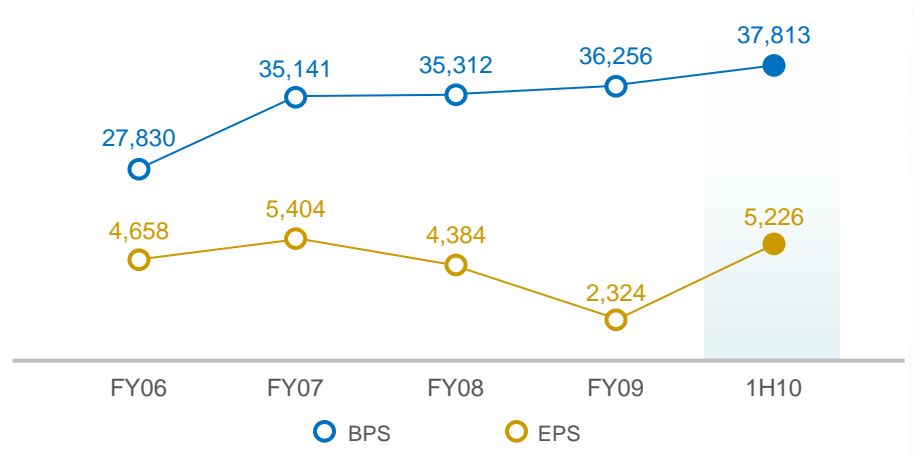
SHB Loan (in KRW) Growth Rate (%)



ROA / ROE (%)



BPS / EPS (KRW)



Note) ROE based on common stock (including RCPS)

Note) Based on common stocks (including RCPS)

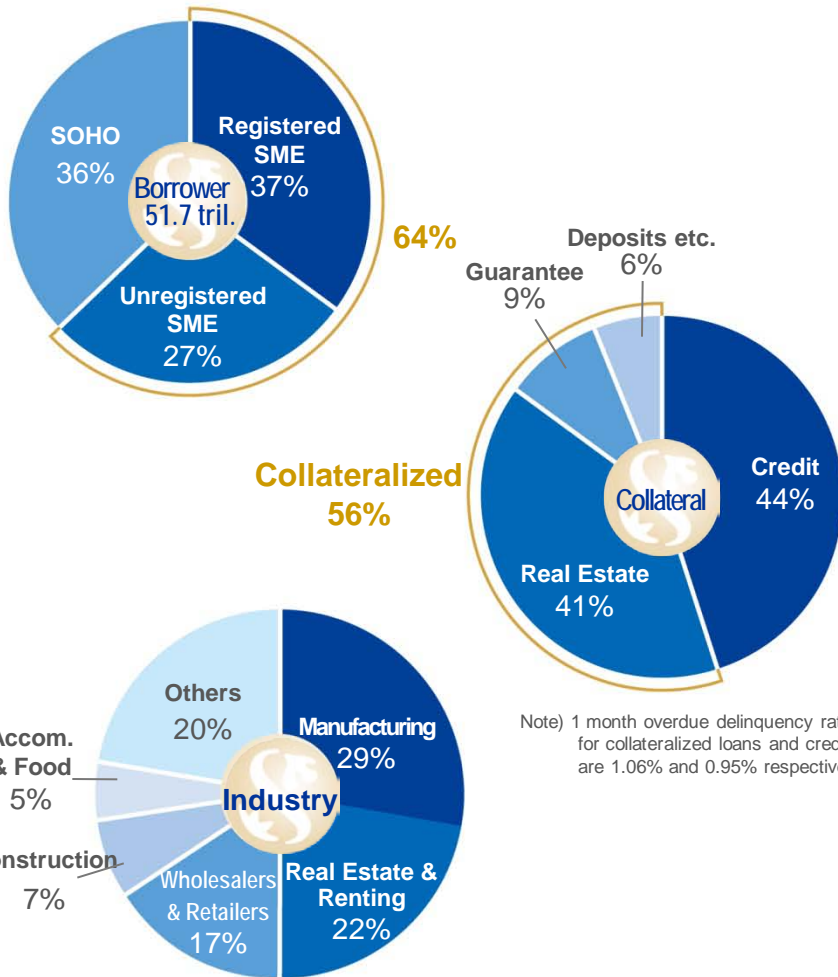


Shinhan Bank SME Loans



SME Loans 1)

(As of end of June 2010)



Note) 1 month overdue delinquency ratio for collateralized loans and credit loans are 1.06% and 0.95% respectively

1) Loans in KRW basis

Delinquency Ratio by Industry

(%)	2010.6	2009.12	YTD%p	2010.3	QoQ%p
Manufacturing	0.70	0.54	0.16	1.16	-0.47
Real Estate & Renting	0.96	0.66	0.30	1.32	-0.36
Wholesalers/Retailers	0.52	0.52	0.00	0.65	-0.13
Construction	0.87	1.30	-0.43	0.96	-0.09
Total	0.81	0.66	0.15	1.00	-0.19

(As of end of June 2010)

(%)

