



2010 3Q

Shinhan Financial Group Business Results

October 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, Shinhan Financial Group disaffiliated Shinhan Macquarie Financial Advisory from the Group as of July 16, 2010.

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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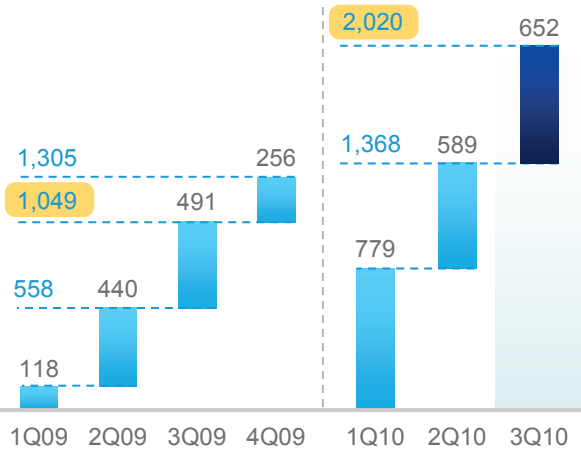
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2010 3Q Business Results Highlights (1)

Group Net Income (KRW bil.)

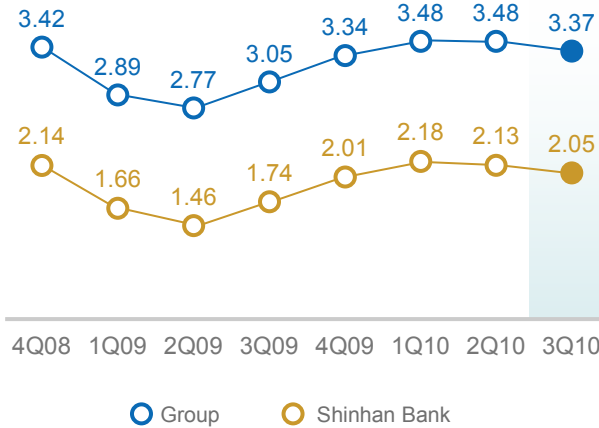


Accumulated NI marks KRW 2,019.6 bil. (3Q10 NI KRW 652.0 bil.)

- Group's net income increased 92.5% YoY as interest income, credit cost and SG&A recovered to a normalized level. (NI contribution : bank vs non-bank 58:42)
- One-off non-interest income from sales of legacy securities and significant asset growth was enough to cover for decreasing NIM and additional provisioning, thereby boosting 3Q10 NI by 10.8% QoQ.

Net Interest Margin (%)

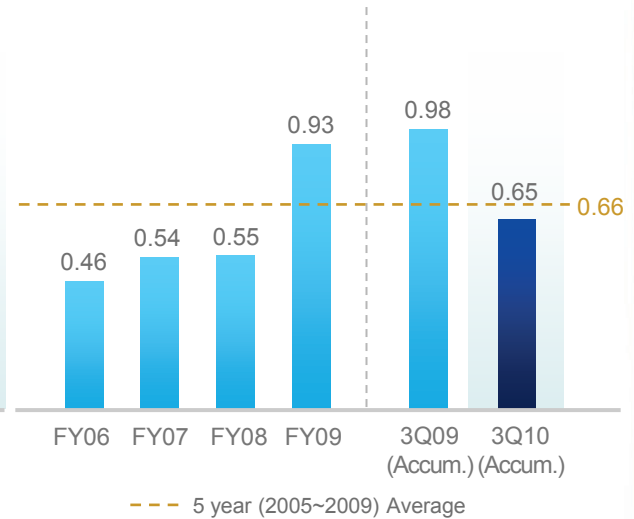
Quarterly figures



Group NIM marked 3.37%, Bank NIM 2.05% (- 8bp QoQ)

- Protracted low interest environment compressed loan interest rates while the degree of funding cost improvement was moderate, thereby reducing Group NIM.
- Bank: Margin decrease came from the asset side, where low 3M CD rate continued its effect and asset growth was concentrated to higher quality assets.
- Card: Reduction of high margin assets, such as cash advance, resulted in quarterly NIM to decline from 16.4% to 15.8%.

Credit Cost Ratio (%)



Accumulated Credit Cost 0.65% (-0.33%p YoY)

- Accumulated credit cost for 2010 3Q marked 0.65%, falling 0.33%p YoY, as a result of continuous asset quality improvement since the end of 2009.
- Despite the additional provisioning burden due to the application of PF guideline (KRW 69.8 bil.) and SME restructuring (KRW 35.2 bil.), Group's credit cost was well maintained under the level of past 5-year average of 0.66%.

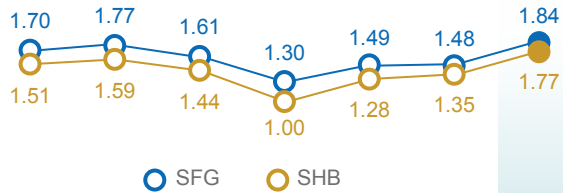


2010 3Q Business Results Highlights (2)

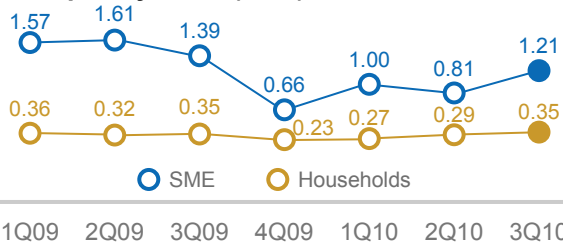


NPL Ratio/Delinquency Ratio (%)

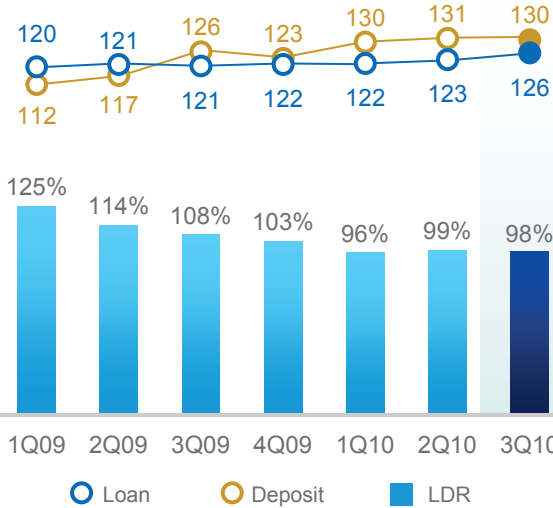
NPL Ratio



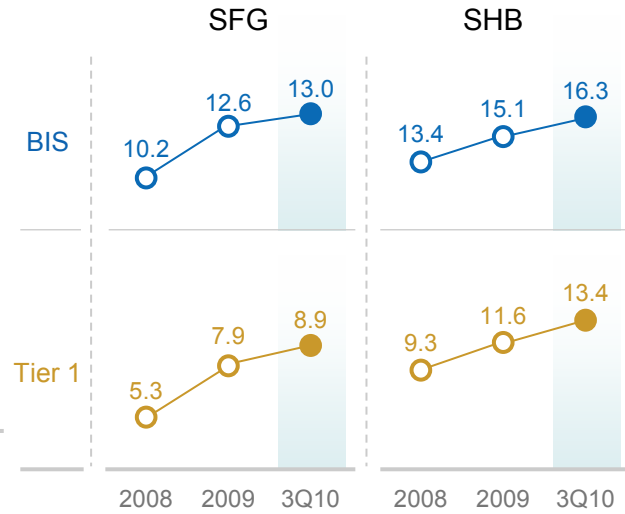
Delinquency Ratio (SHB)



Loans & Deposits (KRW tril.)



Capital Adequacy (%)



NPL ratio hiked in 3Q10 as a result of strengthened asset quality criteria

- Application of PF guidelines and SME credit review resulted in a hike of NPL.
- NPL sales and write-offs amounted to KRW 160 bil. in 3Q10, a 72% decrease compared with KRW 570 bil. in 2Q10. (Total accumulated NPL sales/write-off 3Q 2010 acc.: KRW 0.9 tril., FY 2009: KRW 2.1 tril.)
- SME delinquency ratio inched up 0.4%p mainly due to temporal increase in delinquencies (KRW 50 bil.) for restructured loan.

LDR maintained at 98%, despite loan growth recovery in 3Q10

- As of Sept. 2010, loan in KRW reached KRW 126 tril. whereas deposits stood at KRW 130 tril., each showing a 3.8% and 5.8% increase YTD.
- LDR marked 98%, complying with FSS recommendation (below 100%) since 1Q10
- Demand deposit and time savings increased 8.9% and 16.7% respectively, fueling stable funding growth.

Capital built-up continued in 3Q10 (Group T1: 8.9%, Bank T1: 13.4%)

- Group Tier 1 ratio reached 8.9% on the back of steady net income flows and moderate risk asset growth. (based on BIS I)
- Shinhan Bank's net income of KRW 1.45 tril. for the 9 month period strengthened its capital base, elevating its Tier 1 above the 13% mark.

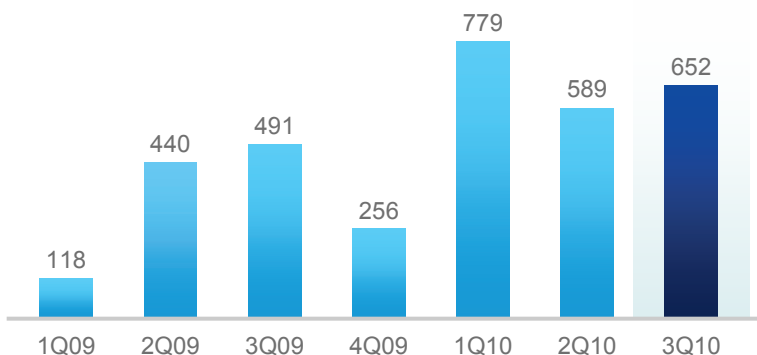
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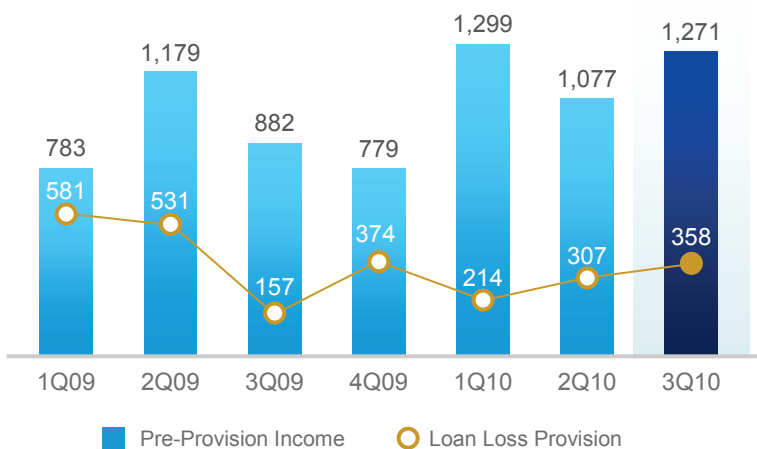




Net Income (KRW bil.)



Pre-Provision Income & LLP (KRW bil.)

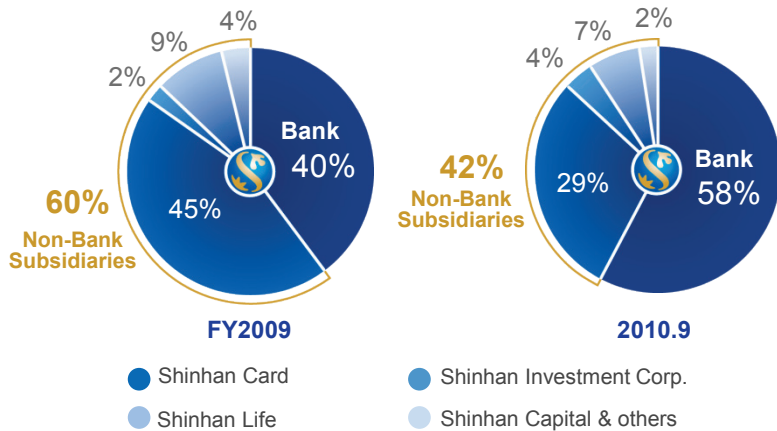


(KRW bil.)	3Q10 (Acc.)	3Q09 (Acc.)	YoY%	3Q10	2Q10	QoQ%
Total Operating Income (a=b+c)	6,568.3	5,655.0	16.1	2,230.7	2,029.1	9.9
Interest Income (b)	5,723.8	4,627.7	23.7	1,921.1	1,925.0	-0.2
Non-Interest Income (c)	844.5	1,027.4	-17.8	309.7	104.1	197.6
SG&A (d)	2,929.8	2,780.3	5.4	983.2	952.4	3.2
Pre-Provision Operating Income (e=a-d)	3,638.6	2,874.7	26.6	1,247.6	1,076.7	15.9
Non-Operating Income (f)	7.2	-30.4	n.a.	23.1	-0.2	n.a.
Pre-Provision Income (g=e+f)	3,645.7	2,844.3	28.2	1,270.7	1,076.5	18.0
Loan Loss Provision (h)	879.5	1,269.6	-30.7	358.3	307.0	16.7
Earnings before Income Tax (i=g-h)	2,766.3	1,574.7	75.7	912.3	769.5	18.6
Income Tax	737.6	524.3	40.7	258.2	173.6	48.8
Consolidated Net Income	2,019.6	1,049.1	92.5	652.0	588.6	10.8

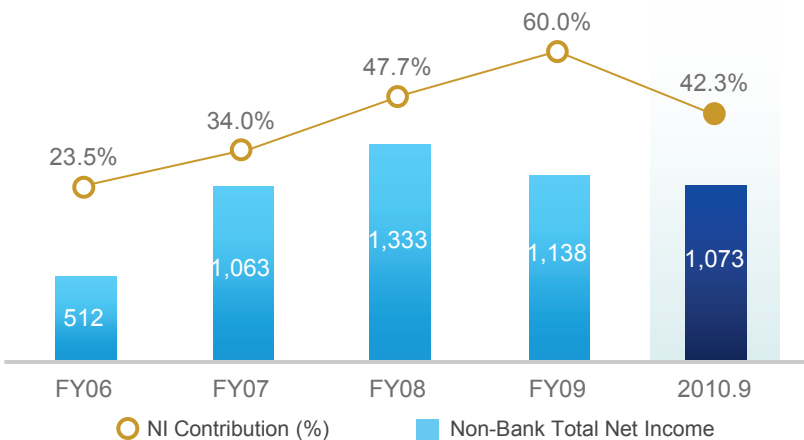


Subsidiaries Income (1)

Net Income Contribution by Subsidiaries



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



Note) After reflecting ownership by SFG

(KRW bil.)	Net Income [A]	Ownership [B]	Net Income (A x Ownership) [C=A x B]	Adjustment [D]	Net Income (Consolidated) [E=C+D]
Bank (a)	1,471.8		1,466.5	-88.2	1,378.3
Shinhan Bank	1,454.7	100.0%	1,454.7	-88.8 ¹⁾	1,365.9
Jeju Bank	17.1	68.9%	11.8	0.6 ¹⁾	12.4
Non-Bank (b)	1,083.2		1,072.9	-298.5	774.4
Shinhan Card	739.1	100.0%	739.1	-224.6 ¹⁾	514.5
Shinhan Investment Corp.	99.3	100.0%	99.3	-43.8 ¹⁾	55.5
Shinhan Life Insurance	173.2	100.0%	173.2	-28.7 ¹⁾	144.5
Shinhan Capital	39.1	100.0%	39.1	-1.4 ¹⁾	37.6
Shinhan BNPP AM	29.5	65.0%	19.2		19.2
Shinhan Credit Information	1.2	100.0%	1.2		1.2
Shinhan PE	1.9	100.0%	1.9		1.9
SFG (c)				-133.1 ²⁾	-133.1
Total (d=a+b+c)	2,555.0		2,539.4	-519.8	2,019.6

Note1) Goodwill amortization : SHB 46.2 bil., Shinhan Card 227.8 bil., Shinhan Investment Corp. 42.5 bil., Shinhan Life Insurance 31.4 bil., etc.

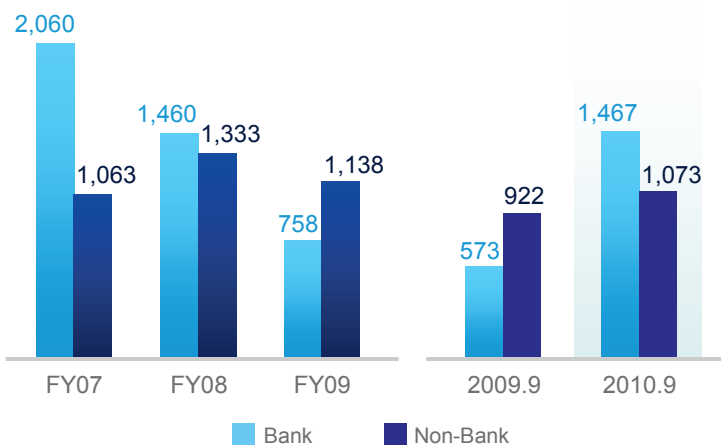
2) SFG (non-consolidated): brand fee income 90.8 bil., interest expense -174.9 bil., SG&A -55.2 bil., tax Income 3.3 bil., etc.



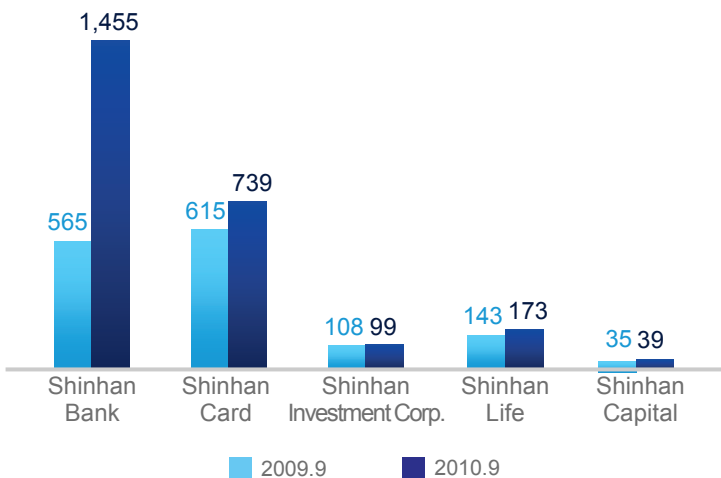
Subsidiaries Income (2)



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



Net Income YoY Comparison by Subsidiaries (KRW bil.)



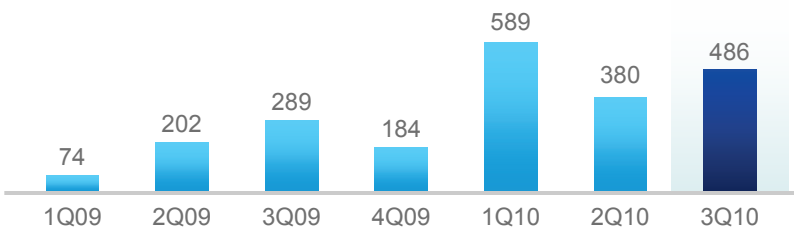
(After reflecting ownership, KRW bil.)	3Q10 (Acc.)	3Q09 (Acc.)	YoY%	3Q10	2Q10	QoQ%
Bank (a)	1,466.5	572.5	156.1	489.8	383.7	27.7
Shinhan Bank	1,454.7	564.6	157.7	485.9	380.2	27.8
Jeju Bank	11.8	8.0	47.5	3.9	3.4	14.4
Non-bank (b)	1,072.9	921.7	16.4	321.3	352.8	-8.9
Shinhan Card	739.1	614.6	20.3	213.1	263.4	-19.1
Shinhan Investment Corp.	99.3	108.4	-8.4	34.2	10.6	221.3
Shinhan Life Insurance	173.2	142.8	21.3	52.0	61.9	-16.0
Shinhan Capital	39.1	34.6	13.0	15.3	9.2	65.2
Shinhan BNPP AM	19.2	18.0	6.5	6.3	6.2	0.9
Shinhan Credit Information	1.2	1.0	25.3	0.5	0.4	2.0
Shinhan PE	1.9	3.1	-38.8	0.1	1.0	-91.2
Total (a+b)	2,539.4	1,494.2	69.9	811.1	736.5	10.2
Consolidated Net Income	2,019.6	1,049.1	92.5	652.0	588.6	10.8



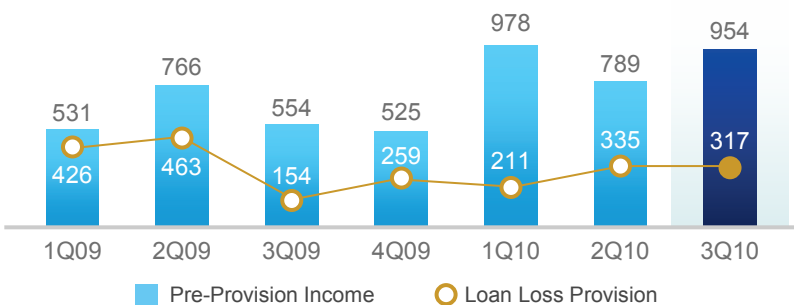
SHB Income / NIM



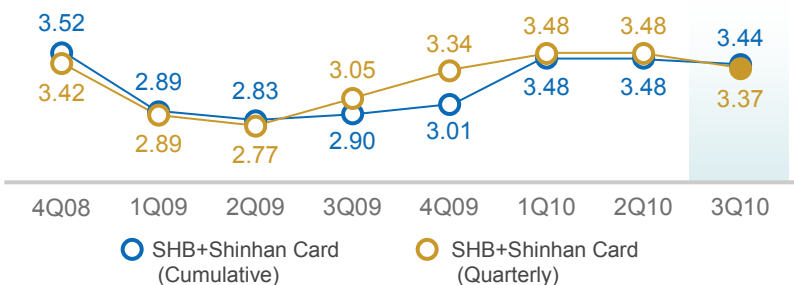
Net Income (KRW bil.)



Pre-Provision Income & LLP (KRW bil.)



Shinhan Financial Group NIM (%)



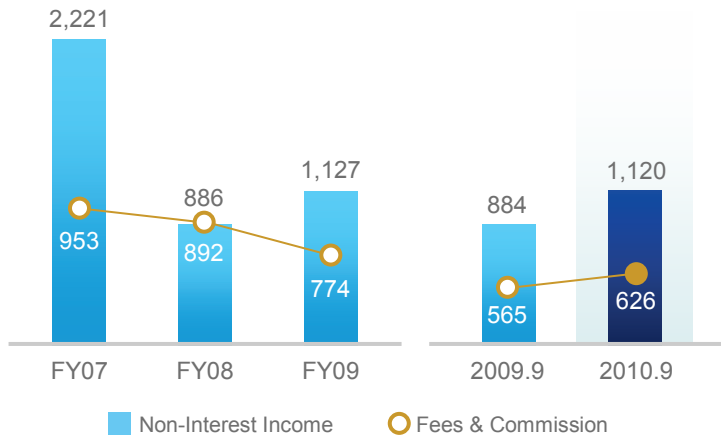
(KRW bil.)	3Q10 (Acc.)	3Q09 (Acc.)	YoY%	3Q10	2Q10	QoQ%
Total Operating Income (a=b+c)	4,418.9	3,494.5	26.5	1,524.8	1,332.0	14.5
Interest Income (b)	3,298.8	2,610.3	26.4	1,088.9	1,115.2	-2.4
Non-Interest Income (c)	1,120.2	884.3	26.7	435.9	216.7	101.1
SG&A (d)	1,674.5	1,600.1	4.6	577.1	534.3	8.0
Pre-Provision Operating Income (e=a-d)	2,744.5	1,894.4	44.9	947.7	797.7	18.8
Non-Operating Income (f)	-23.7	-43.2	n.a.	6.2	-8.6	n.a.
Pre-Provision Income (g=e+f)	2,720.7	1,851.2	47.0	953.9	789.1	20.9
Loan Loss Provision (h)	862.9	1,042.4	-17.2	317.2	335.1	-5.4
Earnings before Income Tax (i=g-h)	1,857.8	808.8	129.7	636.7	454.0	40.2
Net Income	1,454.7	564.6	157.7	485.9	380.2	27.8

(%)	4Q08	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10	3Q10
NIS(a-b) (cumulative figures)	2.54	1.80	1.65	1.77	1.91	2.48	2.44	2.37
Loan interest rate (a)	7.10	6.09	5.58	5.43	5.43	5.67	5.59	5.49
Deposit interest rate (b)	4.56	4.29	3.93	3.67	3.52	3.19	3.15	3.11
NIM (SHB, quarterly)	2.14	1.66	1.46	1.74	2.01	2.18	2.13	2.05
NIM (SHB, cumulative figures)	2.12	1.66	1.56	1.62	1.72	2.18	2.16	2.12

SHB Non-Interest Income / SG&A

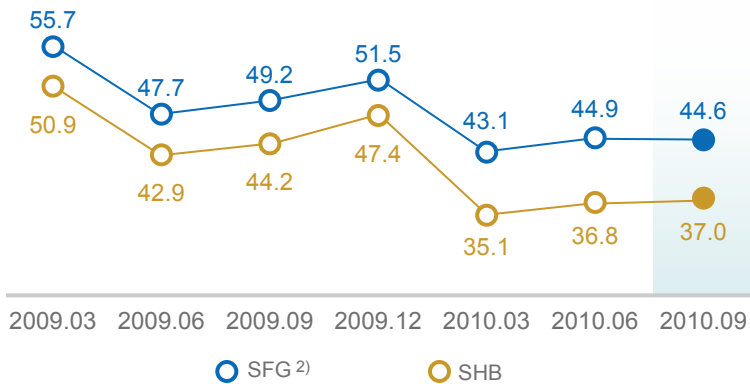
Fees and Commission

(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 347.6 bil. for 2010.09)

(KRW bil.)	3Q10 (Acc.)	3Q09 (Acc.)	YoY%	3Q10	2Q10	QoQ%
Non-Interest Income	1,120.2	884.3	26.7	435.9	216.7	101.1
Fees & Commission	626.0	565.4	10.7	195.5	224.6	-13.0
(Fund)	138.3	132.8	4.1	45.5	45.9	-0.9
(Bancassurance)	70.1	52.5	33.5	23.1	24.9	-7.2
Trust Fees	25.9	29.4	-11.8	8.6	9.0	-3.9
Securities related	689.5	301.9	128.4	263.2	125.8	109.1
Others	-221.3	-12.4	n.a.	-31.3	-142.6	n.a.

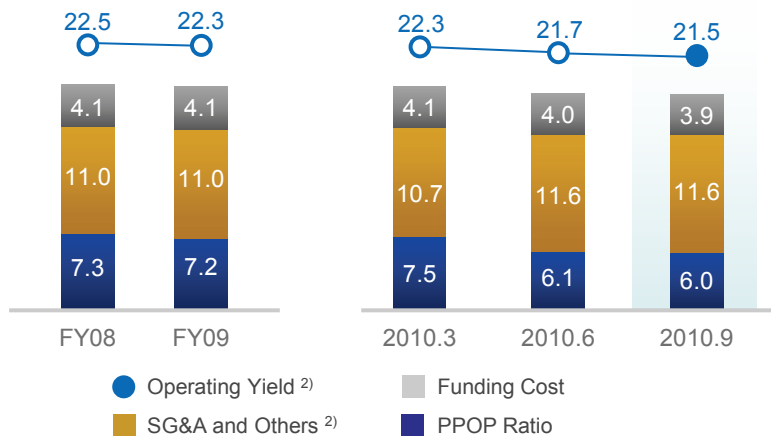
(KRW bil.)	3Q10 (Acc.)	3Q09 (Acc.)	YoY%	3Q10	2Q10	QoQ%
SG&A Expense	1,674.5	1,600.1	4.6	577.1	534.3	8.0
Labor Cost	692.1	763.6	-9.4	225.0	217.4	3.5
Admin. Expense	751.3	599.0	25.4	279.9	256.6	9.1
D&A	126.6	162.6	-22.1	43.5	42.7	1.7
Taxes & Dues	104.4	74.9	39.4	28.8	17.7	63.2



Shinhan Card Income

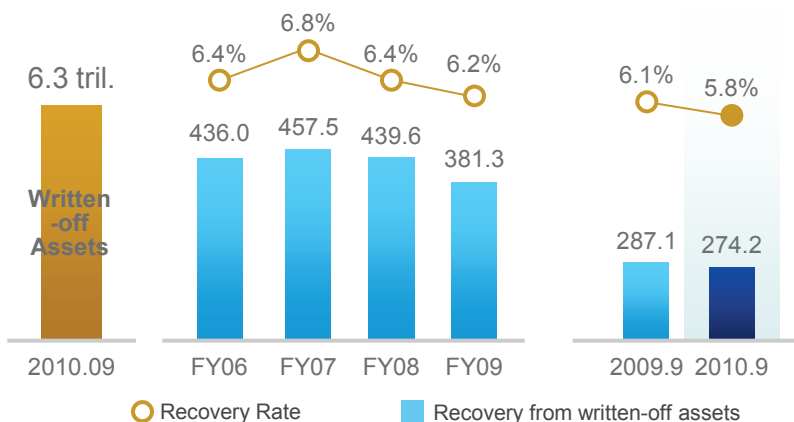


Operating Yield and PPOP Ratio ¹⁾ (%)



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

Recovery from Written-off Assets (KRW bil.)



(KRW bil.)	3Q10 (Acc.)	3Q09 (Acc.)	YoY%	3Q10	2Q10	QoQ%
Operating Revenue (a)	3,027.3	2,794.1	8.3	1,028.8	996.0	3.3
Card Business	2,628.0	2,403.5	9.3	895.2	885.1	1.1
Installment Finance	97.4	104.8	-7.0	32.6	32.6	0.2
Lease	31.1	34.5	-9.7	10.8	10.3	4.3
Others	270.8	251.3	7.7	90.1	68.0	32.6
(Derivatives & F/X)	51.2	69.3	-26.2	6.8	9.8	-30.8
Interest Expense(b)	550.3	512.3	7.4	187.5	183.6	2.1
SG&A(c)	510.6	492.7	3.6	159.5	186.6	-14.5
Commissions & Others Expenses(d)	1,082.8	919.8	17.7	398.3	349.0	14.1
(Derivatives & F/X)	42.6	61.9	-31.2	3.8	7.1	-46.8
Operating Income (e=a-b-c-d)	883.6	869.3	1.6	283.5	276.7	2.4
Non-Operating Income (f)	22.0	4.0	448.1	12.3	3.1	293.4
Pre-Provision Income (g=e+f)	905.6	873.3	3.7	295.8	279.9	5.7
Loan Loss Provision (h)	-53.7	79.1	n.a.	12.2	-59.3	n.a.
Earnings before Income Tax (i=g-h)	959.3	794.3	20.8	283.6	339.2	-16.4
Income Tax	220.2	179.7	22.5	70.5	75.8	-7.1
Net Income	739.1	614.6	20.3	213.1	263.4	-19.1

Note) Managed basis



III. Assets & Liabilities

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



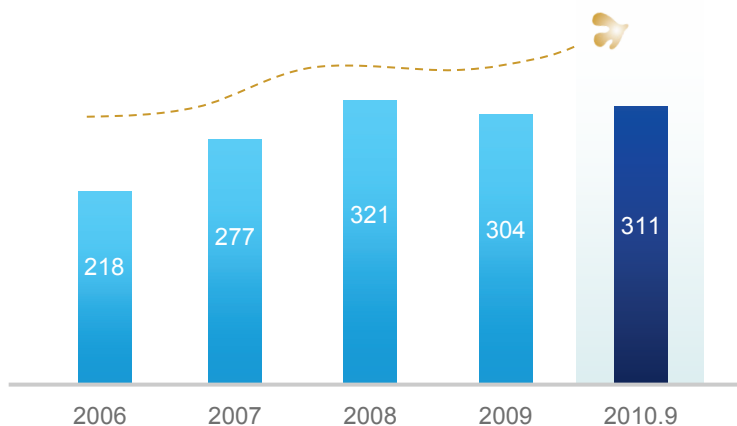


SFG Asset Growth

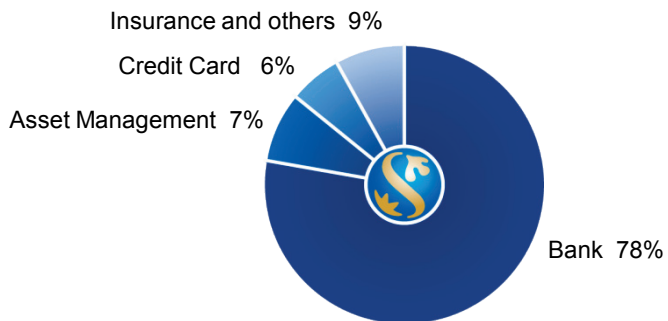


SHINHAN FINANCIAL GROUP

SFG Total Asset (KRW tril.)



Asset Contribution by Subsidiary



(KRW bil.)	2010.9	2009.12	YTD%	2010.6	QoQ%
Bank	241,312	236,493	2.0	243,377	-0.8
Shinhan Bank	238,438	233,537	2.1	240,396	-0.8
Jeju Bank	2,874	2,956	-2.8	2,981	-3.6
Non-Bank	65,822	63,764	3.2	66,451	-0.9
Shinhan Card	19,745	17,573	12.4	19,115	3.3
Shinhan Investment Corp.	8,809	7,552	16.6	9,063	-2.8
Shinhan Life Insurance	11,469	10,055	14.1	10,889	5.3
Shinhan Capital	3,730	3,684	1.3	3,717	0.4
Shinhan BNPP AM	22,068	24,900	-11.4	23,667	-6.8
Total Assets ¹⁾	310,777	303,902	2.3	313,381	-0.8

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

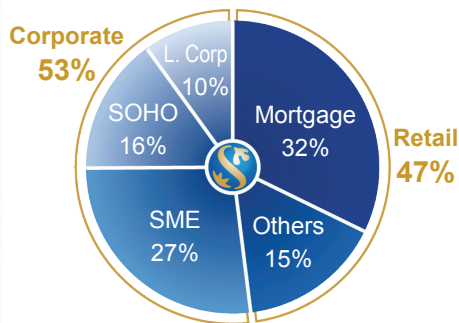


SHB Loan / Deposit Growth



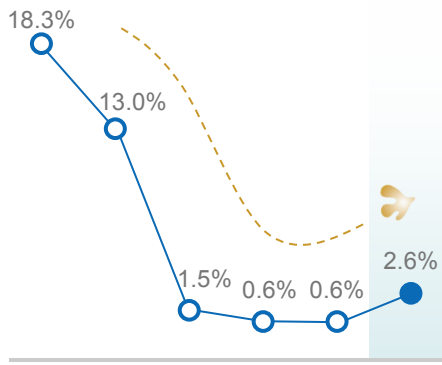
Loan Composition

Note) Ending balance basis



Loan Growth

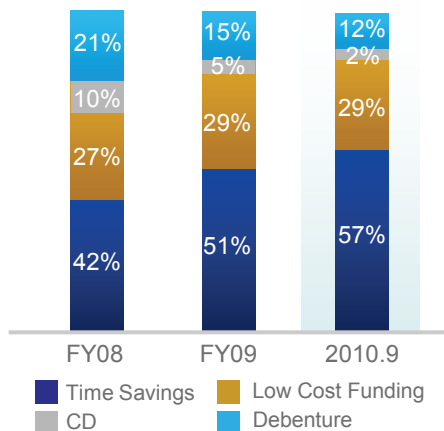
Note) Loans in KRW basis



(KRW bil.)	2010.9	2009.12	YTD%	2010.6	QoQ%
Loans in KRW	126,202	121,596	3.8	123,050	2.6
Retail	59,913	58,553	2.3	59,261	1.1
Mortgage	40,620	38,174	6.4	39,611	2.6
Others	19,293	20,379	-5.3	19,650	-1.8
Corporate	66,289	63,043	5.1	63,790	4.0
SME	53,103	52,824	0.5	51,688	2.7
SOHO	19,565	18,456	6.0	18,644	5.0
Large Corporate etc.	13,185	10,220	29.0	12,101	10.6
Loan in Foreign Currency	5,223	4,732	10.4	5,555	-7.0

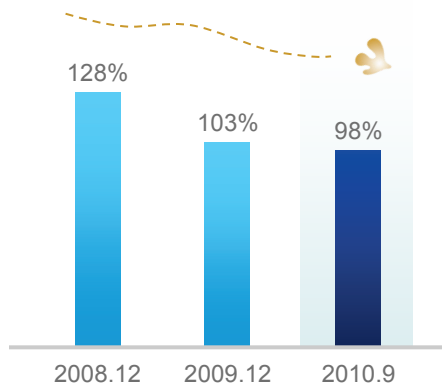
Funding Composition

Note) Ending balance basis



Loan-to-Deposit Ratio

Note) Excluding CDs & monthly average basis



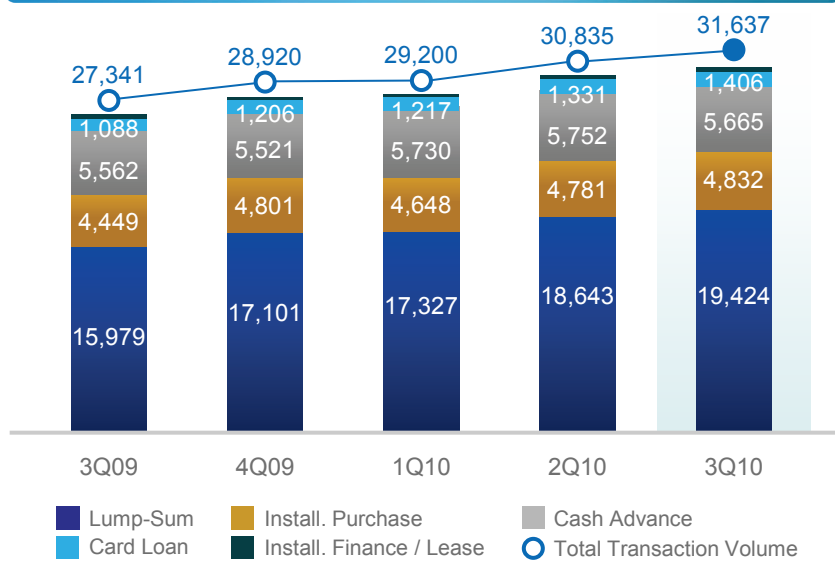
(KRW bil.)	2010.9	2009.12	YTD%	2010.6	QoQ%
Total Deposits in KRW	130,488	123,311	5.8	130,624	-0.1
Low Cost Deposits	42,493	42,184	0.7	44,071	-3.7
Demand	14,572	13,380	8.9	15,265	-5.2
Savings	27,922	28,805	-3.1	28,806	-3.1
Other savings	84,584	73,770	14.7	82,795	2.4
Time Deposits	78,852	67,586	16.7	77,179	2.5
Accumulative etc.	5,732	6,184	-7.3	5,616	1.9
Certificate of Deposits	3,410	7,357	-53.6	3,758	-4.7
Debentures in KRW	18,160	20,760	-12.5	17,930	1.1



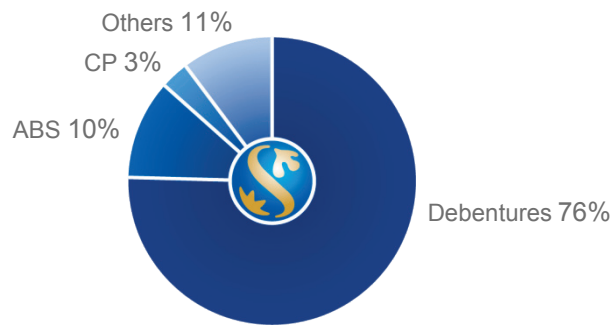
Shinhan Card Asset Growth



Transaction Volume (KRW bil.)



Funding Composition (As of end of Sep. 2010)



(KRW bil.)	2010.9	2009.12	YTD%	2010.6	QoQ%
Earning Assets (Managed)	18,407	17,158	7.3	17,856	3.1
Credit purchase	9,992	9,312	7.3	9,564	4.5
Cash Advances	3,206	3,273	-2.0	3,299	-2.8
Card Loan	3,360	2,808	19.7	3,174	5.8
(Re-aged Loan)	222	298	-25.7	238	-6.9
Installment Finance	1,156	1,106	4.5	1,133	2.0
Lease	690	659	4.8	684	1.0
Effective Cardholders ¹⁾	14,996	14,324	4.7	14,805	1.3
Merchants ¹⁾	2,511	2,425	3.5	2,484	1.1

Note 1) In thousands

(KRW bil.)	2010.9	2009.12	YTD%	2010.6	QoQ%
Total Funding	13,308	11,916	11.7	12,992	2.4
Debentures	10,103	8,492	19.0	9,777	3.3
ABS	1,297	1,904	-31.9	1,461	-11.2
CP	418	512	-18.2	418	0.0
Others	1,490	1,008	47.8	1,335	11.6

Note) Ending balance basis

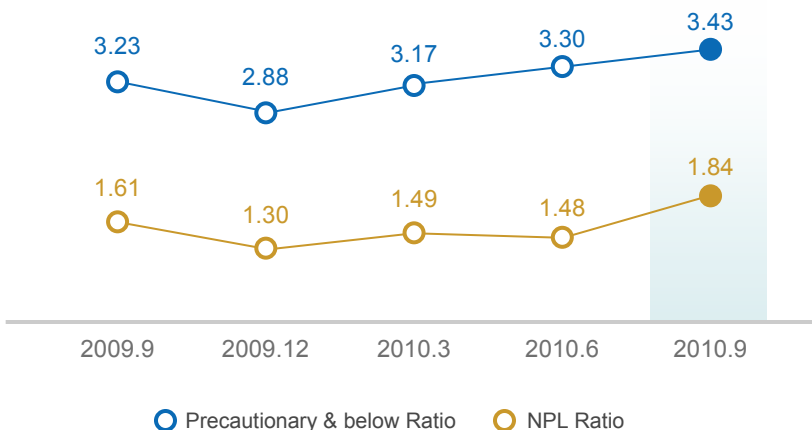
IV. Asset Quality

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

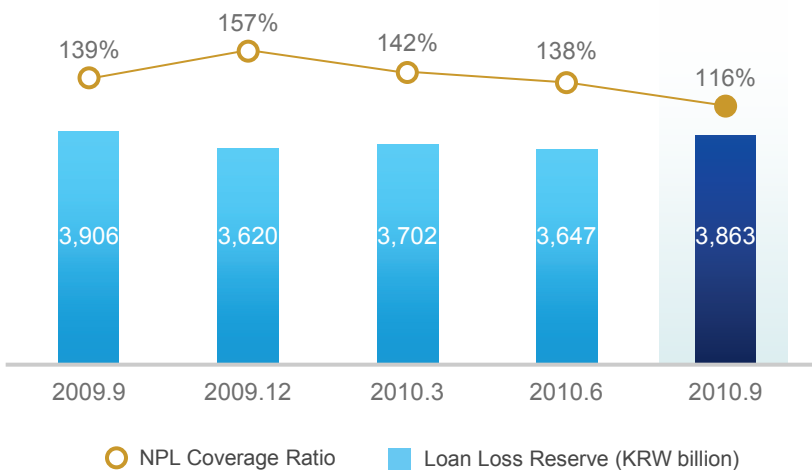




Precautionary & below Ratio / NPL Ratio (%)



NPL Coverage Ratio



(KRW bil.)	2010.9	2009.12	YTD%	2010.6	QoQ%
Total Loans ¹⁾	181,142	176,737	2.5	178,371	1.6
Normal	174,927	171,642	1.9	172,485	1.4
Precautionary	2,884	2,795	3.2	3,239	-11.0
Substandard	2,051	1,148	78.7	1,468	39.7
Doubtful	677	524	29.2	677	-0.1
Estimated Loss	604	628	-3.9	502	20.3
Substandard & below	3,331	2,300	44.8	2,647	25.8
NPL Ratio	1.84%	1.30%	0.54%p	1.48%	0.36%p
Loan Loss Reserve	3,863	3,620	6.7	3,647	5.9
NPL Coverage Ratio	116%	157%	-41%p	138%	-22%p

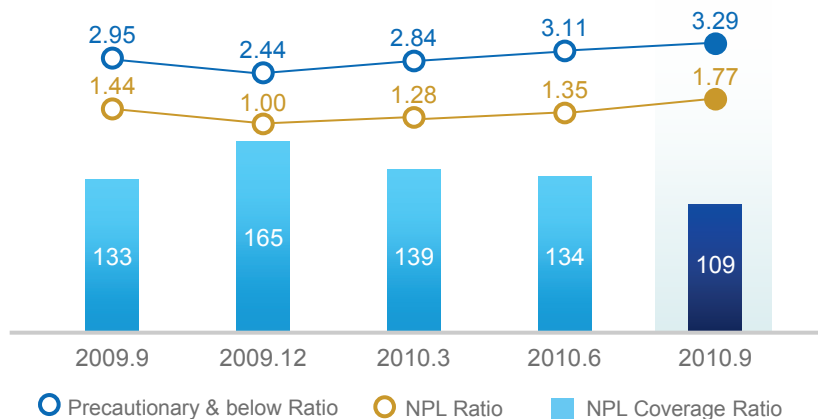
Note 1) Sum of loans of Shinhan Bank, Jeju Bank, Shinhan Card, Shinhan Investment Corp., Shinhan Life Insurance and Shinhan Capital



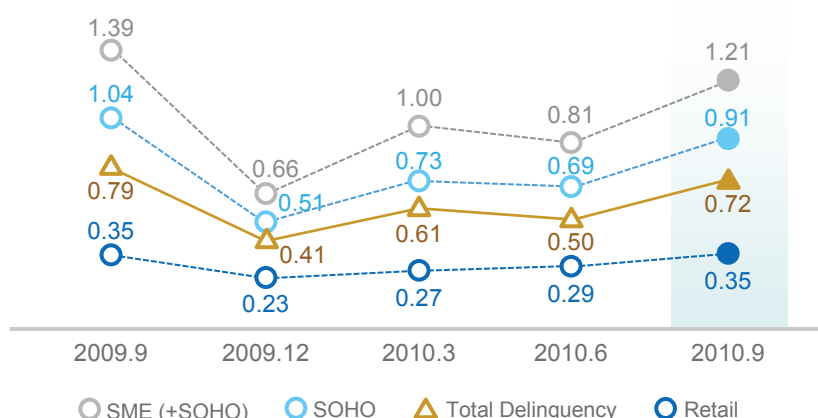
SHB Asset Quality



Precautionary & below Ratio / NPL Ratio (%)



Delinquency Ratio (%)



Note) 1 month overdue

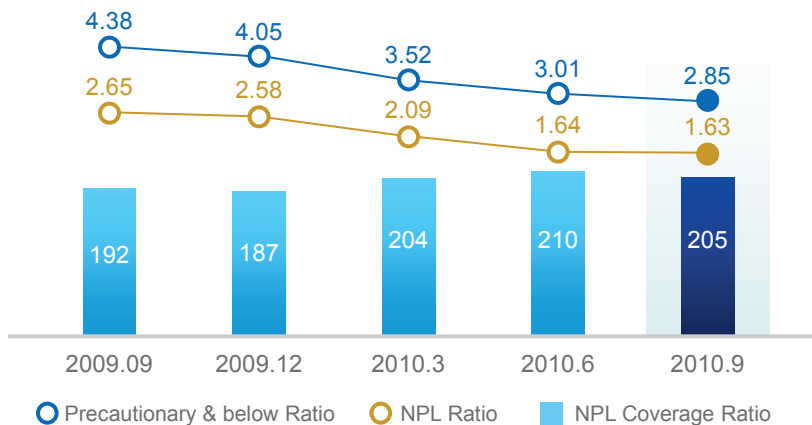
(KRW bil.)	2010.9	2009.12	YTD%	2010.6	QoQ%
Total Loans	153,556	150,175	2.3	151,266	1.5
Normal	148,502	146,504	1.4	146,560	1.3
Precautionary	2,334	2,172	7.5	2,656	-12.1
Substandard	1,912	1,039	84.0	1,357	40.8
Doubtful	480	258	86.1	487	-1.5
Estimated Loss	329	202	62.7	205	60.3
Substandard & below	2,720	1,499	81.5	2,049	32.7
NPL Ratio	1.77%	1.00%	0.77%p	1.35%	0.42%p
Loan Loss Reserve	2,976	2,468	20.6	2,747	8.3
NPL Coverage Ratio	109%	165%	-56%p	134%	-25%p



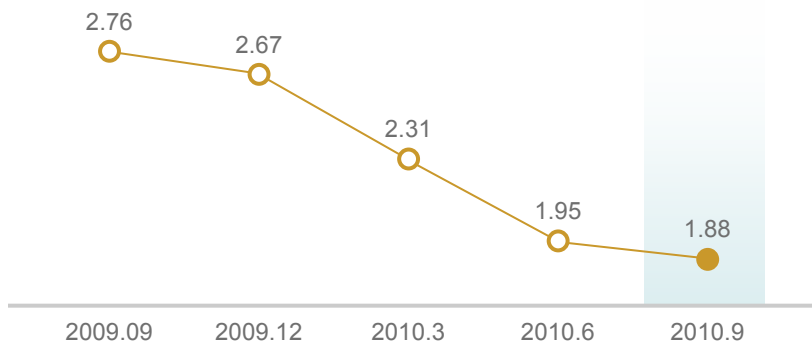
Shinhan Card Asset Quality



Precautionary & below Ratio / NPL Ratio (%)



Delinquency Ratio (%)



Note) 1 month overdue

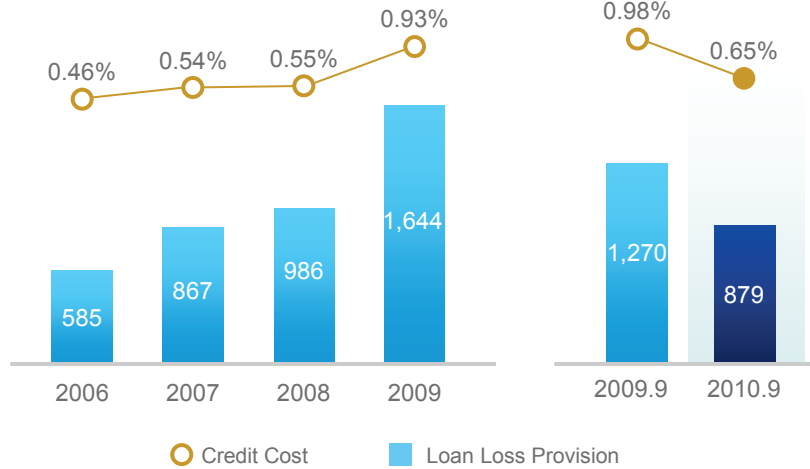
(KRW bil.)	2010.9	2009.12	YTD%	2010.6	QoQ%
Earning Assets (Managed)	18,407	17,158	7.3	17,856	3.1
Normal	17,881	16,463	8.6	17,318	3.3
Precautionary	225	252	-10.7	245	-8.3
Substandard	-	-	n.a	-	n.a
Doubtful	69	64	6.9	57	21.4
Estimated Loss	232	378	-38.7	236	-1.9
Substandard & below	300	442	-32.1	293	2.6
NPL Ratio	1.63%	2.58%	-0.95%p	1.64%	-0.01%p
Loan Loss Reserve (Managed) ¹⁾	614	829	-25.9	615	-0.2
NPL Coverage Ratio	205%	187%	18%p	210%	-5%p

Note 1) Excluding reserve for unused credit line



Loan Loss Provision / Write-off

SFG Loan Loss Provision (KRW bil.)

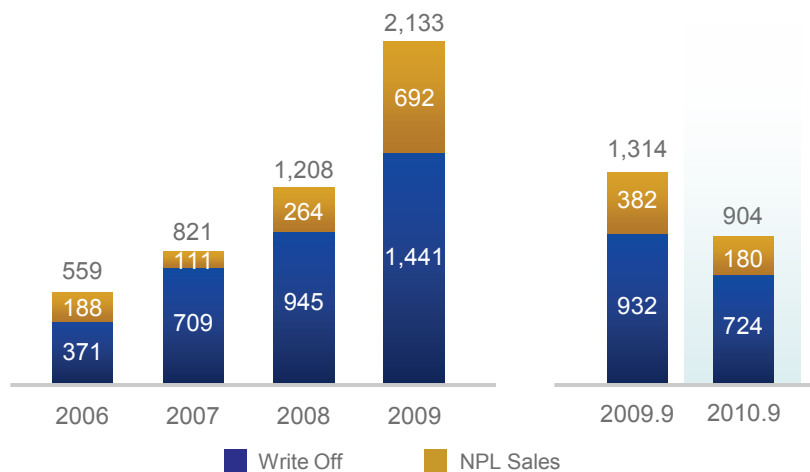


Credit Costs

(KRW bil.)	2010	1Q	2Q	3Q	2009	1Q	2Q	3Q	4Q
Shinhan Bank¹⁾	854	206	337	311	1,242	421	460	152	209
Retail	64	14	0	50	113	31	41	21	20
Corporate	790	192	337	261	1,128	390	419	131	188
Shinhan Card¹⁾	-54	-7	-59	12	73	81	35	-37	-6
Total	800	199	278	323	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	1Q	2Q	3Q	2009	1Q	2Q	3Q	4Q
Shinhan Bank	511	25	416	70	1,664	256	276	376	756
(Sale)	180	-	170	10	692	125	96	161	310
Retail	79	7	41	30	229	57	44	14	114
(Sale)	22	-	22	-	97	26	25	-	46
Corporate	433	18	375	40	1,434	198	232	362	642
(Sale)	158	-	148	10	596	98	72	161	264
Shinhan Card	393	150	153	90	469	106	158	142	63
Total	904	175	570	160	2,133	362	434	518	819

V. Capital Adequacy

1. Capital Adequacy





Capital Adequacy



Group BIS Ratio

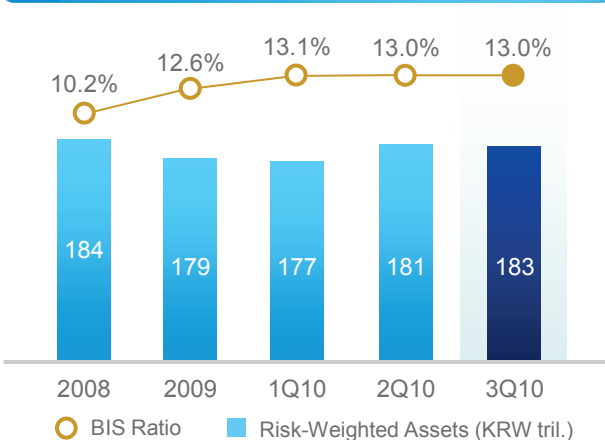
(KRW bil.)	2010.9(e)	2010.6	Change	QoQ%
Risk-Weighted Assets	182,811	181,229	1,582	0.9
Capital	23,708	23,489	219	0.9
Tier 1	16,335	15,617	718	4.6
Tier 2	7,373	7,872	-499	-6.3
BIS Ratio	13.0%	13.0%		0.0%p
Tier 1	8.9%	8.6%		0.3%p
Tier 2	4.0%	4.3%		-0.3%p

Shinhan Bank BIS Ratio

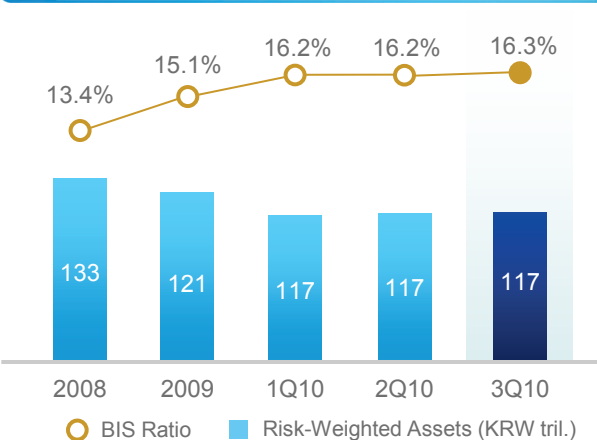
(KRW bil.)	2010.9(e)	2010.6	Change	QoQ%
Risk-Weighted Assets	116,852	117,492	-640	-0.5
Capital	19,040	18,976	64	0.3
Tier 1	15,682	15,106	576	3.8
Tier 2	3,358	3,870	-512	-13.2
BIS Ratio	16.3%	16.2%		0.1%p
Tier 1	13.4%	12.9%		0.5%p
Tier 2	2.9%	3.3%		-0.4%p

Note) Based on Basel II FIRB approach

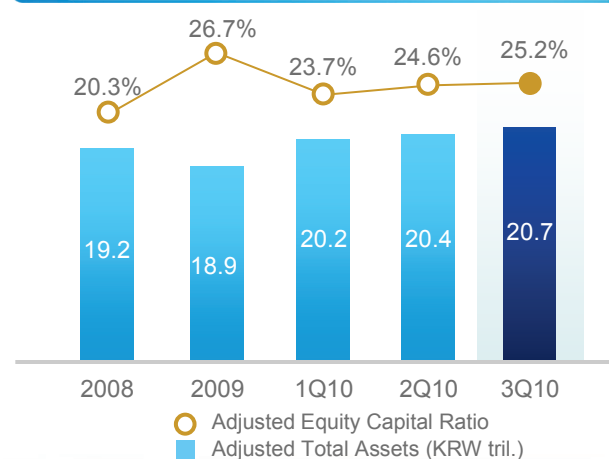
Group BIS Ratio



SHB BIS Ratio



Shinhan Card Capital Adequacy Ratio





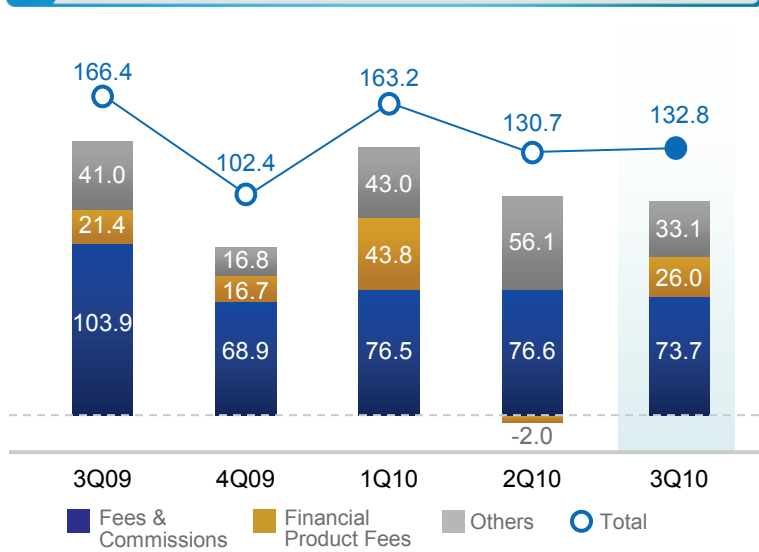
VI. Appendix

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

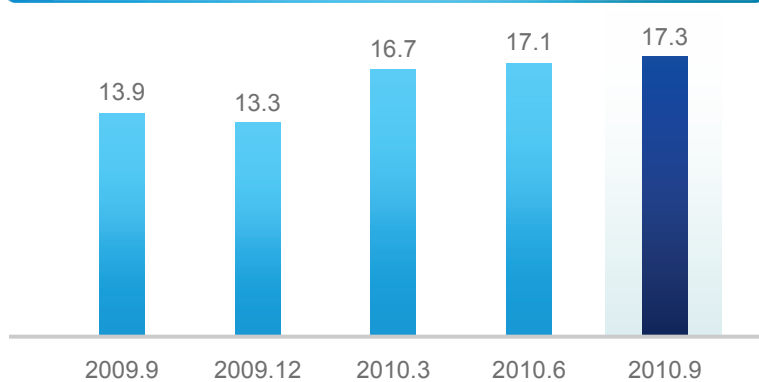




Operating Revenue (KRW bil.)



Financial Products¹⁾ (KRW tril.)



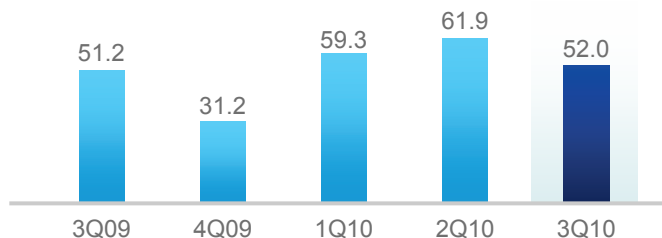
Note 1) Balance of financial products sold to clients such as beneficiary certificate, trust account, WRAP, ELS, RPs and micro debentures

Condensed I/S & Capital Adequacy Ratio

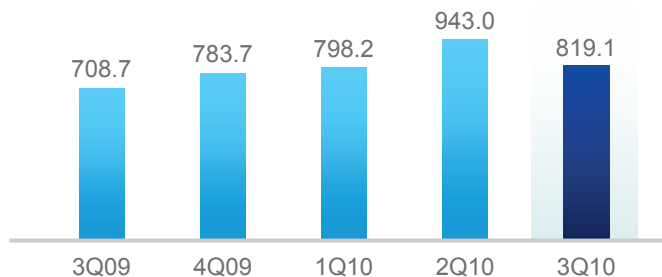
(KRW bil.)	3Q10 (Acc.)	3Q09 (Acc.)	YoY%	3Q10	2Q10	QoQ%
Operating Revenue	426.8	492.0	-13.3	132.8	130.7	1.7
Fees & Commissions	226.7	292.9	-22.6	73.7	76.6	-3.7
Financial Product Fees	67.9	85.2	-20.4	26.0	-2.0	n.a
Others	132.2	113.8	16.1	33.1	56.1	-41.0
Operating Expense	306.5	368.0	-16.7	96.4	115.0	-16.2
SG&A	260.4	261.6	-0.5	82.7	89.3	-7.3
Commission Expense	34.5	46.7	-26.1	11.5	12.4	-6.6
Loan Loss Provision	11.6	59.7	-80.6	2.1	13.3	-84.1
Operating Income	120.3	124.0	-3.0	36.5	15.7	132.3
Net Income	99.3	108.4	-8.4	34.2	10.6	221.3
Net Capital Ratio (%)	659.5	675.7	-16.2%p	659.5	598.4	61.1%p



Net Income (KRW bil.)

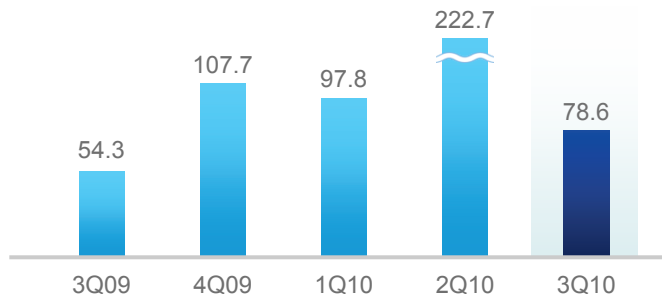


Premium Received (KRW bil.)



Note) Excluding Retirement Pensions

New Premium (KRW bil.)



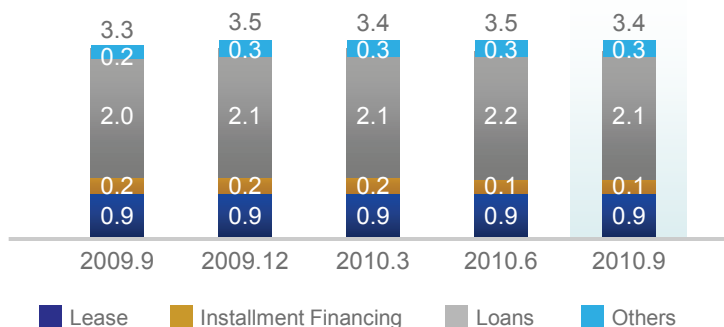
Condensed I/S & Solvency Margin Ratio

(KRW bil.)	3Q10 (Acc.)	3Q09 (Acc.)	YoY%	3Q10	2Q10	QoQ%
Total Income	1,545.6	1,079.8	43.1	476.0	603.6	-21.1
Net Premium Income	1,181.0	822.7	43.6	349.5	483.5	-27.7
Net Investment Income	396.1	325.1	21.8	128.2	134.7	-4.8
Special Account / Others	-31.5	-68.0	n.a	-1.7	-14.6	n.a
Policy Reserve (Δ)	1,320.9	896.0	47.4	407.9	524.1	-22.2
Net Income	173.2	142.8	21.3	52.0	61.9	-16.0
Solvency Margin Ratio (%)	368.3	261.7	106.6%p	368.3	329.7	38.6%p



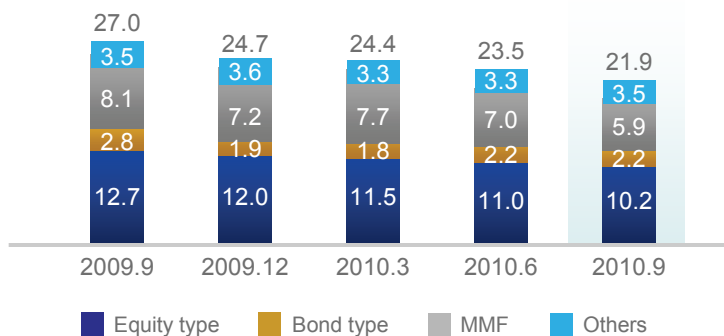
Shinhan Capital

Operating Assets (KRW tril.)



Shinhan BNPP AM

Assets Under Management (KRW tril.)



Condensed I/S

(KRW bil.)	3Q10 (Acc.)	3Q09 (Acc.)	YoY%	3Q10	2Q10	QoQ%
Operating Revenue	291.2	353.3	-17.6	86.3	94.9	-9.1
Operating Expense	213.5	271.2	-21.3	58.7	72.2	-18.7
(Interest Expense)	116.6	134.5	-13.3	38.2	38.9	-1.7
(SG&A)	12.4	14.5	-14.5	4.1	4.3	-4.6
Loan Loss Provision	26.6	35.6	-25.3	7.8	10.6	-26.7
Net Income	39.1	34.6	13.0	15.3	9.2	65.2

Condensed I/S

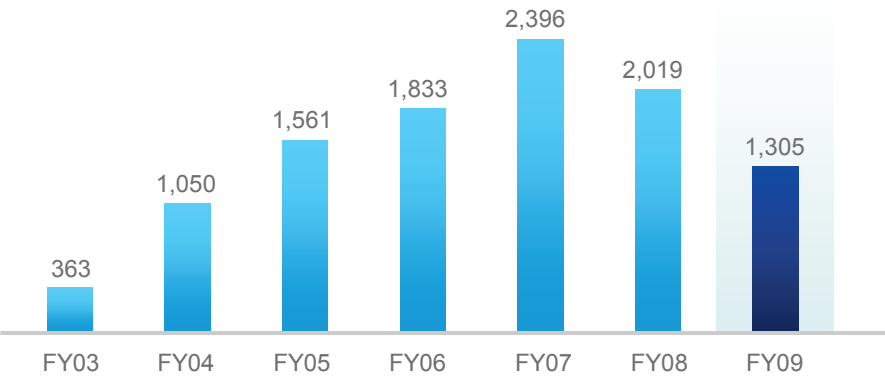
(KRW bil.)	3Q10 (Acc.)	3Q09 (Acc.)	YoY%	3Q10	2Q10	QoQ%
Operating Revenue	88.1	84.2	4.6	29.0	29.1	-0.4
Operating Expense	48.6	46.5	4.5	15.9	16.4	-3.0
(SG&A)	26.2	26.3	-0.4	8.7	9.0	-3.4
Operating Income	39.5	37.7	4.7	13.1	12.7	3.0
Net Income	29.5	27.7	6.5	9.7	9.5	2.7



Key Financials Ratios

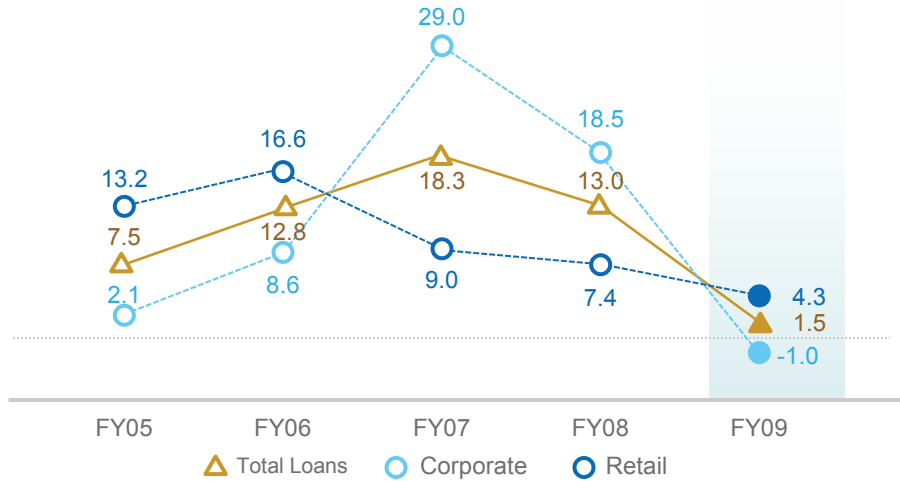
Group Net Income

(KRW bil.)



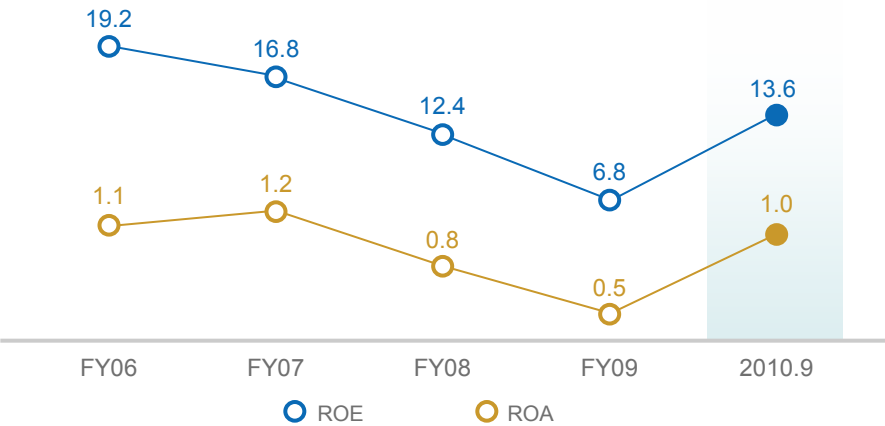
SHB Loan (in KRW) Growth Rate

(%)



ROA / ROE

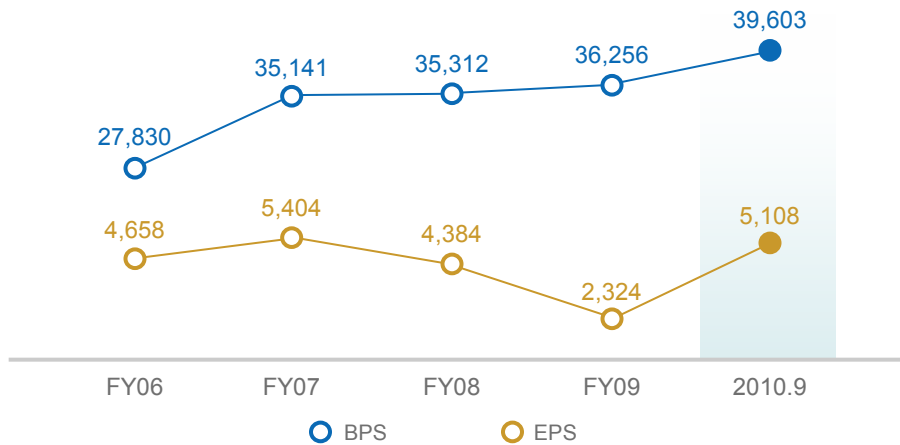
(%)



Note) ROE based on common stocks (including RCPS)

BPS / EPS

(KRW)



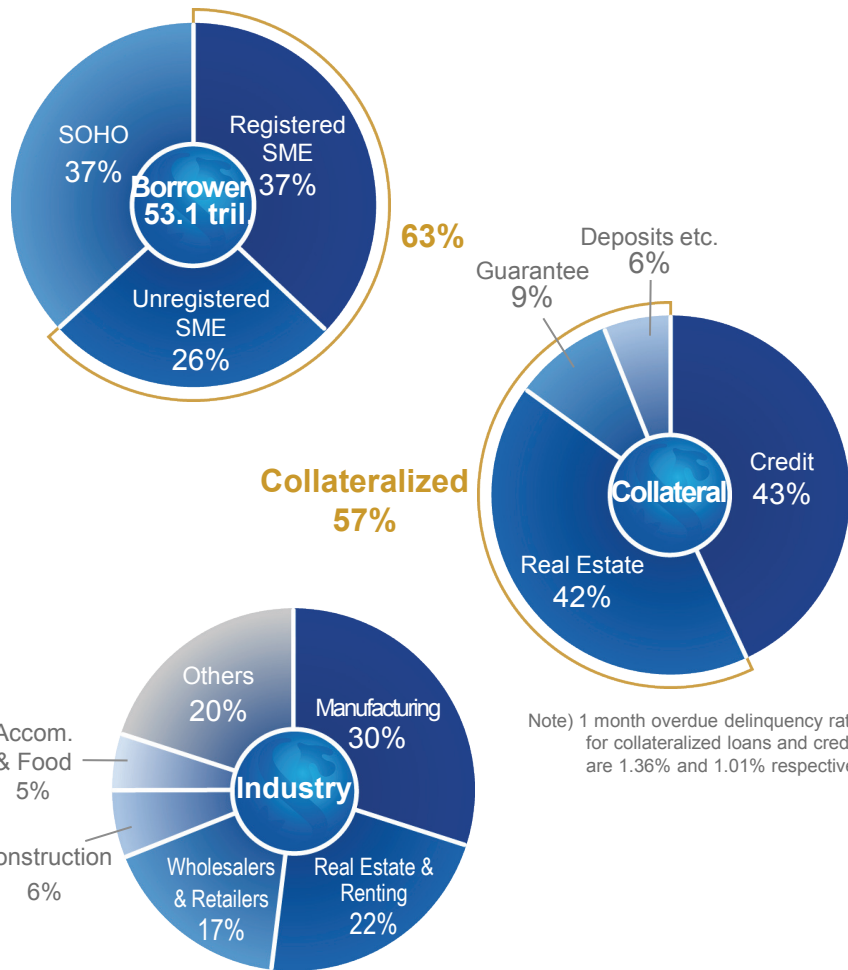
Note) Based on common stocks (including RCPS)



Shinhan Bank SME Loans

SME Loans 1)

(As of end of Sep. 2010)



Note) 1 month overdue delinquency ratio for collateralized loans and credit loans are 1.36% and 1.01% respectively

1) Loans in KRW basis

Delinquency Ratio by Industry

(%)	2010.9	2009.12	YTD%p	2010.6	QoQ%p
Manufacturing	1.21	0.54	0.67	0.70	0.51
Real Estate & Renting	1.44	0.66	0.78	0.96	0.48
Wholesalers/Retailers	0.96	0.52	0.44	0.52	0.44
Construction	1.06	1.30	-0.24	0.87	0.19
Total	1.21	0.66	0.55	0.81	0.40

(As of end of Sep. 2010)

(%)

