



2011 1Q

Business Results

May 2011



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 following the adoption of IFRS standards, please note the following facts :

- 1) Financial results for the year 2011 have been derived following IFRS standards, and the 2010 results have been re-derived according to IFRS standards. The main serial financial figures and indices listed herein may be subject to change in the future.
- 2) Financial results up to 2009 followed K-GAAP standards, and there will be no re-derivation of past financial results up to 2009 according to IFRS standards.
- 3) When deriving financial statements according to IFRS standards, differences in the major components of the financial accounting under IFRS standards are as follows.
 - ① Goodwill will not be amortized, and it will be distributed according to cash-flow creating unit so as to allow at least once-a-year impairment tests.
 - ② Loan loss provisions are calculated, excluding unrealized future losses as of the base date, by valuating realized losses either individually or collectively based on historical loss experiences of the company.
 - ③ All fee income related directly to loans that comprise part of the effective income are counted as realized income by applying effective income method for the expected duration until maturity.
 - ④ When calculating the retirement allowance, present value of expected retirement payment, derived using the actuarial method and discount rate following the Projected Unit Credit method, is accounted as the retirement benefit obligation.

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
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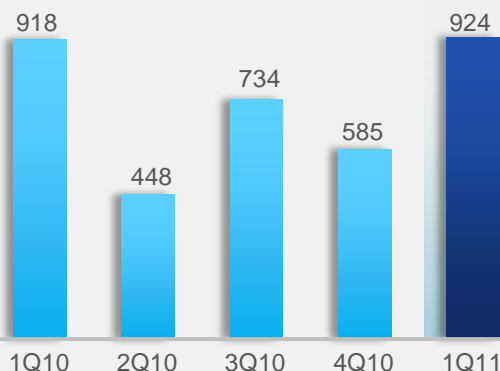




2011 1Q Business Results Highlights (1)

Group Net Income (KRW bil.)

Note) IFRS Standard

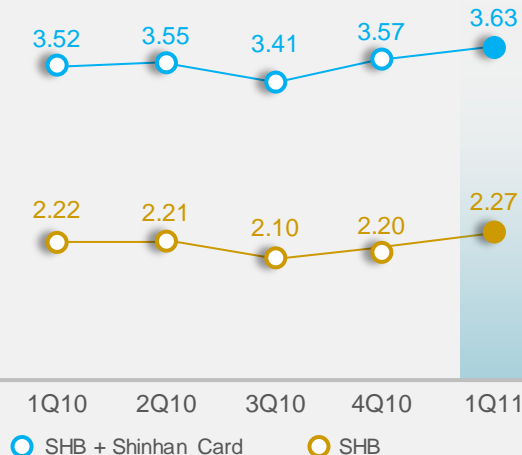


1Q11 Net Income KRW 924.3 bil.
(+ 57.9% QoQ)

- (Banks) Continued asset growth and improvements in margin, coupled with decrease in G&A expenses and credit cost led to QoQ net income of SHB increase by 192.5%
- (Non-Banks) Shinhan Card's stable profitability and Shinhan Life's results continued to improve
- 1Q11 Bank:Non-Bank income contribution ratio stands at 65%:35%.

NIM (%)

Note) Quarterly Figures, IFRS Standard

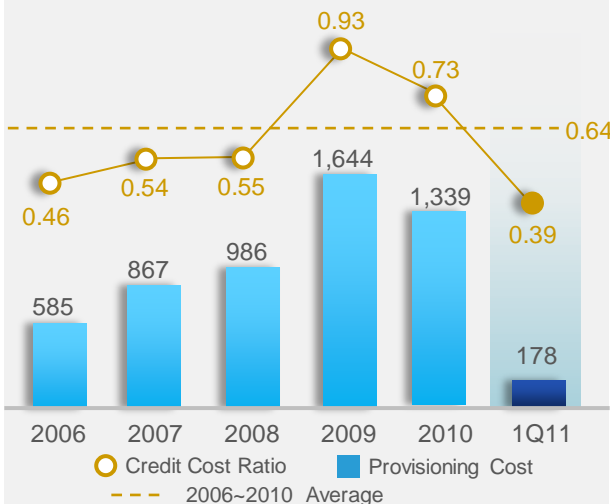


Group NIM marked 3.63% (+6bp QoQ)
Bank NIM 2.27% (+7bp QoQ)

- Rise in interest income following base rate increases and improvements in funding cost led to 7bp QoQ rise in Bank NIM to 2.27% in1Q11
- Including card merchant fee, NIM for SHB+Shinhan Card marked 3.63% in 1Q11
- Excluding card merchant fee, NIM for SHB+Shinhan Card marked 2.72% in1Q11

Credit Cost Ratio (KRW bil., %)

Note) Figs. for 2006-2009 K-GAAP, from 2010 IFRS Standard



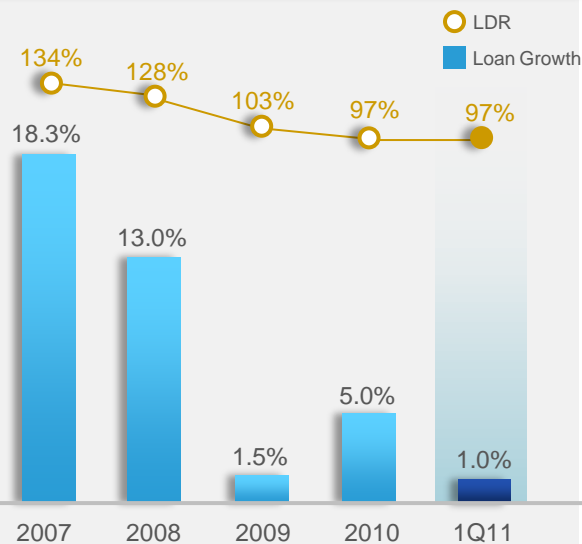
1Q11 Credit Cost Ratio marked 0.39%
(25bp drop from avg. of past 5 yrs.)

- Filing for court receivership by medium sized construction companies, among other factors led to increase in provisions, but loan recoveries and securing of more collaterals for some shipbuilding and construction companies resulted in the reduction of credit cost by KRW 15.5 bil. from 4Q10 to KRW 177.5 bil. in 1Q11
- For Shinhan Card, KRW 42 bil. write-back occurred; for 1Q11, provision was KRW -6 bil., reduction by KRW 6.1 bil from 4Q10.



2011 1Q Business Results Highlights (2)

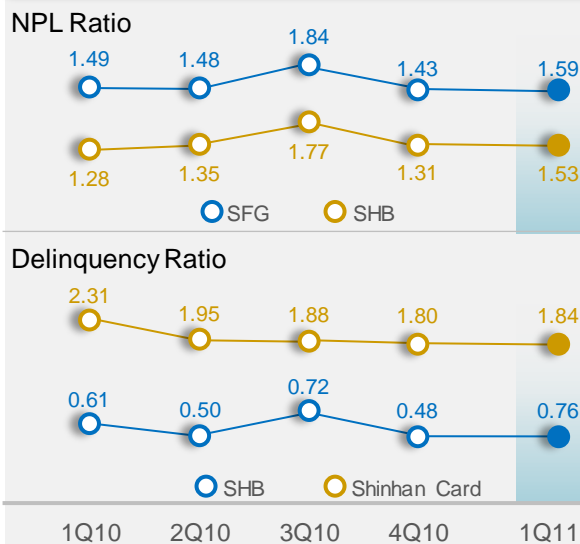
Loans & Deposits



1Q11 loan growth at 1.0%
LDR stabilized at 97%

- Loan growth increased by KRW 1.3 tril.(1.0%) to KRW 128.9 tril. YTD
- During 1Q11, Mortgage and SOHO loan grew by 2.0% and 2.7%, respectively.
- Shinhan Bank's LDR remained unchanged at 97% YTD

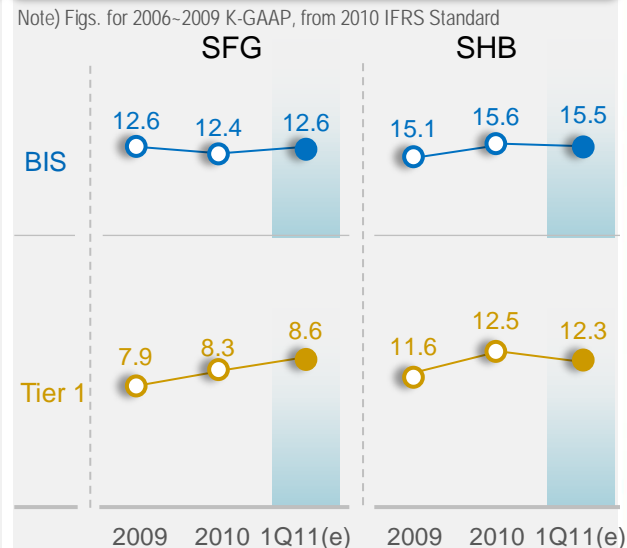
NPL / Delinquency Ratio (%)



1Q11 Group NPL ratio stands at 1.59%
Bank delinquency ratio at 0.76%

- Group's NPL stands at 1.59%, up 16bp YTD, and Bank's NPL stands at 1.53%, up 22bp YTD
- Filing for court receivership by medium sized construction companies caused increase in bank's NPL by KRW 360.6 bil. YTD
- Bank's retail loans and card's asset quality remained stable (Bank's retail loan delinquency: 0.28%, card delinquency: 1.84%)

Capital Adequacy (%)



1Q11 Group Tier 1 ratio at 8.6%
Bank Tier 1 ratio at 12.3%

- Group BIS ratio stood at 12.6%, an increase by 20bp YTD, and Tier 1 ratio stood at 8.6%, an increase by 30bp YTD (IFRS Standard)
- Bank's BIS ratio stood at 15.5%, a decrease by 10bp YTD, and Tier 1 ratio stood at 12.3%, a decrease by 20bp YTD (IFRS Standard)

II . Income Statements

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

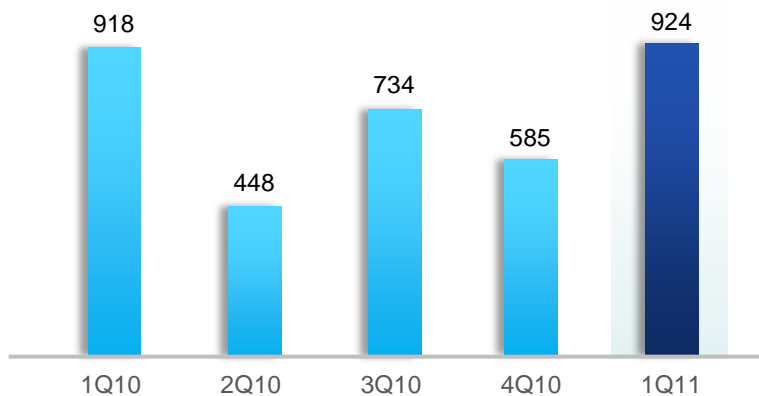




SFG Income

Net Income

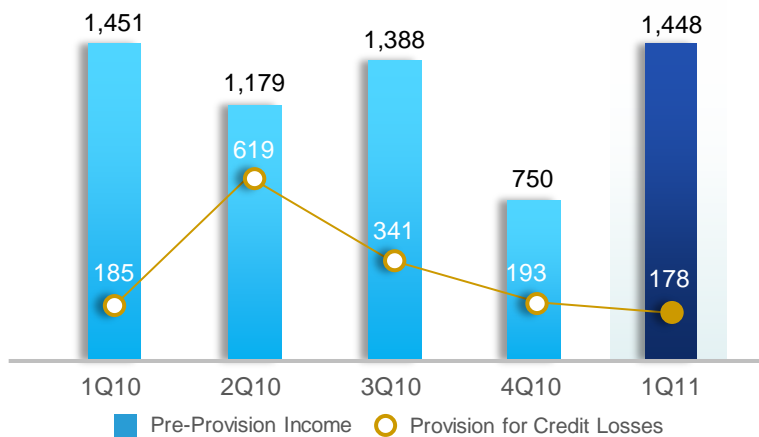
(KRW bil.)



Note) IFRS Standard

Pre-Provision Income & PCL

(KRW bil.)



Note) IFRS Standard

(KRW bil.)	1Q11	1Q10	YoY%	4Q10	QoQ%
Total Operating Income (a=b+c)	2,338.6	2,334.8	0.2	1,919.6	21.8
Interest Income (b)	1,714.1	1,594.6	7.5	1,640.7	4.5
Non-Interest Income (c)	624.6	740.2	-15.6	278.8	124.0
G&A Expenses (d)	903.9	885.9	2.0	1,176.3	-23.2
Pre-Provision Operating Income (e=a-d)	1,434.7	1,448.9	-1.0	743.3	93.0
Other ¹⁾ (f)	12.8	1.7	636.2	7.1	81.1
Pre-Provision Income (g=e+f)	1,447.5	1,450.6	-0.2	750.3	92.9
Provision for Credit Losses (h)	177.5	185.1	-4.2	193.0	-8.0
Earnings before Income Tax (i=g-h)	1,270.1	1,265.5	0.4	557.4	127.9
Income Tax	301.7	303.4	-0.6	-70.5	n.a.
Consolidated Net Income ²⁾	924.3	917.5	0.7	585.4	57.9

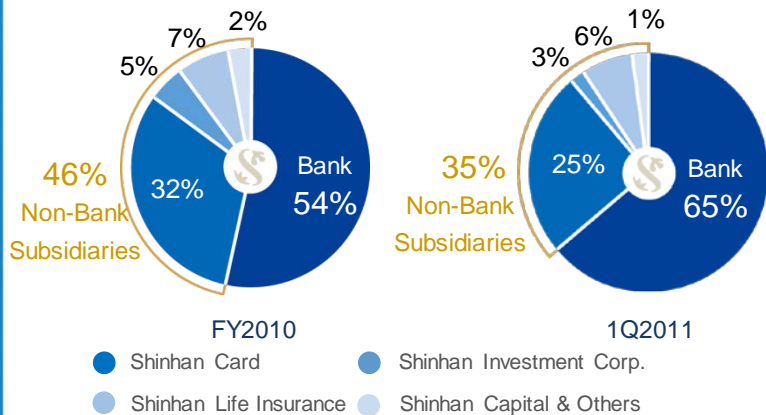
Note 1) Gains on investment stock using equity method

2) IFRS Standard, Net Income in Controlling Interest



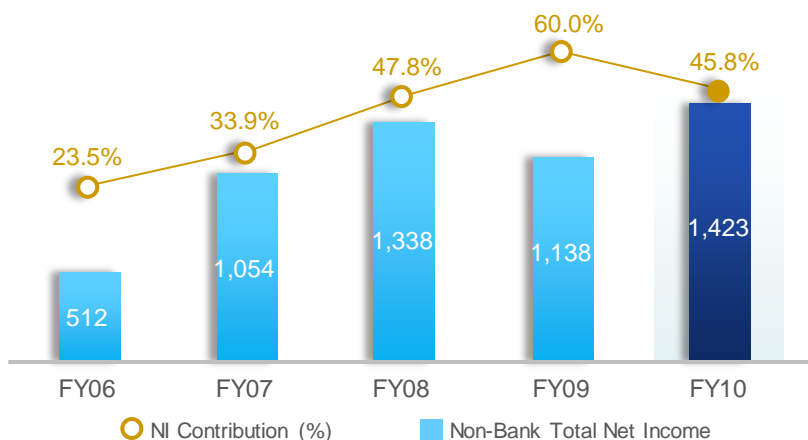
Subsidiaries Income (1)

Net Income Contribution by Subsidiaries



Note) IFRS Standard

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



Note) After reflecting ownership by SFG, NI for 2006-2009 K-GAAP, from 2010 IFRS Standard

(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)	653.7		651.6	-73.9	577.7
Shinhan Bank	647.1	100.0%	647.1	-73.7	573.4
Jeju Bank	6.6	68.9%	4.5	-0.2	4.3
Non-Bank (b)	360.7		357.2	36.0	393.2
Shinhan Card	249.4	100.0%	249.4	12.1	261.5
Shinhan Investment Corp.	25.7	100.0%	25.7	-0.7	25.0
Shinhan Life Insurance	65.4	100.0%	65.4	-1.2	64.2
Shinhan Capital	10.5	100.0%	10.5	29.4	39.8
Shinhan BNPP AM	10.0	65.0%	6.5		6.5
Shinhan Data System	0.0	100.0%	0.0	-3.6	-3.7
Shinhan Credit Information	0.3	100.0%	0.3		0.3
Shinhan PE	-0.6	100.0%	-0.6		-0.6
Other	0.0	100.0%	0.0		0.0
SFG (c)				-46.6 ²⁾	-46.6
Total (d=a+b+c)¹⁾	1,014.4		1,008.8	-84.5	924.3

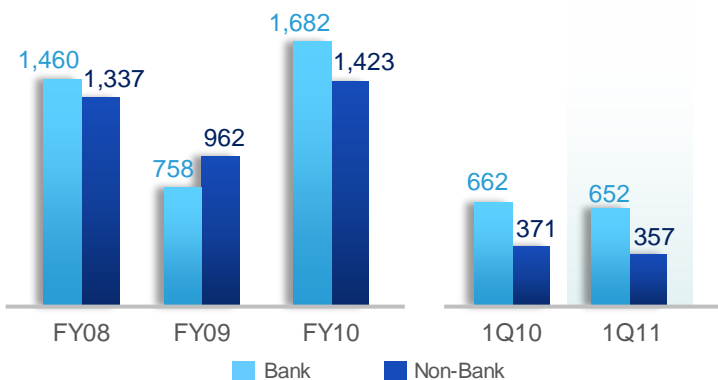
Note 1) IFRS Standard, Net Income in Controlling Interest

2) SFG (non-consolidated) : Brand Fee KRW 30.1 bil., Interest Expense KRW -62.3 bil., G&A, etc. KRW -10.9 bil.



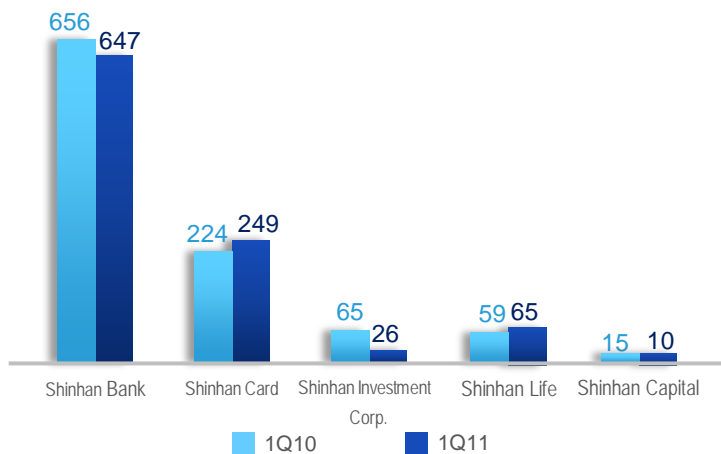
Subsidiaries Income (2)

Bank / Non-Bank Net Income (KRW bil.)



Note) Figs. for 2008~2009 K-GAAP, from 2010 IFRS Standard

Net Income by Subsidiaries (KRW bil.)



Note) IFRS Standard

(Reflecting SFG Ownership, KRW. Bil.)	1Q11	1Q10	YoY%	4Q10	QoQ%
Bank (a)	651.6	662.4	-1.6	220.9	195.0
Shinhan Bank	647.1	656.4	-1.4	221.3	192.5
Jeju Bank	4.5	6.0	-24.8	-0.4	n.a.
Non-Bank (b)	357.2	370.9	-3.7	470.4	-24.1
Shinhan Card	249.4	223.7	11.5	370.6	-32.7
Shinhan Investment Corp.	25.7	64.9	-60.4	43.9	-41.5
Shinhan Life Insurance	65.4	58.7	11.4	39.3	66.6
Shinhan Capital	10.5	15.1	-30.7	11.7	-10.7
Shinhan BNPP AM	6.5	6.7	-2.8	6.6	-1.6
Shinhan Data System	0.0	-0.1	n.a.	0.3	n.a.
Shinhan Credit Information	0.3	0.2	39.3	-0.2	n.a.
Shinhan PE	-0.6	2.1	n.a.	-1.7	n.a.
Other	0.0	-0.5	n.a.	0.0	n.a.
Total (a+b)	1,008.8	1,033.2	-2.4	691.3	45.9
Consolidated Net Income ^{Note)}	924.3	917.5	0.7	585.4	57.9

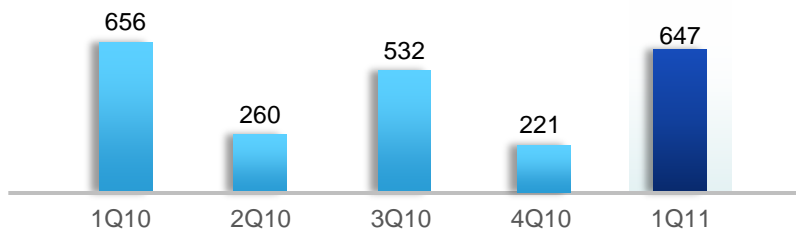
Note) IFRS Standard, Net Income in Controlling Interest



SHB Income / NIM

Net Income

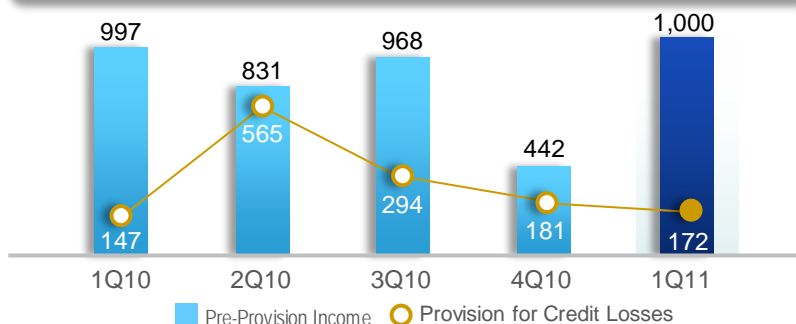
(KRW bil.)



Note) IFRS Standard

Pre-Provision Income & PCL

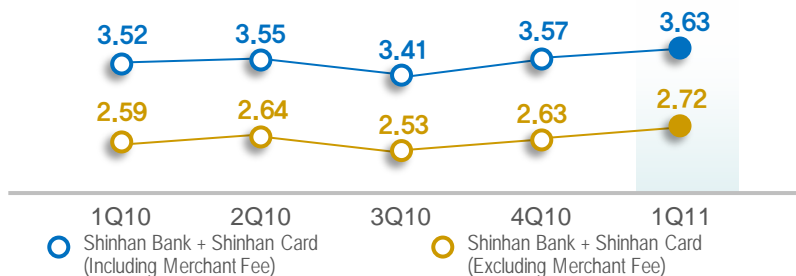
(KRW bil.)



Note) IFRS Standard

Group NIM

(%)



Note) IFRS Standard, Quarterly basis

(KRW bil.)	1Q11	1Q10	YoY%	4Q10	QoQ%
Total Operating Income (a=b+c)	1,589.1	1,571.8	1.1	1,222.8	30.0
Interest Income (b)	1,214.7	1,154.5	5.2	1,125.9	7.9
Non-Interest Income (c)	374.4	417.3	-10.3	96.9	286.4
G&A Expenses (d)	598.9	577.0	3.8	784.5	-23.7
Pre-Provision Operating Income (e=a-d)	990.2	994.8	-0.5	438.2	126.0
Other ¹⁾ (f)	9.7	2.6	268.2	4.0	142.5
Pre-Provision Income (g=e+f)	1,000.0	997.4	0.3	442.2	126.1
Provision for Credit Losses (h)	171.7	147.0	16.9	181.5	-5.4
Earnings before Income Tax (i=g-h)	828.2	850.5	-2.6	260.7	217.6
Net Income ²⁾	647.1	656.4	-1.4	221.3	192.5

Note 1) Gains on investment stock using equity method

2) IFRS Standard, Net Income in Controlling Interest

(%)	1Q10	2Q10	3Q10	4Q10	1Q11
NIS (a-b) (cumulative)	2.43	2.39	2.33	2.34	2.45
Loan interest rate (a)	5.62	5.54	5.45	5.41	5.40
Deposit interest rate (b)	3.19	3.15	3.11	3.07	2.96
NIM(quarterly)	2.22	2.21	2.10	2.20	2.27
NIM(cumulative)	2.22	2.21	2.18	2.18	2.27

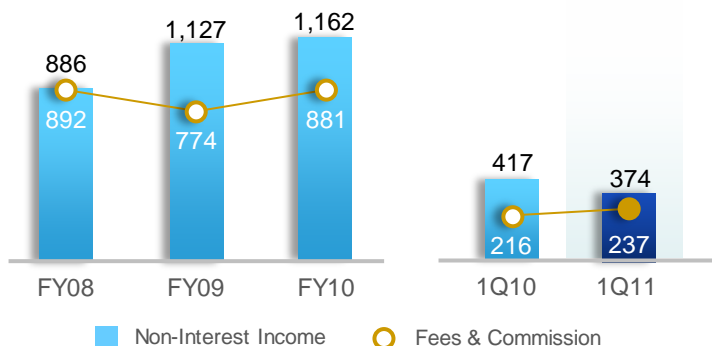
Note) IFRS Standard



SHB Non-Interest Income / G&A Expenses

Fees and Commission

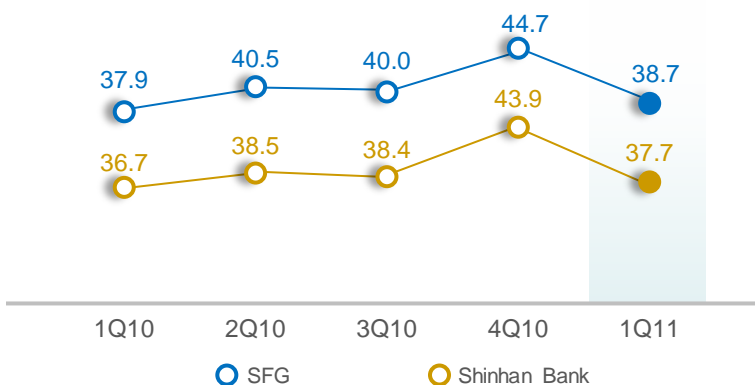
(KRW bil.)



Note) Figs for 2008~2009 K-GAAP, from 2010 IFRS standard

Cost-Income Ratio

(%)



Note) IFRS Standard, Cumulative Figures

(KRW bil.)	1Q11	1Q10	YoY%	4Q10	QoQ%
Non-Interest Income	374.4	417.3	-10.3	96.9	286.4
Fees & Commission	236.7	216.4	9.4	230.1	2.9
(Fund)	46.9	46.8	0.2	50.1	-6.3
(Bancassurance)	23.7	22.1	7.2	24.6	-3.6
(Trust Fees)	14.2	13.8	3.1	15.6	-9.2
Securities Related	193.2	274.0	-29.5	30.9	525.8
FX Trading/Derivatives	80.2	54.4	47.6	37.0	116.8
Others	-135.8	-127.5	n.a.	-201.1	n.a.

Note) IFRS Standard

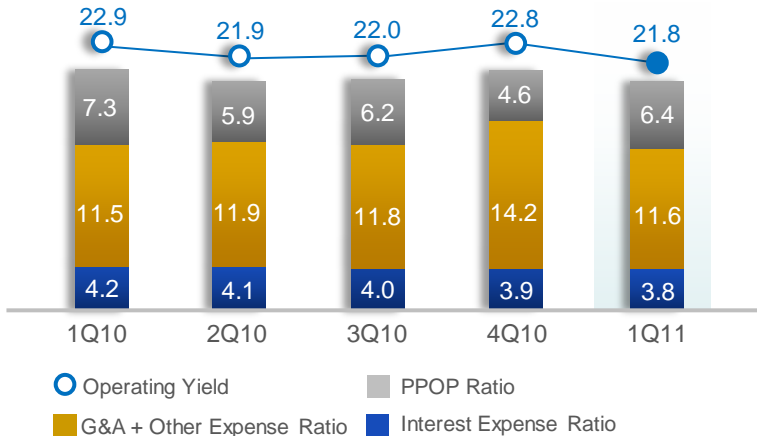
(KRW bil.)	1Q11	1Q10	YoY%	4Q10	QoQ%
G&A Expenses	598.9	577.0	3.8	784.5	-23.7
Salary & Employee Benefits	259.7	230.6	12.6	329.9	-21.3
D & A	39.3	53.3	-26.2	44.8	-12.3
Other Expenses	299.9	293.2	2.3	409.8	-26.8

Note) IFRS Standard



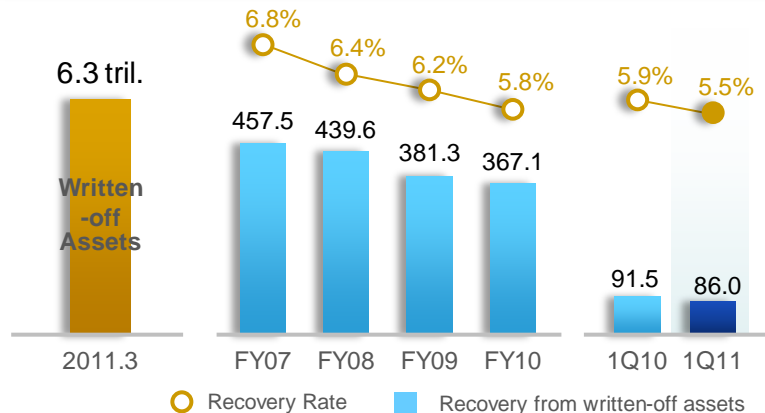
Shinhan Card Income

Operating Yield and PPOP Ratio (%)



Note) IFRS Standard, Quarterly basis, Net of Derivatives & F/X

Recovery from Written-off Assets (KRW bil.)



(KRW, bil.)	1Q11	1Q10	YoY%	4Q10	QoQ%
Operating Revenue (a)	1,115.1	1,149.2	-3.0	997.5	11.8
Card Business	926.5	869.9	6.5	959.5	-3.4
Installment Finance	26.6	26.6	-0.2	27.4	-3.0
Lease	13.3	13.3	0.4	13.8	-3.4
Others	148.6	239.4	-37.9	-3.2	n.a.
(Derivatives & FX)	57.2	156.2	-63.3	-107.8	n.a.
Interest Expense (b)	185.2	180.8	2.5	191.2	-3.1
G&A Expenses (c)	148.3	150.1	-1.2	205.1	-27.7
Commissions & Other Expenses (d)	472.1	502.8	-6.1	376.5	25.4
(Derivative & FX)	55.5	153.4	-63.8	-111.0	n.a.
Pre-Provision Income (e=a-b-c-d)	309.4	315.5	-1.9	224.7	37.7
Provision for Credit Losses (f)	-6.0	29.4	n.a.	0.1	n.a.
Earnings before Income Tax (g=e-f)	315.4	286.1	10.3	224.5	40.5
Income Tax	66.0	62.4	5.8	-146.0	n.a.
Net Income	249.4	223.7	11.5	370.6	-32.7

Note) IFRS Standard

III. Assets & Liabilities

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

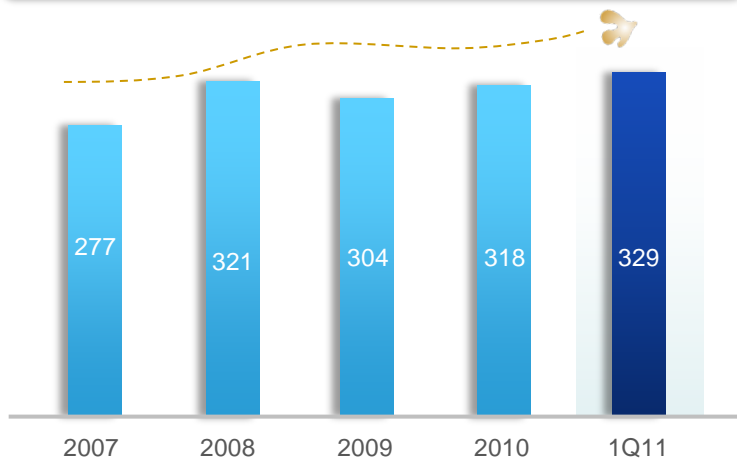




SFG Asset Growth

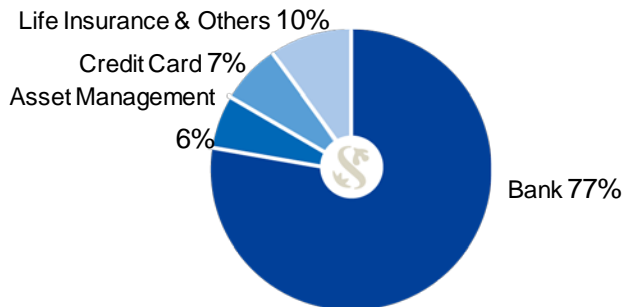
SFG Total Assets

(KRW tril.)



Note) Figs. for 2007~2009 K-GAAP, from 2010 IFRS standard

Asset Contribution by Subsidiary



Note) IFRS Standard

(KRW bil.)	2011.3	2010.12	YTD%	2010.3	YoY%
Bank	254,393	245,107	3.8	248,182	2.5
Shinhan Bank	251,347	242,089	3.8	245,259	2.5
Jeju Bank	3,046	3,018	0.9	2,923	4.2
Non-Bank	70,546	69,598	1.4	68,585	2.9
Shinhan Card	21,800	22,124	-1.5	20,777	4.9
Shinhan Investment Corp.	11,039	9,811	12.5	8,551	29.1
Shinhan Life Insurance	12,594	11,974	5.2	10,463	20.4
Shinhan Capital	3,543	3,735	-5.1	3,558	-0.4
Shinhan BNPP AM	21,105	21,456	-1.6	24,744	-14.7
Shinhan Data System	12	11	4.3	10	19.6
Shinhan Credit Information	19	20	-6.4	19	-0.5
Shinhan PE	416	447	-7.1	445	-6.6
Other	19	19	0.1	19	0.8
Total	328,604	318,091	3.3	320,089	2.7
Consolidated Total Assets	279,095	267,871	4.2	265,015	5.3

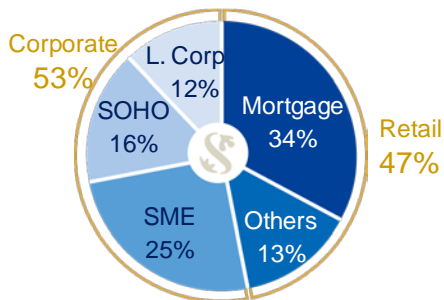
Note) IFRS Standard, including trust A/C of SHB and AUM of Shinhan BNPP AM



SHB Loan / Deposit Growth

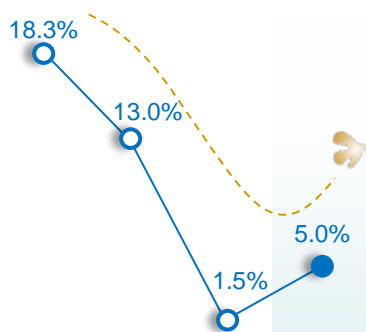
Loan Composition

Note) As of March 31, 2011



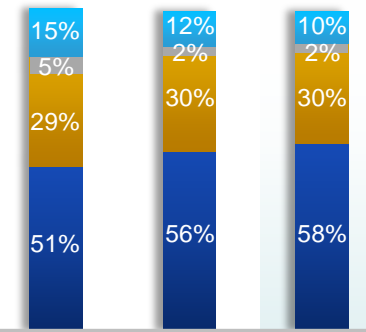
Loan Growth

Note) Loan in KRW basis



FY07 FY08 FY09 FY10

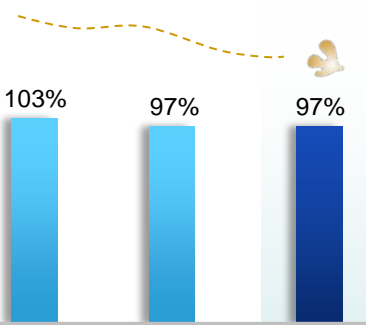
Funding Composition



Time Savings Low Cost Deposits CD Debentures

Loan to Deposit Ratio

Note) Excluding CDs & monthly average basis



2009.12 2010.12 2011.3

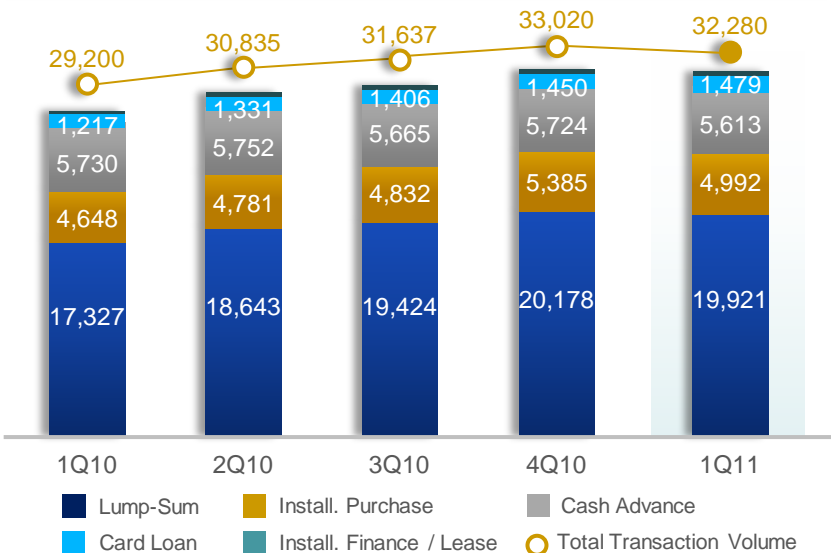
(KRW bil.)	2011.3	2010.12	YTD%	2010.3	YoY%
Loan in KRW	128,889	127,632	1.0	122,272	5.4
Retail	61,161	60,859	0.5	58,943	3.8
Mortgage	43,396	42,535	2.0	39,247	10.6
Others	17,766	18,323	-3.0	19,696	-9.8
Corporate	67,728	66,774	1.4	63,330	6.9
SME	52,048	51,266	1.5	52,379	-0.6
SOHO	20,522	19,984	2.7	18,541	10.7
Large Corporate etc.	15,680	15,508	1.1	10,951	43.2
Loan in FX	4,790	4,977	-3.7	4,960	-3.4

(KRW bil.)	2011.3	2010.12	YTD%	2010.3	YoY%
Total Deposits in KRW	131,797	126,583	4.1	124,961	5.5
Low Cost Deposits	44,863	44,022	1.9	42,176	6.4
Demand	15,045	14,517	3.6	14,449	4.1
Savings	29,819	29,504	1.1	27,727	7.5
Time Savings	86,933	82,562	5.3	82,785	5.0
Time Deposits	81,379	77,117	5.5	76,945	5.8
Accumulative etc.	5,554	5,444	2.0	5,841	-4.9
Certificate of Deposits	2,944	2,848	3.3	5,037	-41.6
Debentures in KRW	15,831	17,501	-9.5	18,978	-16.6

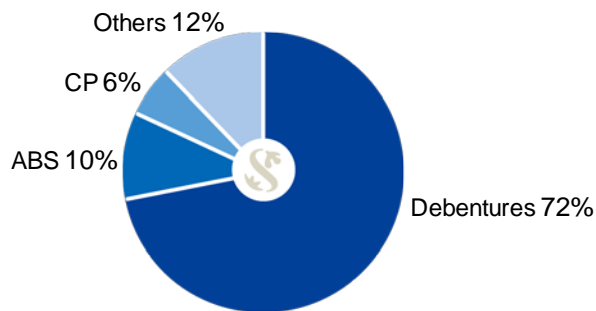


Shinhan Card Asset Growth

Transaction Volume (KRW bil.)



Funding Composition (As of March 31, 2011)



Note) IFRS Standard

(KRW bil.)	2011.3	2010.12	YTD%	2010.3	YoY%
Earning Assets	19,101	19,460	-1.8	17,383	9.9
Credit Purchase	10,576	10,915	-3.1	9,327	13.4
Cash Advances	3,204	3,219	-0.5	3,304	-3.0
Card Loan	3,476	3,479	-0.1	2,986	16.4
(Re-aged Loan)	202	211	-4.3	268	-24.6
Installment Finance	1,155	1,159	-0.3	1,097	5.3
Lease & Others	690	688	0.2	669	3.1
Effect.Cardholders (in thousands)	15,308	15,183	0.8	14,572	5.1
Merchants (in thousands)	2,575	2,552	0.9	2,446	5.3

Note) IFRS Standard

(KRW bil.)	2011.3	2010.12	YTD%	2010.3	YoY%
Total Funding	13,940	13,566	2.8	12,531	11.2
Debentures	10,068	10,174	-1.0	9,191	9.5
ABS	1,347	1,075	25.2	1,579	-14.7
CP	825	825	0.0	568	45.2
Others	1,700	1,490	14.1	1,193	42.5

Note) IFRS Standard

IV. Asset Quality

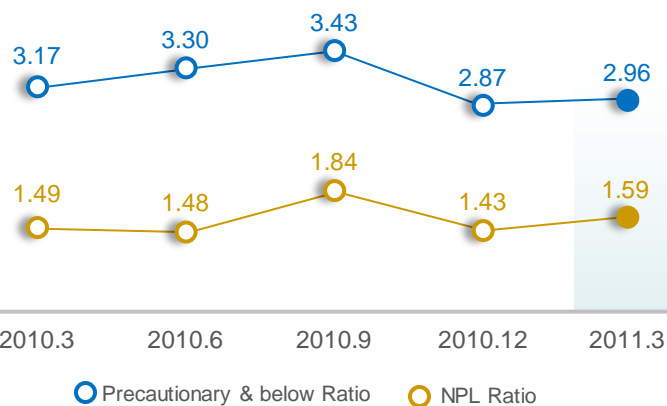
- 1. SFG Asset Quality**
- 2. SHB Asset Quality**
- 3. Shinhan Card Asset Quality**
- 4. Provision for Credit Losses / Write-offs**



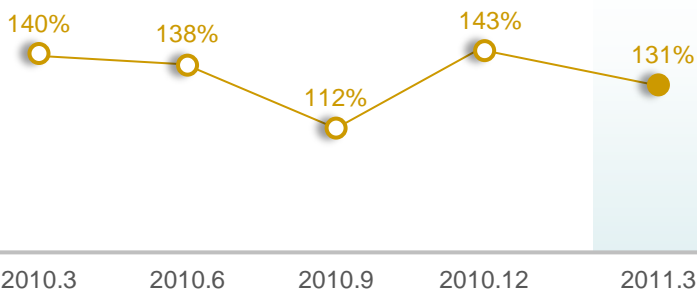


SFG Asset Quality

Precautionary & below Ratio / NPL Ratio (%)



NPL Coverage Ratio (%)



Note) IFRS Standard

(KRW bil.)	2011.3	2010.12	YTD%	2010.3	YoY%
Total Loans ¹⁾	184,297	183,718	0.3	174,595	5.6
Normal	178,845	178,445	0.2	169,055	5.8
Precautionary	2,517	2,651	-5.0	2,942	-14.4
Substandard	1,694	1,502	12.8	1,391	21.8
Doubtful	576	614	-6.1	563	2.3
Estimated Loss	664	507	31.1	644	3.2
Substandard & below	2,934	2,622	11.9	2,598	12.9
NPL Ratio	1.59%	1.43%	0.16%p	1.49%	0.10%p
Loan Loss Allowance ²⁾	3,855	3,761	2.5	3,631	13.4
NPL Coverage Ratio(e)	131%	143%	-12%p	140%	-9%p
Reserve for Credit Losses(e) ³⁾	1,102	1,053	4.7	971	13.2

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

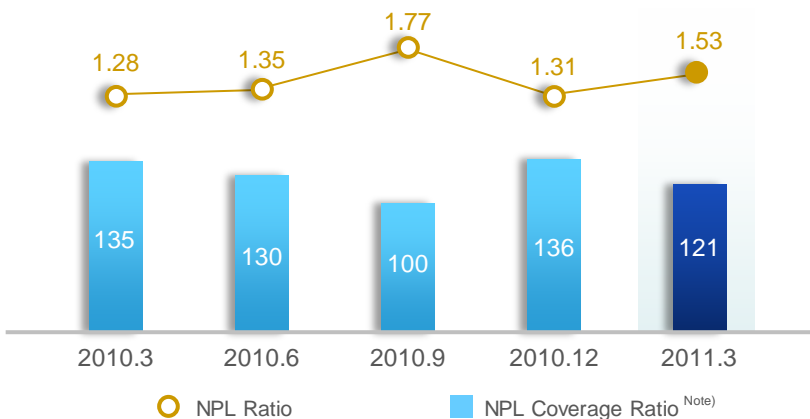
2) Sum of IFRS standard LLA and reserves for credit losses, excluding those for contingent acceptances & guarantees and unused credit lines

3) Excluding reserve for contingent acceptances & guarantees and unused credit lines



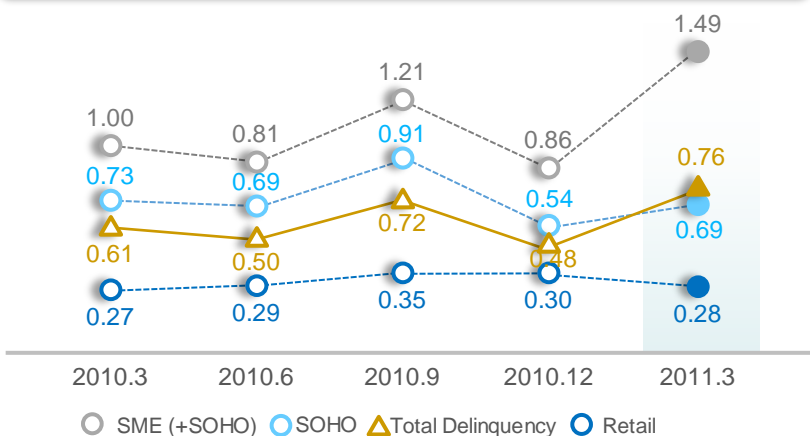
SHB Asset Quality

NPL Ratio & NPL Coverage Ratio (%)



Note) IFRS Standard

Delinquency Ratio (%)



Note) 1 month overdue

(KRW bil.)	2011.3	2010.12	YTD%	2010.3	YoY%
Total Loans	156,087	155,005	0.7	147,723	5.7
Normal	151,620	150,803	0.5	143,526	5.6
Precautionary	2,072	2,169	-4.4	2,304	-10.1
Substandard	1,590	1,406	13.1	1,285	23.8
Doubtful	430	407	5.7	327	31.4
Estimated Loss	375	222	69.3	281	33.3
Substandard & below	2,395	2,034	17.7	1,893	26.5
NPL Ratio	1.53%	1.31%	0.22%p	1.28%	0.25%p
Loan Loss Allowance¹⁾	2,899	2,768	4.7	2,556	13.4
NPL Coverage Ratio(e)	121%	136%	-15%p	135%	-14%p
Reserve for Credit Losses(e)²⁾	1,035	989	4.7	914	13.2

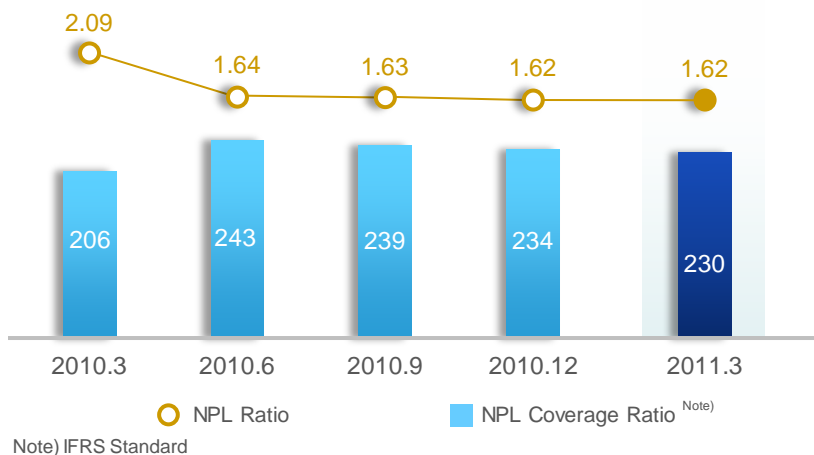
Note 1) Sum of IFRS standard LLA and reserves for credit losses, excluding those for contingent acceptances & guarantees and unused credit lines

2) Excluding reserve for contingent acceptances & guarantees and credit lines

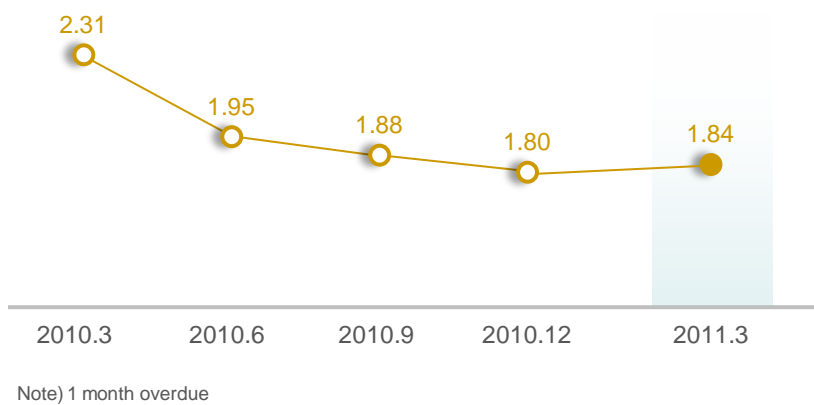


Shinhan Card Asset Quality

NPL Ratio & NPL Coverage Ratio (%)



Delinquency Ratio (%)



(KRW bil.)	2011.3	2010.12	YTD%	2010.3	YoY%
Earning Assets (Managed)	19,101	19,460	-1.8	17,383	9.9
Normal	18,580	18,930	-1.8	16,770	10.8
Precautionary	210	215	-1.9	249	-15.6
Substandard	-	-	n.a.	-	n.a.
Doubtful	81	77	4.5	52	55.5
Estimated Loss	230	239	-3.8	311	-26.3
Substandard & below	310	316	-1.8	363	-14.6
NPL Ratio	1.62%	1.62%	0.00%p	2.09%	-0.47%p
Loan Loss Allowance ¹⁾	713	740	-3.6	749	-4.8
NPL Coverage Ratio	230%	234%	-4%p	206%	24%p
Reserve for Credit Losses ²⁾	55	54	0.6	41	32.0

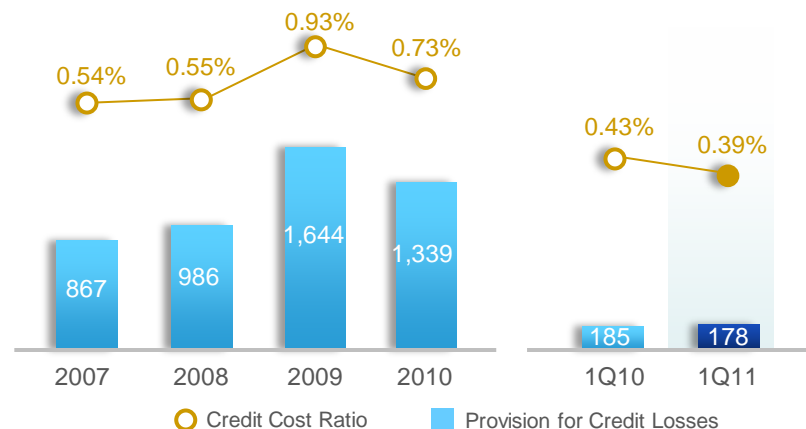
Note 1) Sum of IFRS standard LLA and reserves for credit losses, excluding those for unused credit lines

2) Excluding reserve for unused credit lines



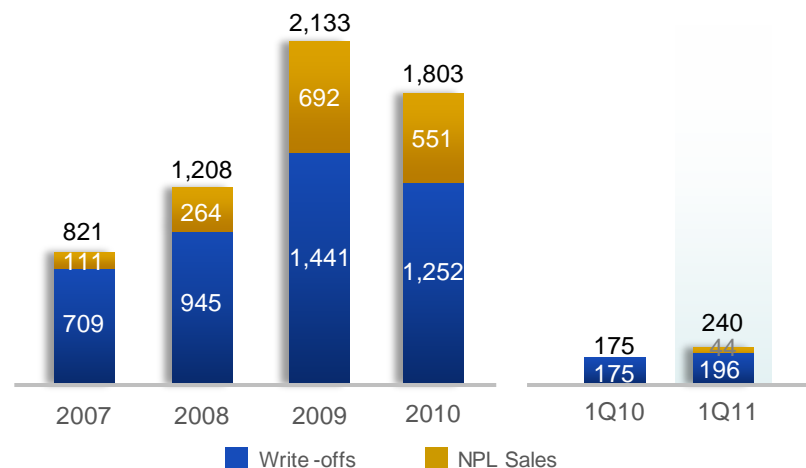
Provision for Credit Losses / Write-offs

SFG Provision for Credit Losses (KRW bil.)



Note) Figs. for 2007~2009 K-GAAP, from 2010 IFRS Standard

Write-offs & NPL Sales (KRW bil.)



Credit Costs

(KRW bil.)	2011 1Q	2010	1Q	2Q	3Q	4Q
Shinhan Bank	164	1,084	166	535	280	103
Retail	19	103	17	50	26	10
Corporate	145	981	149	485	254	93
Shinhan Card	-6	70	29	35	6	0
Total	158	1,154	195	570	286	103

Note) IFRS Standard, Shinhan Bank figures are non-consolidated basis.

Write-offs & NPL Sales

(KRW bil.)	2011 1Q	2010	1Q	2Q	3Q	4Q
Shinhan Bank	134	1,324	25	416	70	813
(Sale)	44	551	-	170	10	371
Retail	12	172	7	41	30	94
(Sale)	-	85	-	22	-	63
Corporate	122	1,152	18	375	40	719
(Sale)	44	466	-	148	10	308
Shinhan Card	106	479	150	153	90	86
Total	240	1,803	175	569	160	899

V. Capital Adequacy

1. Capital Adequacy





Capital Adequacy

Group BIS Ratio

(KRW bil.)	2011.3(e)	2010.12	Change	QoQ%
Risk-Weighted Assets	192,028	189,293	2,735	1.4
Capital	24,224	23,498	726	3.1
Tier 1	16,496	15,775	721	4.6
Tier 2	7,728	7,723	5	0.1
BIS Ratio	12.6%	12.4%		0.2%p
Tier 1	8.6%	8.3%		0.3%p
Tier 2	4.0%	4.1%		-0.1%p

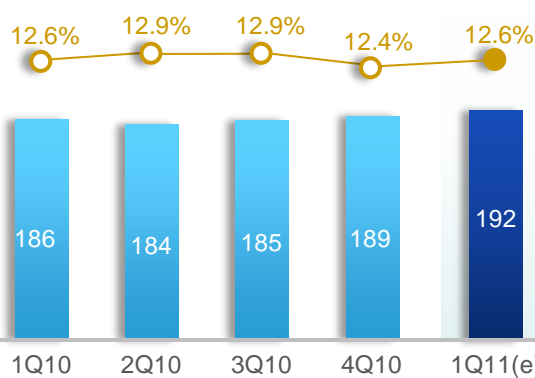
Note) IFRS Standard

Shinhan Bank BIS Ratio

(KRW bil.)	2011.3(e)	2010.12	Change	QoQ%
Risk-Weighted Assets	122,891	117,933	4,958	4.2
Capital	18,996	18,437	559	3.0
Tier 1	15,140	14,746	394	2.7
Tier 2	3,856	3,692	164	4.5
BIS Ratio	15.5%	15.6%		-0.1%p
Tier 1	12.3%	12.5%		-0.2%p
Tier 2	3.1%	3.1%		0.0%p

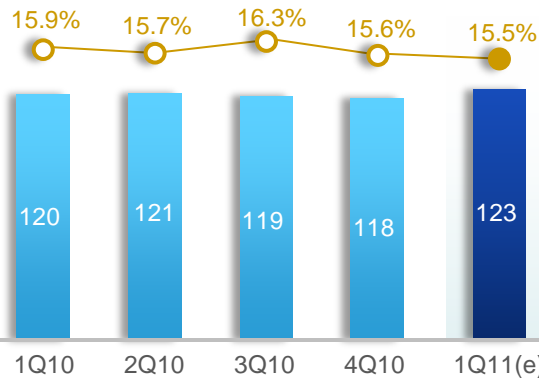
Note) IFRS Standard, Based on Basel II FIRB approach

Group BIS Ratio



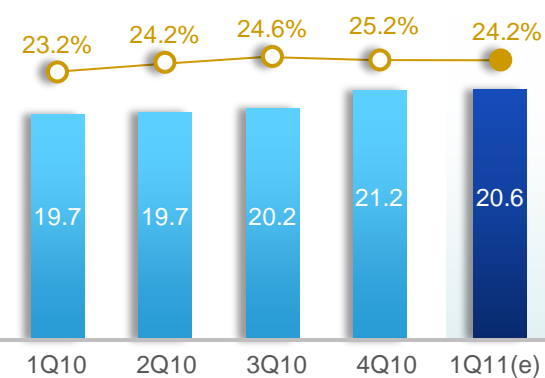
○ BIS Ratio ■ Risk-Weighted Assets (KRW tril.)
Note) IFRS Standard

SHB BIS Ratio



○ BIS Ratio ■ Risk-Weighted Assets (KRW tril.)
Note) IFRS Standard

Shinhan Card Capital Adequacy Ratio



○ Adjusted Equity Capital Ratio ■ Adjusted Total Assets (KRW tril.)
Note) IFRS Standard

VI. Appendix

1. SFG Subsidiaries
2. Key Financial Indices
3. SHB SME Loans
4. Key effects of IFRS Adoption

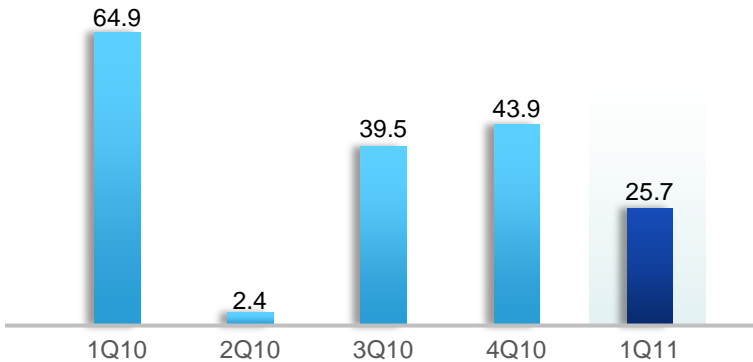




SFG Subsidiaries _ Shinhan Investment Corp. (1)

Net Income

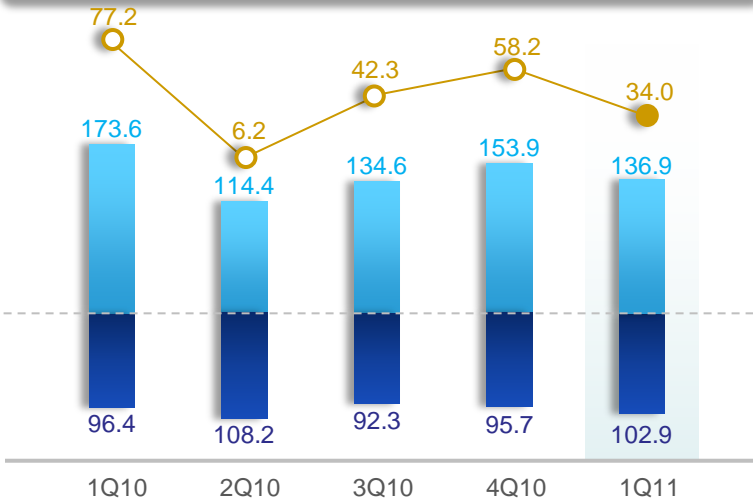
(KRW bil.)



Note) IFRS Standard

Operating Income

(KRW bil.)



○ Operating Income ■ Operating Revenue ■ Operating Expense

Note) IFRS Standard

Condensed I/S & Key Financial Indices

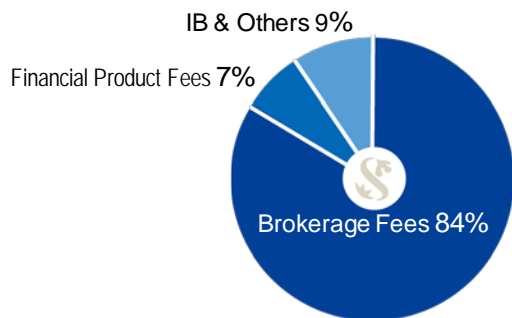
(KRW bil.)	1Q11	1Q10	YoY%	4Q10	QoQ%
Operating Revenue	136.9	173.6	-21.1	153.9	-11.1
Fees & Commissions	96.0	97.3	-1.3	94.8	1.3
Proprietary Trading	7.2	49.3	-85.3	28.2	-74.4
Others	33.6	27.0	24.7	30.9	8.8
Operating Expense	102.9	96.4	6.7	95.7	7.5
G&A Expenses	88.8	89.3	-0.5	93.8	-5.3
Commission Expense	13.8	10.5	31.6	12.4	11.6
Provision for Credit Losses	0.2	-3.3	n.a	-10.5	n.a.
Operating Income	34.0	77.2	-55.9	58.2	-41.5
Net Income	25.7	64.9	-60.4	43.9	-41.5
Net Capital Ratio (%)	610.2	592.0	18.2%p	657.9	-47.7%p
ROE	5.0%	13.7%	-8.7%p	7.7%	-2.7%p
ROA	1.0%	3.2%	-2.2%p	1.7%	-0.7%p

Note) IFRS Standard



SFG Subsidiaries _ Shinhan Investment Corp. (2)

Fees & Commissions (%)

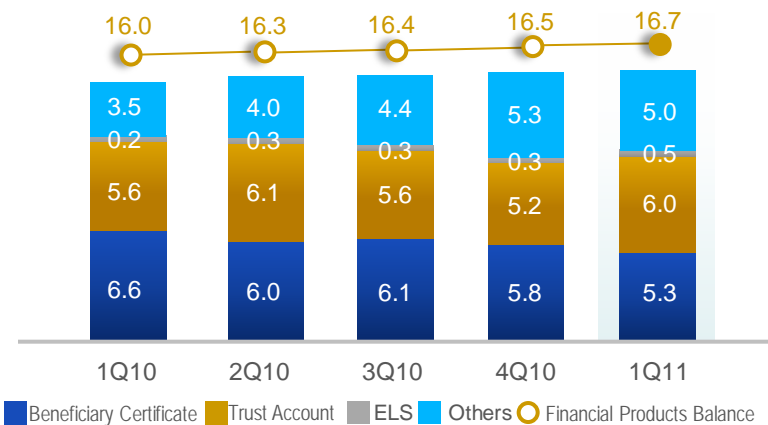


Note) IFRS Standard

Financial Products (KRW tril.)

Note)

(KRW tril.)



Note) Sum of Beneficiary Certificate, Trust Account, Wrap, ELS, RP, and Micro Debentures

Fees & Commissions

(KRW bil.)	1Q11	1Q10	YoY%	4Q10	QoQ%
Fees & Commissions	96.0	97.3	-1.3	94.8	1.3
Brokerage Commissions	80.2	77.0	4.2	82.3	-2.5
Financial Product Fees	7.0	8.5	-17.9	3.1	122.5
IB	7.6	8.4	-9.5	8.9	-14.1
Others	1.2	3.4	-63.7	0.5	143.6

Note) IFRS Standard

Balance of Financial Products

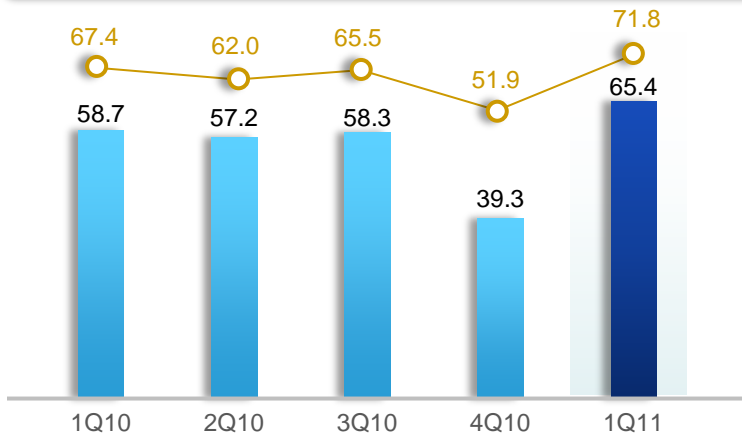
(KRW tril.)	2011.3	2010.12	YTD%	2010.3	YoY%
Financial Products	16.7	16.5	1.1	16.0	4.4
Beneficiary Certificate	5.3	5.8	-7.9	6.6	-19.7
Trust Account	6.0	5.2	15.9	5.6	6.0
ELS	0.5	0.3	43.2	0.2	97.5
Others	5.0	5.3	-6.1	3.5	41.2



SFG Subsidiaries _ Shinhan Life Insurance (1)

Net Income

(KRW bil.)

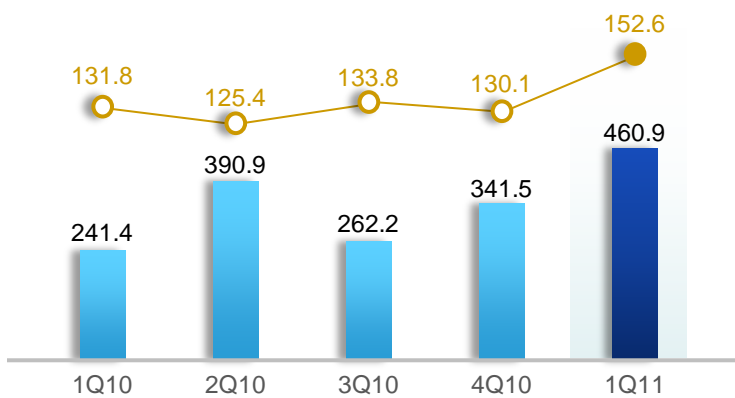


○ Operating Income ■ Net Income

Note) IFRS Standard

Premium Income & Investment Income

(KRW bil.)



○ Net Investment Income ■ Net Premium Income

Note) IFRS Standard

Condensed I/S & Key Financial Indices

(KRW bil.)	1Q11	1Q10	YoY%	4Q10	QoQ%
Total Income	626.1	382.9	63.5	475.5	31.7
Net Premium Income	460.9	241.4	90.9	341.5	35.0
Net Investment Income	152.6	131.8	15.8	130.1	17.4
Special Account / Others	12.6	9.7	30.1	3.9	223.0
Policy Reserve Write Back (Δ)	541.6	305.8	77.1	419.6	29.1
Operating Income	71.8	67.4	6.5	51.9	38.2
Net Income	65.4	58.7	11.4	39.3	66.6
Solvency Margin Ratio (%)	357.1	306.2	50.9%p	397.9	-40.8%p
ROE	25.1%	28.1%	3.0%p	23.2%	1.9%p
ROA	2.1%	2.3%	-0.2%p	1.9%	0.2%p

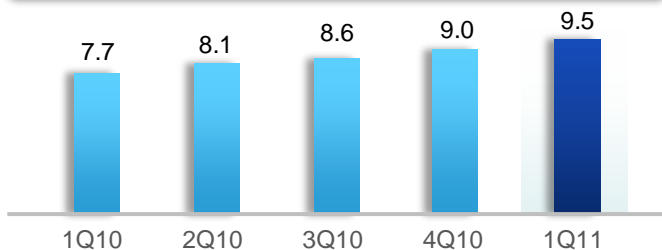
Note) IFRS Standard, ROE, ROA computed on a quarterly average basis



SFG Subsidiaries _ Shinhan Life Insurance (2)

Operating Assets

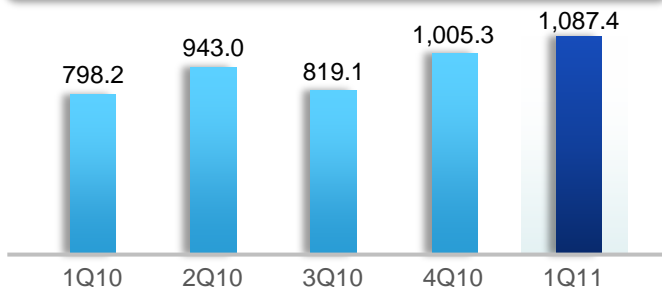
(KRW tril.)



Note) IFRS Standard

Premium Received

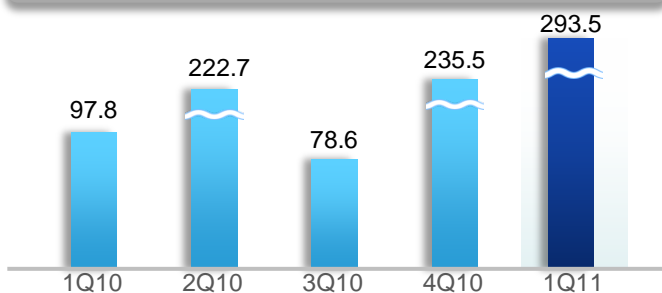
(KRW bil.)



Note) IFRS Standard, excluding retirement pension

New Premium

(KRW bil.)



Note) IFRS Standard, excluding retirement pension

Operating Assets & Special Account Assets

(KRW bil.)	2011.3	2010.12	YTD%	2010.3	YoY%
Operating Assets	9,486.2	8,954.2	5.9	7,725.2	22.8
Fixed Income	5,426.1	5,283.9	2.7	4,064.8	33.5
Loans	2,569.0	2,613.2	-1.7	2,696.9	-4.7
Equities	148.2	166.4	-10.9	161.2	-8.1
Cash & Deposits	755.7	362.2	108.6	299.1	152.7
Others	587.2	528.5	11.1	503.2	16.7
Special Account	1,788.5	1,734.2	3.1	1,625.3	10.0

Note) IFRS Standard

Premium Breakdown

(KRW bil.)	2011 1Q	2010	1Q	2Q	3Q	4Q
Premium Received	1,087.4	3,565.6	798.2	943.0	819.1	1,005.3
New Premium	293.5	634.6	97.8	222.7	78.6	235.5

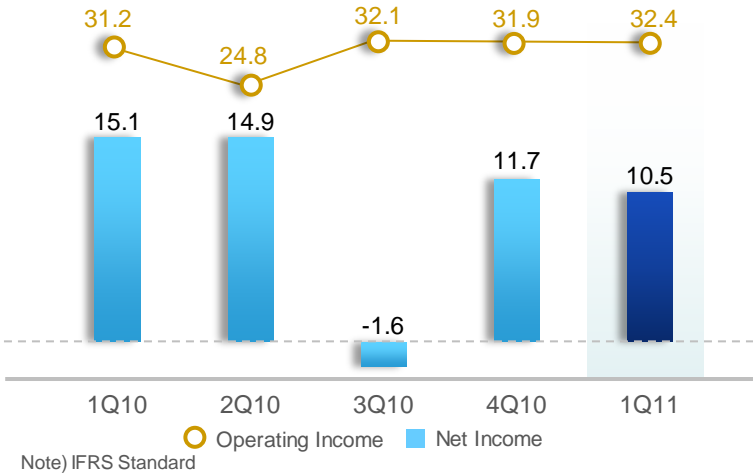
Note) IFRS Standard, excluding retirement pension



SFG Subsidiaries _ Shinhan Capital

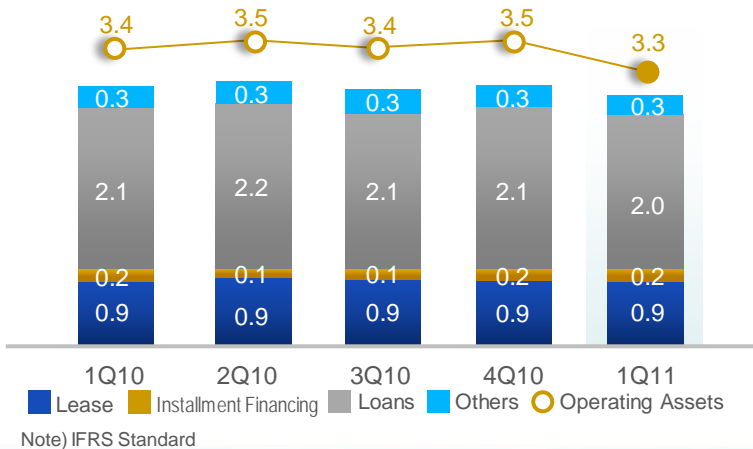
Net Income

(KRW bil.)



Operating Assets

(KRW tril.)



Condensed I/S & Key Financial Indices

(KRW bil.)	1Q11	1Q10	YoY%	4Q10	QoQ%
Operating Revenue	107.8	114.2	-5.6	97.9	10.1
Operating Expense	75.4	83.0	-9.2	66.0	14.2
(Interest Expense)	36.4	40.3	-9.7	37.4	-2.6
(G&A Expenses)	3.9	4.2	-5.4	6.3	-37.9
Operating Income	32.4	31.2	3.8	31.9	1.6
Provision for Credit Losses	13.1	11.3	15.8	15.9	-17.6
Net Income	10.5	15.1	-30.7	11.7	-10.7
ROE	9.5%	15.2%	-5.7%p	9.5%	0.0%p
ROA	1.1%	1.7%	-0.6%p	1.1%	0.0%p

Note) IFRS Standard

Operating Assets

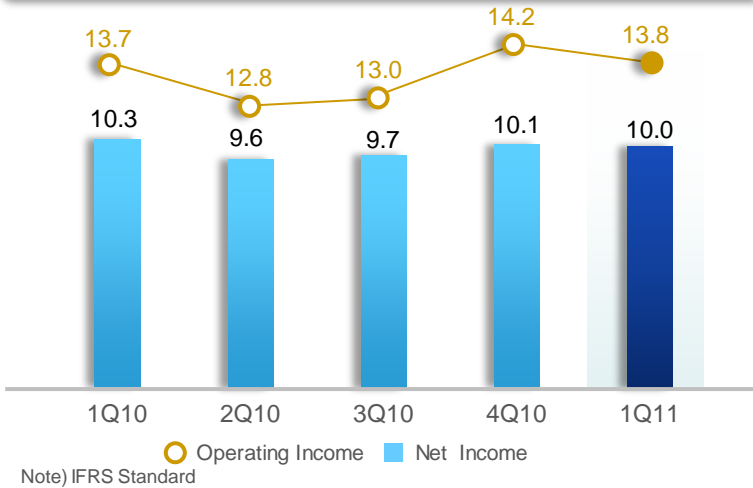
(KRW tril.)	2011.3	2010.12	YTD%	2010.3	YoY%
Operating Assets	3.3	3.5	-5.0	3.4	-3.2
Lease	0.9	0.9	-0.8	0.9	-0.9
Installment Financing	0.2	0.2	1.0	0.2	12.9
Loans	2.0	2.1	-6.3	2.1	-5.8
Others	0.3	0.3	-4.7	0.3	2.1

Note) IFRS Standard

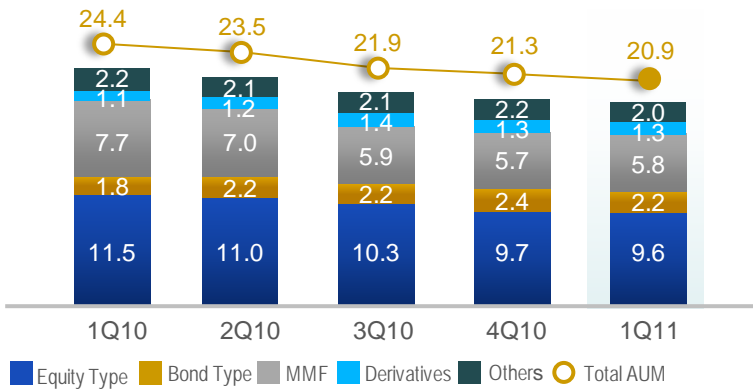


SFG Subsidiaries _ Shinhan BNPP AM

Net Income (KRW bil.)



Assets Under Management (KRW tril.)



Condensed I/S & Key Financial Indices

(KRW bil.)	1Q11	1Q10	YoY%	4Q10	QoQ%
Operating Revenue	29.3	30.0	-2.3	31.1	-5.8
Operating Expense	15.5	16.3	-4.8	16.9	-8.4
(G&A Expenses)	8.7	8.5	2.3	9.5	-8.2
Operating Income	13.8	13.7	0.6	14.2	-2.9
Net Income	10.0	10.3	-3.0	10.1	-1.4
ROE	26.7%	28.7%	-2.0%p	28.3%	-1.6%p

Note) IFRS Standard

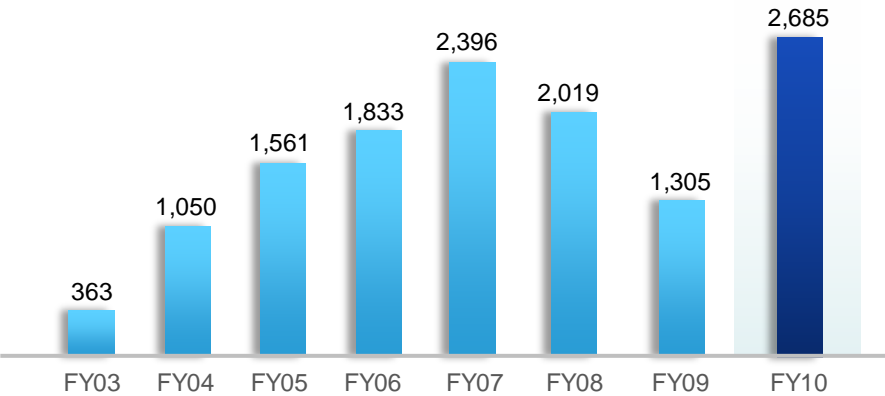
Assets Under Management

(KRW tril.)	2011.3	2010.12	YTD%	2010.3	YoY%
Total AUM	20.9	21.3	-1.8	24.4	-14.3
Equity Type	9.6	9.7	-1.5	11.5	-16.8
Bond Type	2.2	2.4	-7.3	1.8	19.4
MMF	5.8	5.7	1.5	7.7	-24.3
Derivatives	1.3	1.3	3.8	1.1	13.6
Others	2.0	2.2	-8.9	2.2	-9.1



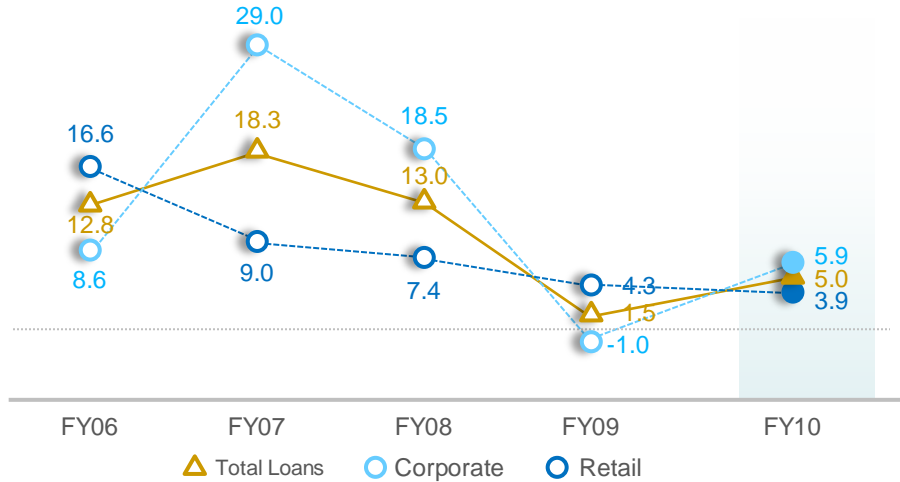
Key Financial Indices

Group Net Income (KRW bil.)

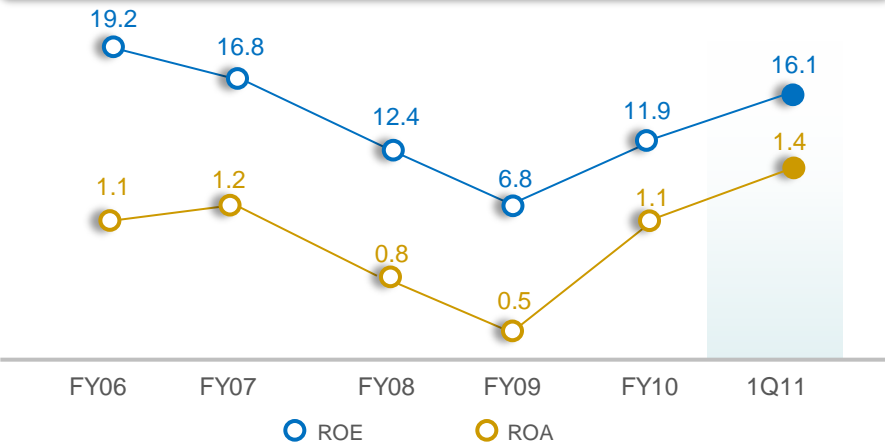


Note) Figs. for 2003-2009 K-GAAP, from 2010 IFRS Standard

SHB Loan Growth Rate (%)

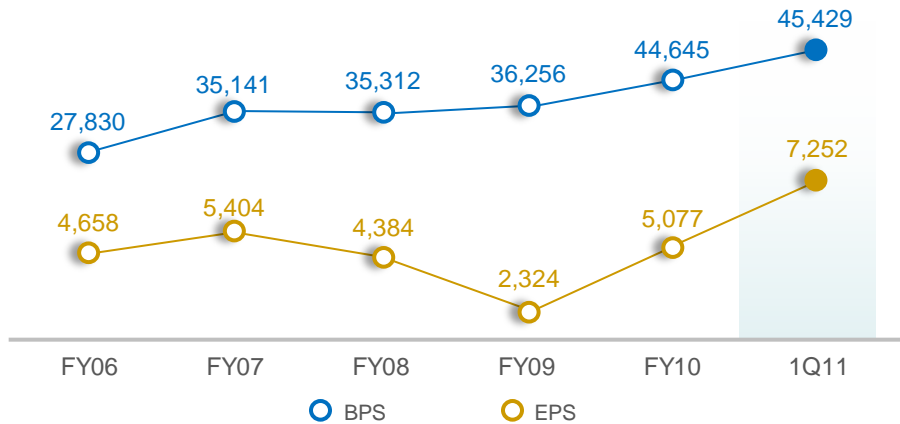


ROA / ROE (%)



Note) Figs. for 2006-2009 K-GAAP, from 2010 IFRS Standard, ROE based on common stock (including RCPS)

BPS / EPS (KRW)



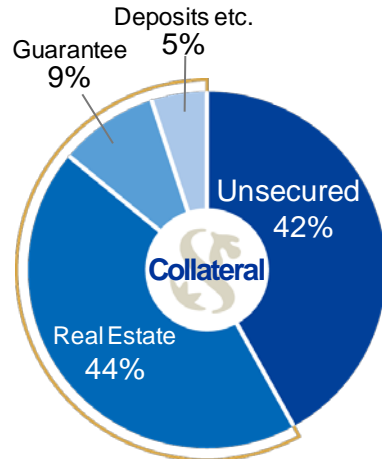
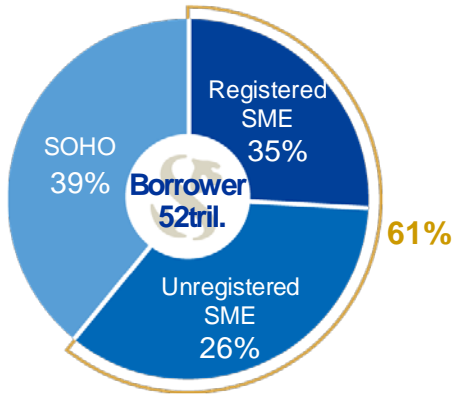
Note) Figs. for 2006-2009 K-GAAP, from 2010 IFRS Standard, Based on common stock (including RCPS)



Shinhan Bank SME Loans

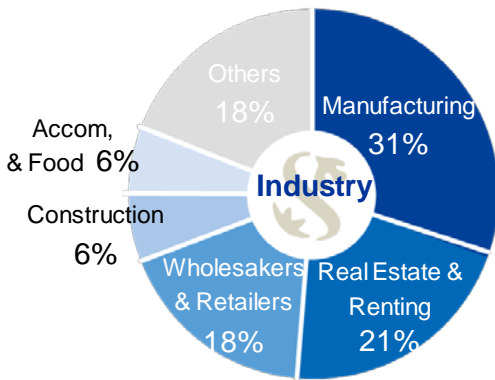
SME Loans Note)

(As of March 31, 2011)



Collateralized 58%

Note) 1 month overdue delinquency ratio for collateralized loans and credit loans are 1.16% and 1.70% respectively



Note) Loans in KRW basis

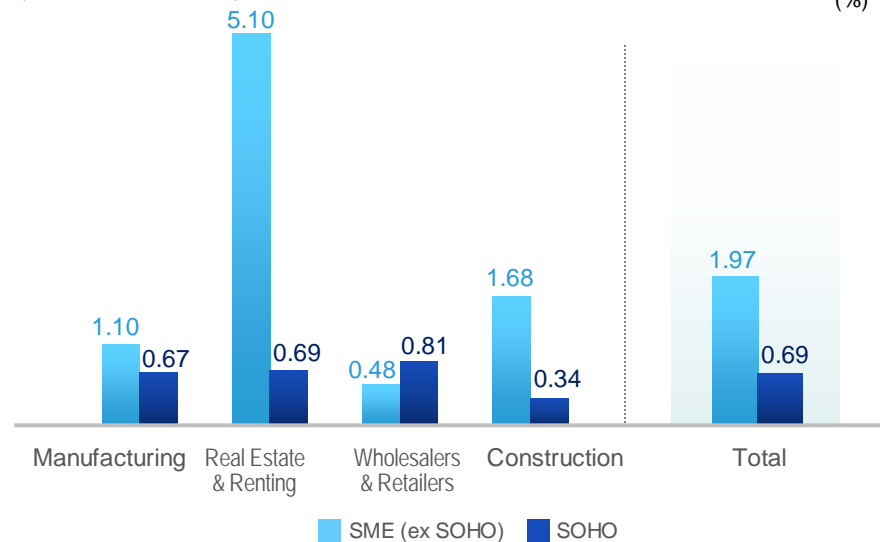
Delinquency Ratio by Industry (%)

(%)

	2011.3	2010.12	YTD%p	2010.3	QoQ%p
Manufacturing	1.03	0.63	0.40	1.16	-0.13
Real Estate & Renting	2.10	1.36	0.74	1.32	0.78
Wholesalers/Retailers	0.62	0.39	0.23	0.65	-0.03
Construction	1.55	0.70	0.85	0.96	0.59
Total	1.49	0.86	0.63	1.00	0.49

(As of March 31, 2011)

(%)



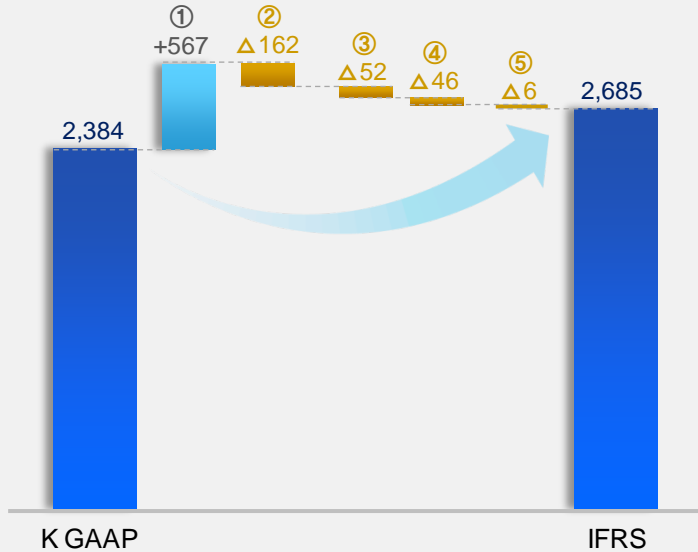


Key Effects of IFRS Adoption

Net Income

(KRW bil.)

For the year 2010



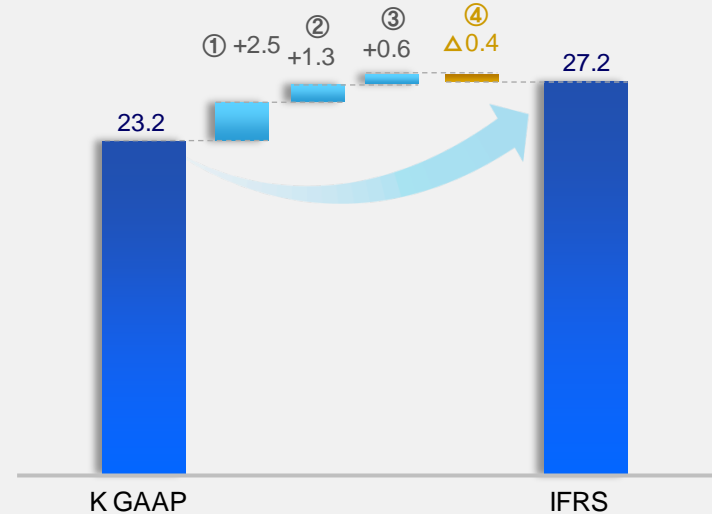
301 bil. KRW increase in Net Income

- ① Non-Amortization of goodwill (+567 bil. KRW)
- ② Changes in provision for credit losses criteria (-162 bil. KRW)
- ③ Changes in calculation methods for retirement and severance benefits (-52 bil. KRW)
- ④ Changes in depreciation method (-46bil. KRW)
- ⑤ Changes in the scope for consolidation and other effects (-6 bil. KRW)

Total Stockholders' Equity

(KRW tril.)

As of end of 2010



4 tril. KRW increase in Total Equity

- ① Changes from classification of Hybrid securities into equity(Non-controlling interest) from liability (+2.5 tril. KRW)
- ② Effects of provision for credit losses including increase in reserves for credit losses (+1.3 tril. KRW)
- ③ Re-evaluation of tangible assets (+0.6 tril. KRW)
- ④ Changes in the scope for consolidation and other effects (-0.4 tril. KRW)