



2012 1H Business Results

July 2012

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 audited 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 and 2012 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.

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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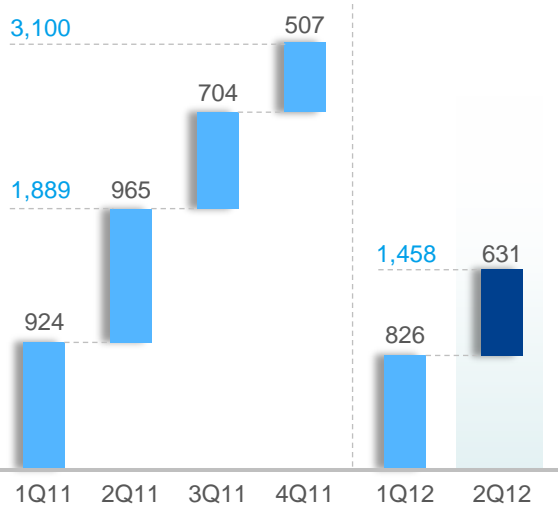




2012 1H Business Results Highlights (1)

Group Net Income

(KRW bil.)

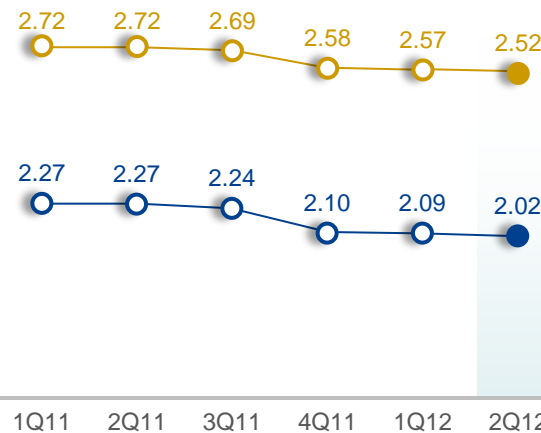


NIM

(%)

Note) Quarterly Figures

○ SHB + Shinhan Card ○ SHB

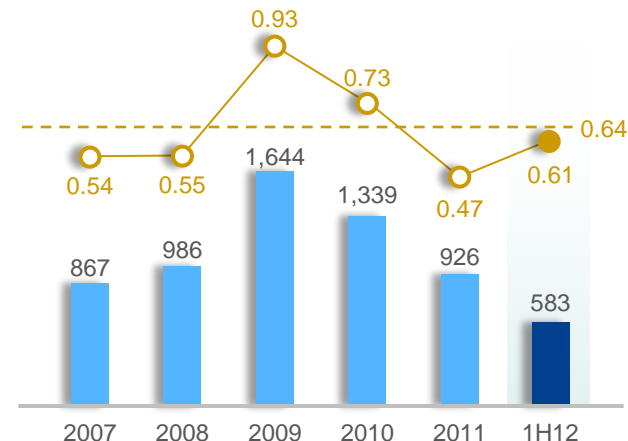


Credit Cost Ratio

(%, KRW bil.)

○ Credit Cost Ratio ■ Provision for Credit Losses

--- 2007-2011 Average



**2012 1H Net Income : 1,457.7 bil.
(2Q12 Net Income KRW 631.4 bil.)**

- Group net income decreased by 22.8% YoY and 23.6% QoQ.
- Interest income increased by 0.3% YoY, however dropped 1.2% QoQ.
- Non interest Income fell 25.5% YoY due to decreased security sales gain compared with the prior year and reduced fee income.
- Credit cost increased 25.5% YoY mostly driven by additional provisioning resulting from corporate restructuring and normalization of credit costs for credit card operation.

**2012 2Q Bank NIM : 2.02%,
Group NIM 2.52%**

- NIM of SHB and the group each marked 2.02% and 2.52%, down by 7bp and 5bp respectively.
- During 2Q12, concentrated competition for quality assets in light of economic uncertainty led 8bp drop in loan yields, whereas plenty liquidity combined with preference for risk free asset supported deposit yields to fall 1bp QoQ.
- Credit card NIM continued to improve as low margin assets were trimmed down and funding cost continued to fall. (2Q 7.41%, 1Q 7.32%)

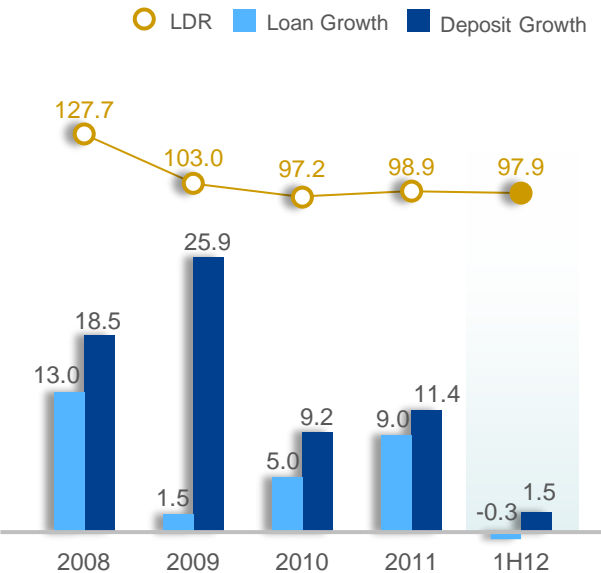
**2012 1H Credit Cost Ratio at 0.61%
(3bp lower than 5-year Average)**

- Group's credit cost ratio escalated both YoY (0.50%→0.61%,+11bp) and QoQ (0.54%→0.68% +14bp).
- SHB credit cost remained flat at 0.46% YoY, however 2Q12 credit cost marked 0.60%, up 27bp QoQ mainly as a result of additional provisioning related to corporate restructuring.
- Shinhan Card's credit cost increased YoY due to recent increase in delinquency and substantial decrease in provision write-back



2012 1H Business Results Highlights (2)

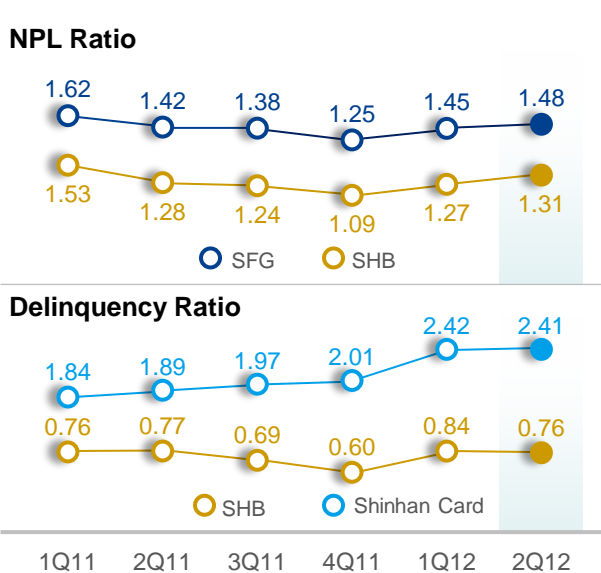
Loans & Deposits (%)



**2Q12 Loan/Deposit growth at -0.3%, 1.5%
LDR stable at 97.9%**

- Loans in KRW decreased by 0.3% YTD mainly due to significant repayment of short-term loans. SOHO and Large corporate loan increased by 4.5% and 3.5% each. Retail loan showed 0.7% growth during 2Q12.
- Deposits increased by 1.5% YTD but dropped 0.8% QoQ.
- LDR stood at 97.9% dropping only by 1%p remaining at stable level.

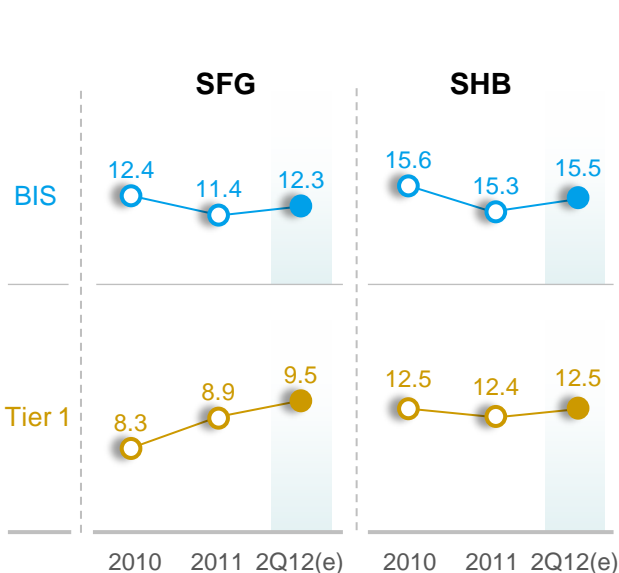
NPL / Delinquency Ratio (%)



**2Q12 Group NPL ratio stands at 1.48%,
Bank Delinquency ratio at 0.76%**

- 2Q12 NPL ratio for the Group and SHB each recorded 1.48% and 1.31%, rising 0.03%p and 0.04%p respectively.
- During 2Q12, SHB delinquency ratio improved by 0.08%p to 0.76%. Credit card delinquency ratio maintained at stable level of 2.41%.
- During 2Q12, the total amount of NPL write-offs/sales were 491.5bil. (1H11 : 905.24bil., 2H12 : 629.3 bil.)

Capital Adequacy (%)



**2Q12 Group Tier1 ratio at 9.5%,
Bank Tier1 ratio at 12.5 %**

- Group's Tier1 marked 9.5%, up by 0.6%p, and BIS ratio 12.3%, up by 0.9%p, driven by stable growth in earnings.
- While RWA increase was limited, equity capital and Tier 1 recorded a healthy growth of 4.1% and 4.7% each.
- SHB's Tier1 and BIS ratio marked 12.5% and 15.5% each, maintaining a competitive level of capital adequacy.

II . Income Statements

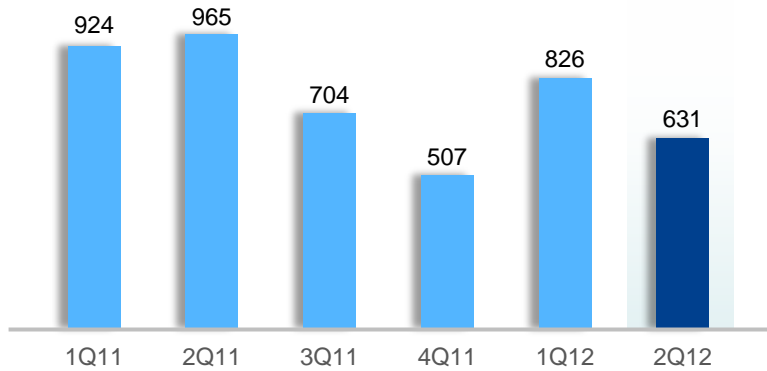
1. SFG Income
2. Subsidiaries Income (1)
3. Subsidiaries Income (2)
4. SHB Income / NIM
5. SHB Non-Interest Income / G&A Expenses
6. Shinhan Card Income





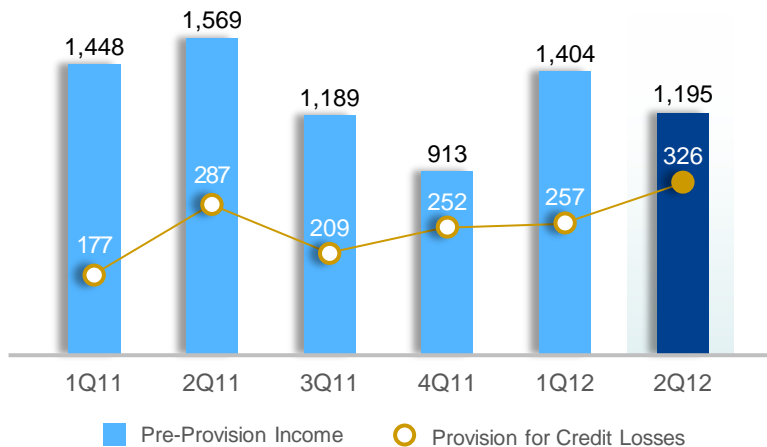
Net Income

(KRW bil.)



Pre-Provision Income & PCL

(KRW bil.)



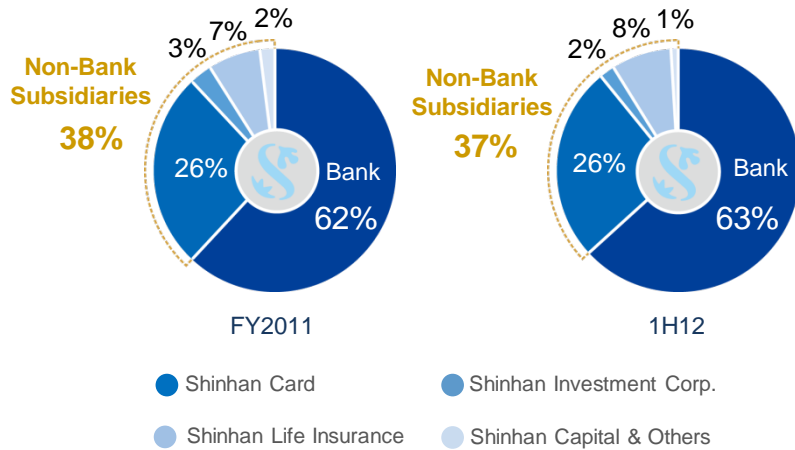
(KRW bil.)	1H12	1H11	YoY%	2Q12	1Q12	QoQ%
Total Operating Income (a=b+c)	4,548.8	4,895.1	-7.1	2,177.0	2,371.9	-8.2
Interest Income (b)	3,505.0	3,493.9	0.3	1,742.0	1,763.0	-1.2
Non-Interest Income (c)	1,043.8	1,401.2	-25.5	435.0	608.8	-28.5
G&A Expenses (d)	1,963.4	1,900.4	3.3	985.9	977.5	0.9
Pre-Provision Oper. Income (e=a-d)	2,585.4	2,994.7	-13.7	1,191.1	1,394.4	-14.6
Other (f)	13.0	21.7	-40.1	3.7	9.3	-60.0
Pre-Provision Income (g=e+f)	2,598.4	3,016.4	-13.9	1,194.8	1,403.7	-14.9
Provision for Credit Losses (h)	583.3	464.9	25.5	326.2	257.1	26.9
Earnings before Income Tax (i=g-h)	2,015.1	2,551.5	-21.0	868.6	1,146.5	-24.2
Income Tax	472.3	577.1	-18.2	194.6	277.8	-30.0
Consolidated Net Income ¹⁾	1,457.7	1,889.1	-22.8	631.4	826.3	-23.6

Note 1) Net Income in Controlling Interest

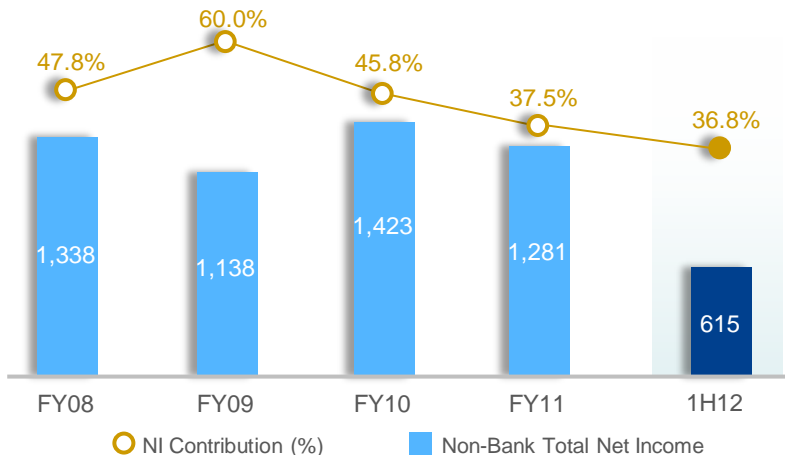


Subsidiaries Income (1)

Net Income Contribution by Subsidiaries



Net Income Contribution by Non-Bank Subsidiaries ^{Note)} (KRW bil.)



Note) After reflecting ownership by SFG, NI for 2008~2009 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)	1,060.5		1,056.7	-115.2	941.5
Shinhan Bank	1,048.3	100.0%	1,048.3	-115.1	933.2
Jeju Bank	12.3	68.9%	8.5	-0.1	8.4
Non-Bank (b)	620.5		614.8	4.9	619.7
Shinhan Card	431.1	100.0%	431.1	5.9	437.0
Shinhan Investment Corp.	33.3	100.0%	33.3	0.0	33.3
Shinhan Life Insurance	134.0	100.0%	134.0	0.1	134.1
Shinhan BNPP AM	16.5	65.0%	10.7	0.0	10.7
Shinhan Capital	13.4	100.0%	13.4	-0.7	12.8
Shinhan Savings Bank	-8.9	100.0%	-8.9	0.0	-8.9
Shinhan Data System	0.9	100.0%	0.9	-0.4	0.5
Shinhan Credit Information	-0.1	100.0%	-0.1	0.0	-0.1
Shinhan PE Investment Mgmt.	0.3	100.0%	0.3	0.0	0.3
SFG (c)				-103.6 ²⁾	-103.6
Total (d=a+b+c) ¹⁾	1,681.1		1,671.5	-213.8	1,457.7

Note) 1) Net Income in Controlling Interest

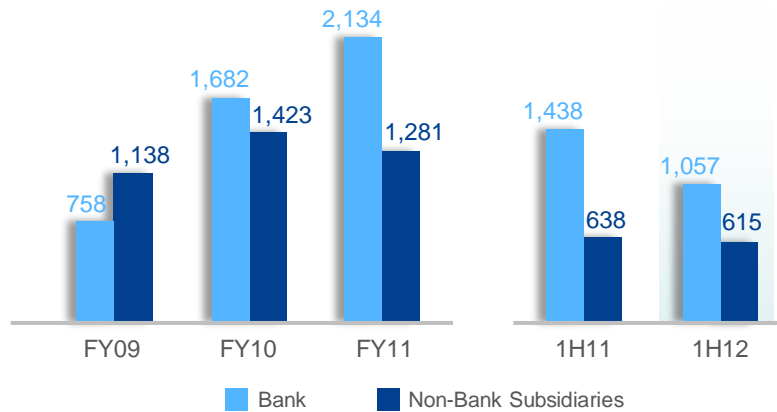
2) SFG (Separate): Brand Fee KRW 571 bil., Interest Expense KRW -1,365 bil., G&A etc. KRW -273 bil.



Subsidiaries Income (2)

Bank / Non-Bank Net Income

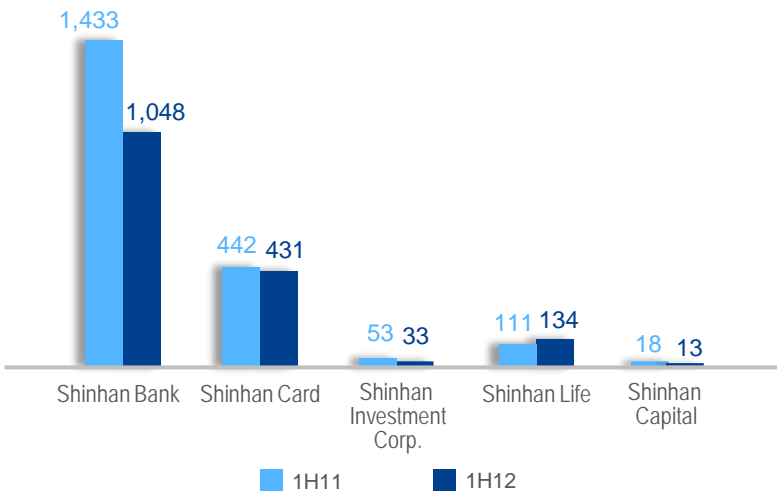
(KRW bil.)



Note) Figs. for 2009 K-GAAP

Net Income by Subsidiaries

(KRW bil.)



(Reflecting SFG Ownership, KRW bil.)

	1H12	1H11	YoY%	2Q12	1Q12	QoQ%
Bank (a)	1,056.7	1,437.7	-26.5	392.7	664.0	-40.9
Shinhan Bank	1,048.3	1,432.7	-26.8	389.6	658.7	-40.9
Jeju Bank	8.5	5.0	68.2	3.1	5.3	-41.3
Non-Bank (b)	614.8	638.2	-3.7	330.7	284.1	16.4
Shinhan Card	431.1	442.1	-2.5	244.6	186.5	31.2
Shinhan Investment Corp.	33.3	53.3	-37.5	9.5	23.7	-59.8
Shinhan Life Insurance	134.0	111.3	20.4	68.1	66.0	3.2
Shinhan BNPP AM	10.7	12.6	-15.1	5.1	5.6	-8.7
Shinhan Capital	13.4	18.1	-25.7	5.3	8.2	-35.5
Shinhan Savings Bank	-8.9	0.0	n.a	-2.8	-6.1	n.a
Shinhan Data System	0.9	0.7	30.3	0.4	0.5	-17.6
Shinhan Credit Information	-0.1	0.5	n.a	0.4	-0.5	n.a
Shinahn PE Investment Mgmt.	0.3	0.3	-8.7	0.1	0.2	-55.6
Total (a+b)	1,671.5	2,075.9	-19.5	723.4	948.1	-23.7
Consolidate Net Income ¹⁾	1,457.7	1,889.1	-22.8	631.4	826.3	-23.6

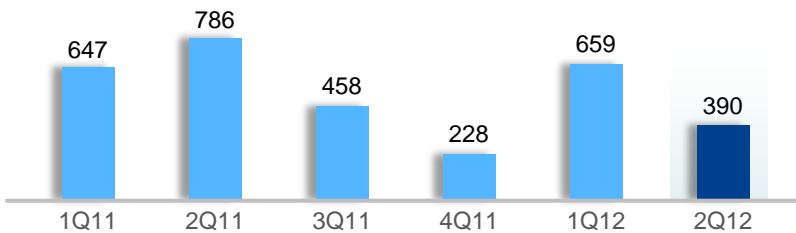
Note 1) Net Income in Controlling Interest



SHB Income / NIM

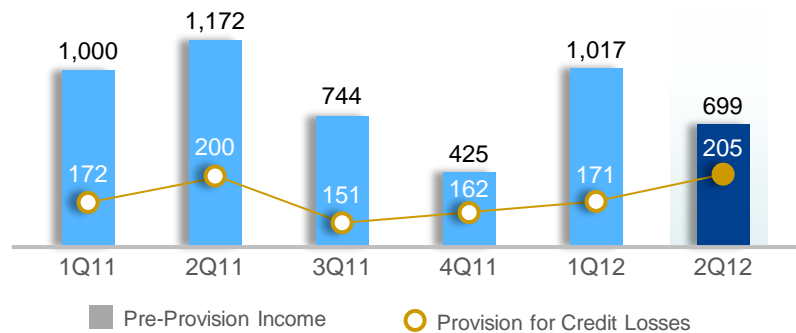
Net Income

(KRW bil.)



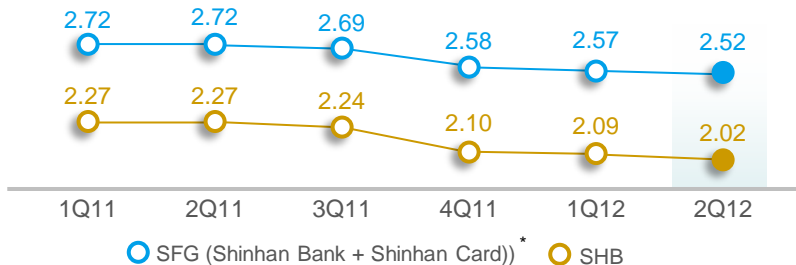
Pre-Provision Income & PCL

(KRW bil.)



Group NIM

(%)



Note) Quarterly basis

* SFG NIM(Shinhan Bank+Shinhan Card) excludes Credit Card Merchant Fees

(KRW bil.)	1H12	1H11	YoY%	2Q12	1Q12	QoQ%
Total Operating Income (a=b+c)	3,016.0	3,407.3	-11.5	1,364.6	1,651.4	-17.4
Interest Income (b)	2,413.8	2,459.4	-1.9	1,189.5	1,224.3	-2.8
Non-Interest Income (c)	602.2	947.9	-36.5	175.2	427.0	-59.0
G&A Expenses (d)	1,313.2	1,251.8	4.9	668.8	644.4	3.8
Pre-Provision Oper.Income (e=a-d)	1,702.8	2,155.5	-21.0	695.9	1,006.9	-30.9
Other (f)	12.8	16.2	-21.2	3.1	9.7	-68.3
Pre-Provision Income (g=e+f)	1,715.6	2,171.7	-21.0	698.9	1,016.6	-31.2
Provision for Credit Losses (h)	376.6	371.4	1.4	205.4	171.1	20.1
Earnings before Income Tax (i=g-h)	1,339.0	1,800.4	-25.6	493.5	845.5	-41.6
Net Income ¹⁾	1,048.3	1,432.7	-26.8	389.6	658.7	-40.9

Note 1) Net Income in Controlling Interest

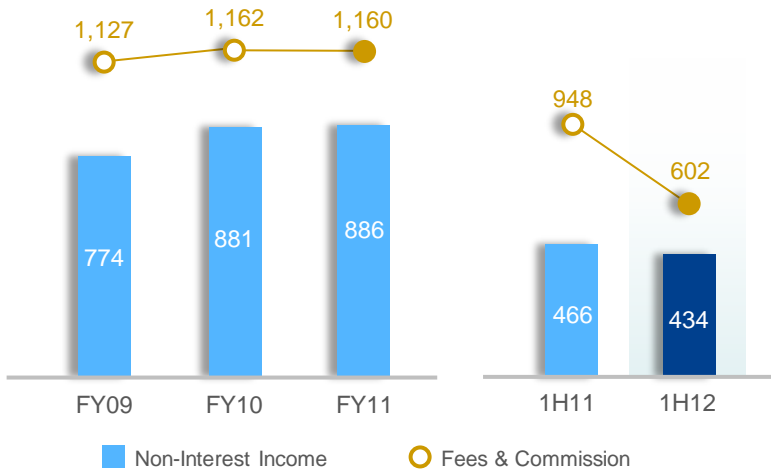
(%)	1Q 11	2Q 11	3Q 11	4Q 11	1Q 12	2Q 12
NIS (a-b) (cumulative figures)	2.45	2.46	2.46	2.41	2.23	2.19
Loan interest rate (a)	5.40	5.49	5.54	5.54	5.47	5.43
Deposit interest rate (b)	2.96	3.03	3.08	3.13	3.24	3.24
NIM(quarterly)	2.27	2.27	2.24	2.10	2.09	2.02
NIM(cumulative figures)	2.27	2.27	2.26	2.22	2.09	2.05



SHB Non-Interest Income / G&A Expenses

Fees and Commission

(KRW bil.)

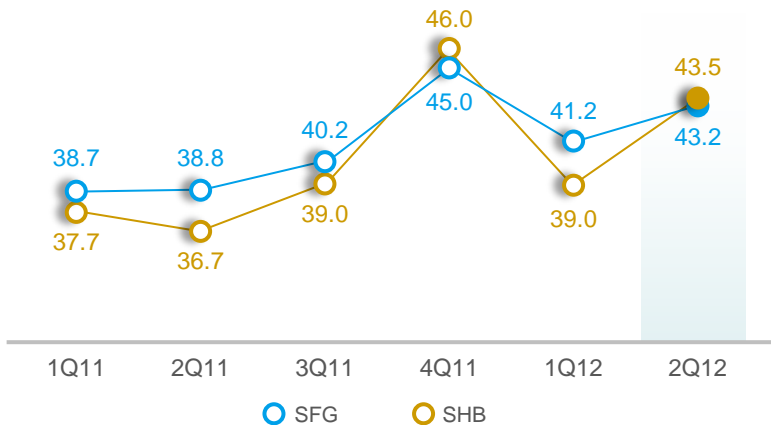


Note) Figs. for 2009 K-GAAP

(KRW bil.)	1H12	1H11	YoY%	2Q12	1Q12	QoQ%
Non-Interest Income	602.2	947.9	-36.5	175.2	427.0	-59.0
Fees & Commission	433.6	465.9	-6.9	220.0	213.5	3.0
(Fund)	65.4	97.7	-33.0	31.4	34.0	-7.6
(Bancassurance)	65.8	47.3	39.1	28.2	37.6	-25.0
(Trust Fees)	29.3	29.2	0.2	14.6	14.7	-0.3
Securities Related	262.6	560.2	-53.1	34.4	228.2	-84.9
FX Trading/Derivatives	104.2	159.4	-34.6	36.1	68.1	-46.9
Others	-198.2	-237.7	n.a	-115.4	-82.8	n.a

Cost-Income Ratio (%)

(%)



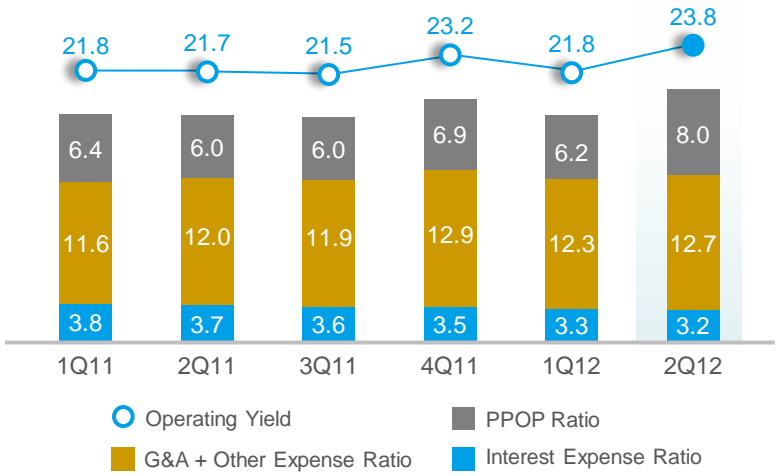
Note) Cumulative Figures

(KRW bil.)	1H12	1H11	YoY%	2Q12	1Q12	QoQ%
G&A Expenses	1,313.2	1,251.8	4.9	668.8	644.4	3.8
Salary & Employee Benefits	599.5	528.2	13.5	287.5	312.0	-7.8
D & A	69.6	77.0	-9.6	35.4	34.2	3.3
Other Expenses	644.1	646.5	-0.4	345.9	298.2	16.0



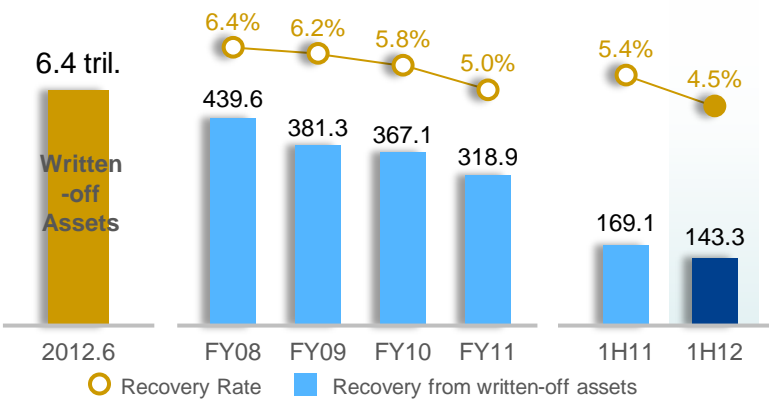
Shinhan Card Income

Operating Yield and PPOP Ratio (%)



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

Recovery from Written-off Assets (KRW bil.)



(KRW bil.)	1H12	1H11	YoY%	2Q12	1Q12	QoQ%
Operating Revenue (a)	2,267.9	2,251.8	0.7	1,163.8	1,104.1	5.4
Card Business	1,886.6	1,886.5	0.0	948.9	937.7	1.2
Installment Finance	53.6	53.5	0.1	26.5	27.0	-1.9
Lease	24.8	26.1	-5.0	12.4	12.5	-1.1
Others	303.0	285.6	6.1	176.0	126.9	38.7
(Derivatives & FX)	25.8	109.8	-76.5	-6.3	32.1	n.a
Interest Expense (b)	321.1	372.3	-13.8	156.1	165.0	-5.4
G&A Expenses (c)	301.4	312.0	-3.4	148.1	153.3	-3.4
Commissions & Other Expenses (d)	951.1	961.1	-1.0	468.2	482.9	-3.0
(Derivatives & FX)	19.2	104.7	-81.7	-9.7	28.9	n.a
Pre-Provision Income (e=a-b-c-d)	694.4	606.4	14.5	391.4	303.0	29.2
Provision for Credit Losses (f)	137.3	37.7	263.8	78.8	58.5	34.7
Earnings before Income Tax (g=e-f)	557.1	568.6	-2.0	312.6	244.5	27.8
Income Tax	126.0	126.5	-0.4	68.0	58.0	17.1
Net Income	431.1	442.1	-2.5	244.6	186.5	31.2

III. Assets & Liabilities

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

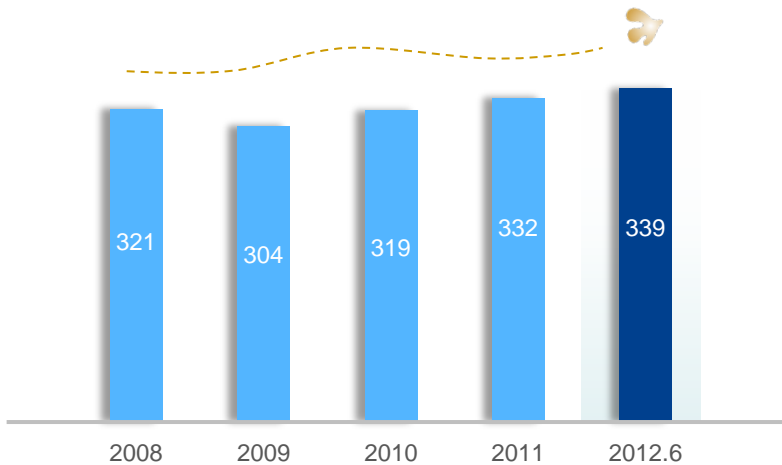




SFG Asset Growth

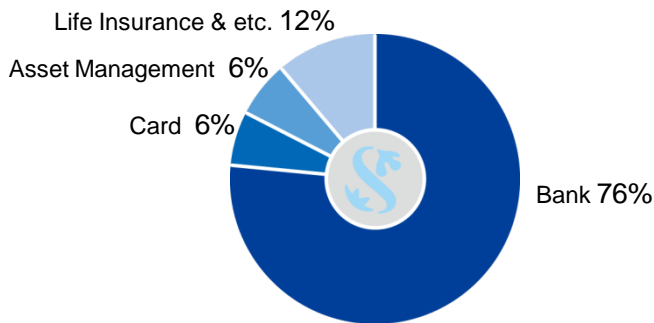
SFG Total Assets

(KRW tril.)



Note) Figs. for 2008~2009 K-GAAP

Asset Contribution by Subsidiary



(KRW bil.)	2012.6	2011.12	YTD%	2012.3	QoQ%
Bank (a)	259,021	256,640	0.9	259,919	-0.3
Shinhan Bank	255,828	253,472	0.9	256,820	-0.4
Jeju Bank	3,193	3,168	0.8	3,099	3.0
Non-Bank (b)	77,743	72,295	7.5	75,554	2.9
Shinhan Card	21,242	22,357	-5.0	21,240	0.0
Shinhan Investment Corp.	15,892	12,166	30.6	14,184	12.0
Shinhan Life Insurance	15,187	13,977	8.7	14,682	3.4
Shinhan BNPP AM	20,250	19,766	2.5	20,036	1.1
Shinhan Capital	3,583	3,518	1.8	3,485	2.8
Shinhan Savings Bank	973	4	n.a	1,305	-25.4
Shinhan Data System	16	16	5.0	16	5.3
Shinhan Credit Information	19	19	-2.0	19	1.0
Shinahn PE Investment Mgnt.	450	343	31.0	457	-1.7
Total (a+b)	339,237	332,276	2.1	338,360	0.3
Consolidate Net Income	296,725	288,117	3.0	295,919	0.3

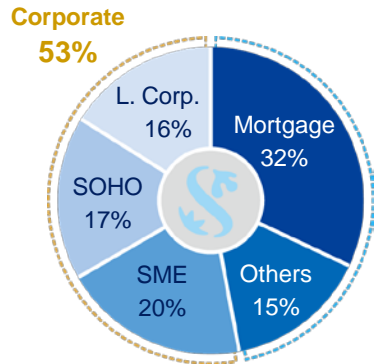
Note) Including trust A/C of SHB and AUM of Shinhan BNPP AM



SHB Loan / Deposit Growth

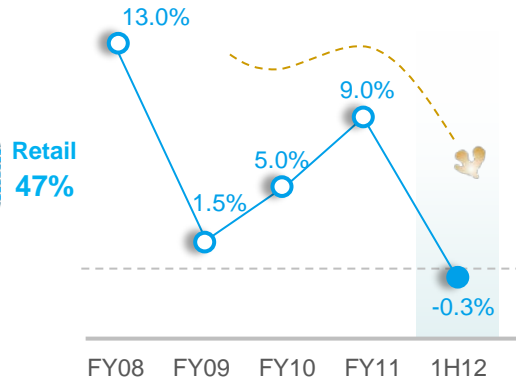
Loan Composition

Note) As of Jun. 30, 2012



Loan Growth

Note) Loan in KRW basis

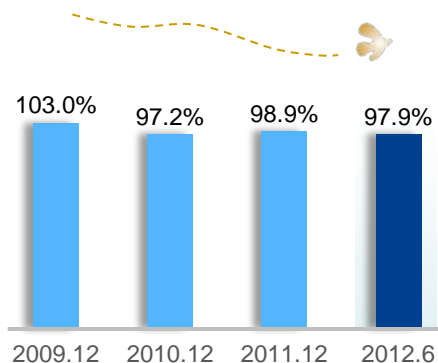
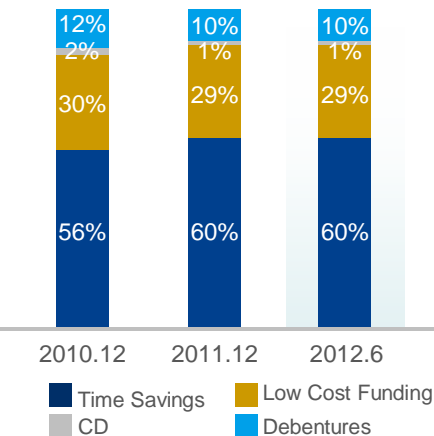


(KRW bil.)	2012.6	2011.12	YTD%	2012.3	QoQ%
Loan in KRW	138,639	139,082	-0.3	138,738	-0.1
Retail	65,129	65,228	-0.2	64,702	0.7
Mortgage	45,025	45,571	-1.2	45,183	-0.3
Others	20,104	19,657	2.3	19,519	3.0
Corporate	73,510	73,855	-0.5	74,036	-0.7
SME	51,175	52,268	-2.1	52,529	-2.6
SOHO	23,796	22,774	4.5	23,220	2.5
Large Corporate etc.	22,335	21,586	3.5	21,507	3.8
Loan in FX	5,306	5,216	1.7	5,058	4.8

Funding Composition

Loan to Deposit Ratio

Note) Excluding CDs & monthly average basis



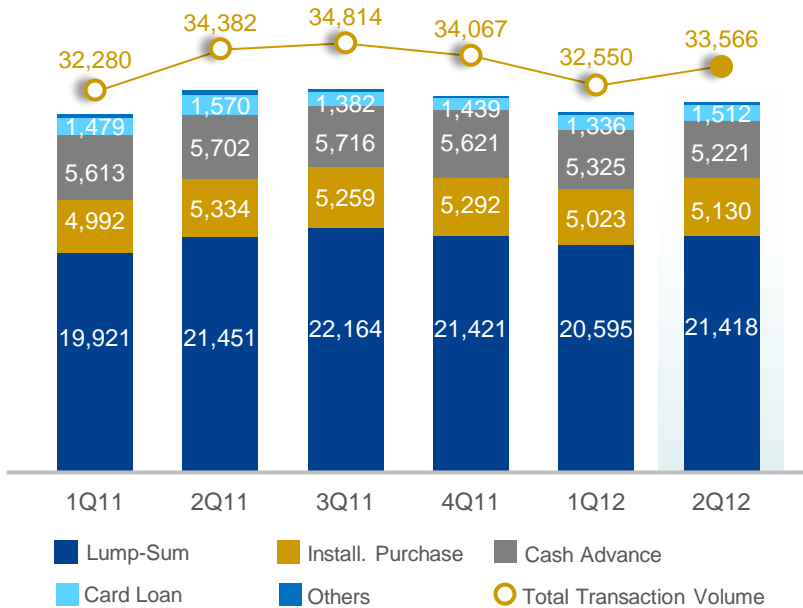
(KRW bil.)	2012.6	2011.12	YTD%	2012.3	QoQ%
Total Deposits in KRW	143,060	140,987	1.5	144,168	-0.8
Low Cost Deposits	46,284	45,774	1.1	46,432	-0.3
Demand	15,184	14,688	3.4	15,037	1.0
Savings	31,100	31,086	0.0	31,395	-0.9
Other Savings	96,776	95,214	1.6	97,736	-1.0
Time Deposits	89,299	88,533	0.9	90,724	-1.6
Accumulative etc.	7,477	6,681	11.9	7,012	7.0
Certificate of Deposits	1,404	2,463	-43.0	1,719	-12.8
Debentures in KRW	15,545	15,722	-1.1	16,153	-3.9



Shinhan Card Asset Growth

Transaction Volume

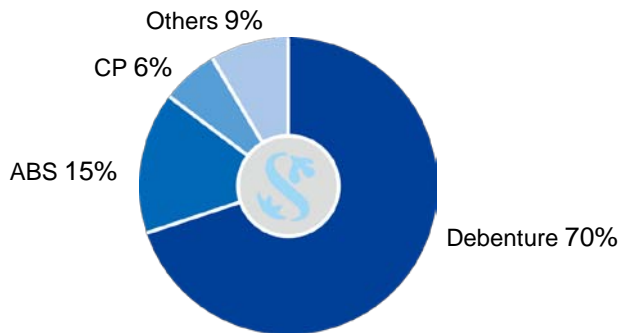
(KRW bil.)



(KRW bil.)	2012.6	2011.12	YTD%	2012.3	QoQ%
Earning Assets	18,972	19,772	-4.0	18,951	0.1
Credit Purchase	10,617	11,092	-4.3	10,566	0.5
Cash Advances	2,964	3,185	-6.9	3,069	-3.4
Card Loan	3,470	3,566	-2.7	3,394	2.2
(Re-aged Loan)	200	192	4.5	194	3.5
Installment Finance	1,214	1,226	-1.0	1,215	-0.1
Lease etc.	708	703	0.7	706	0.3
Effective Cardholders (in thousands)	15,293	15,424	-0.8	15,265	0.2
Merchants (in thousands)	2,714	2,669	1.7	2,687	1.0

Funding Composition

(As of Jun. 30, 2012)



(KRW bil.)	2012.6	2011.12	YTD%	2012.3	QoQ%
Total Funding	12,877	13,910	-7.4	13,005	-1.0
Debentures	9,005	10,066	-10.5	9,397	-4.2
ABS	1,846	1,384	33.4	1,365	35.2
CP	798	1,500	-46.8	1,478	-46.0
Others	1,228	960	27.9	765	60.6

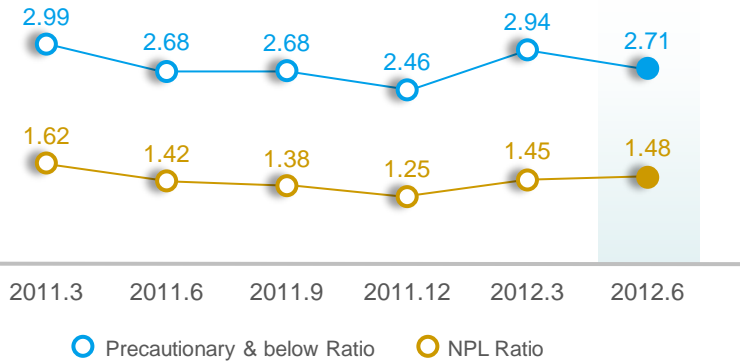
IV. Asset Quality

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

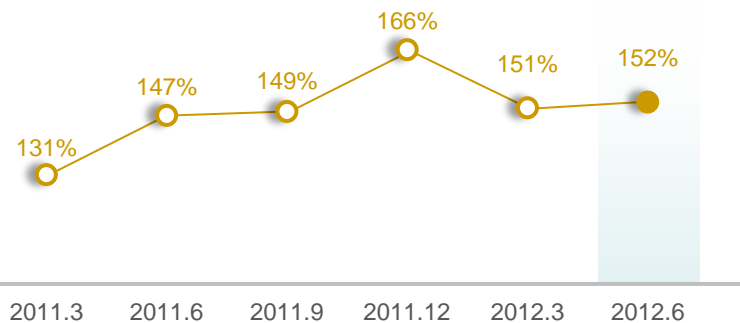




Precautionary & below Ratio / NPL Ratio (%)



NPL Coverage Ratio (%)



(KRW bil.)	2012.6	2011.12	YTD%	2012.3	QoQ%
Total Loans ¹⁾	193,215	195,495	-1.2	193,250	0.0
Normal	187,979	190,693	-1.4	187,573	0.2
Precautionary	2,374	2,356	0.8	2,879	-17.5
Substandard	1,251	1,305	-4.1	1,504	-16.8
Doubtful	615	470	30.9	529	16.2
Estimated Loss	995	671	48.3	764	30.3
Substandard & Below	2,862	2,445	17.0	2,797	2.3
NPLRatio	1.48%	1.25%	0.23%p	1.45%	0.03%p
Loan Loss Allowance ²⁾	4,348	4,058	7.1	4,218	3.1
NPL Coverage Ratio	152%	166%	-14%p	151%	1%p
Reserve for credit losses ³⁾	1,658	1,610	3.0	1,644	0.9

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

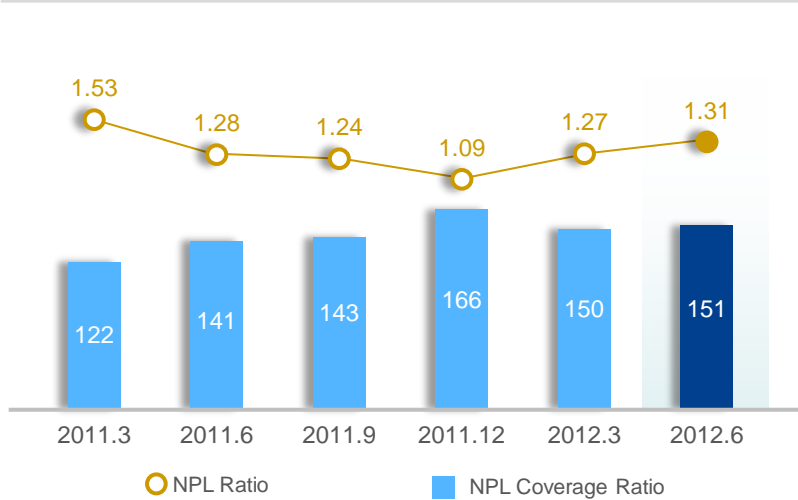
2) Sum of IFRS standard LLA and reserves for credit losses, excluding those for contingent acceptances & guarantees and unused credit lines

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

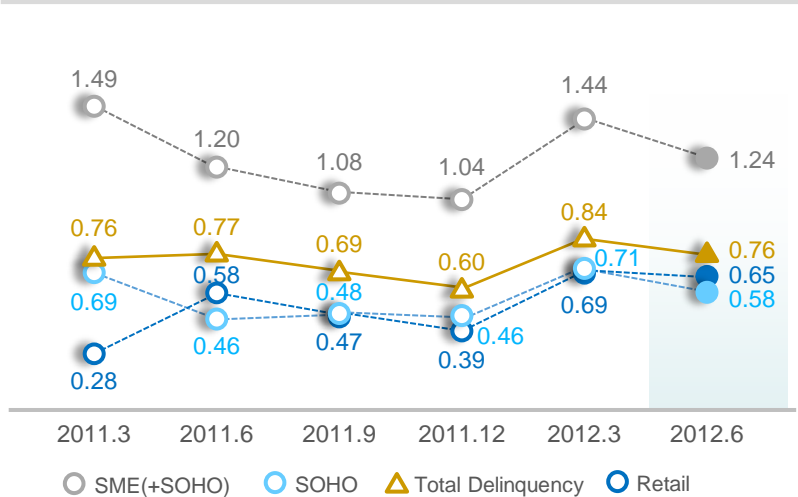


SHB Asset Quality

NPL Ratio & NPL Coverage Ratio (%)



Delinquency Ratio (%)



Note) 1 month overdue

(KRW bil.)	2012.6	2011.12	YTD%	2012.3	QoQ%
Total Loans	164,575	166,433	-1.1	165,053	-0.3
Normal	160,395	162,625	-1.4	160,500	-0.1
Precautionary	2,019	1,992	1.3	2,455	-17.7
Substandard	1,101	1,157	-4.8	1,344	-18.1
Doubtful	426	266	60.4	336	26.8
Estimated Loss	634	393	61.5	419	51.4
Substandard & Below	2,161	1,815	19.1	2,099	3.0
NPLRatio	1.31%	1.09%	0.22%p	1.27%	0.04%p
Loan Loss Allowance ¹⁾	3,269	3,015	8.4	3,153	3.7
NPL Coverage Ratio	151%	166%	-15%p	150%	1%p
Reserve for credit losses ²⁾	1,519	1,473	3.1	1,516	0.2

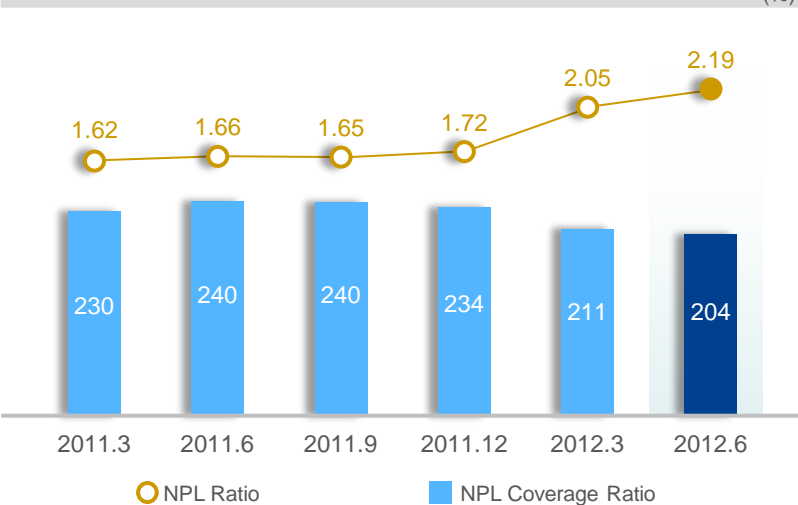
Note 1) Sum of IFRS standard LLA and reserves for credit losses, excluding those for contingent acceptances & guarantees and unused credit lines

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

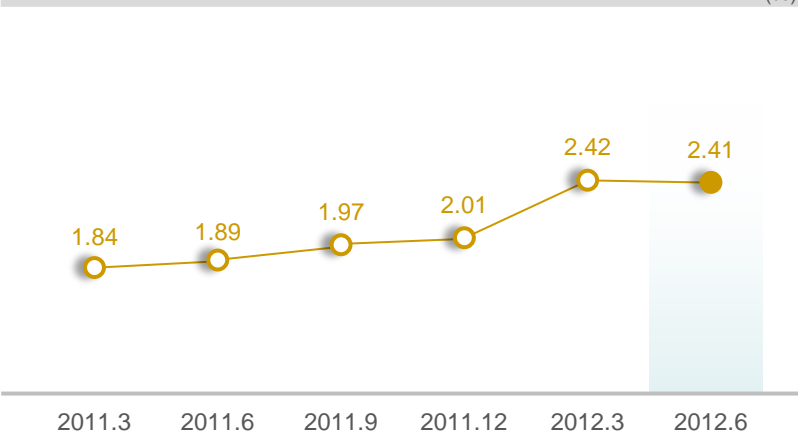


Shinhan Card Asset Quality

NPL Ratio & NPL Coverage Ratio (%)



Delinquency Ratio (%)



Note) 1 month overdue from total credit

(KRW bil.)	2012.6	2011.12	YTD%	2012.3	QoQ%
Total Loans	18,972	19,772	-4.0	18,951	0.1
Normal	18,333	19,204	-4.5	18,335	0.0
Precautionary	224	228	-1.9	227	-1.7
Substandard	-	-	-	-	-
Doubtful	105	106	-1.4	107	-2.6
Estimated Loss	311	233	33.1	281	10.5
Substandard & Below	415	339	22.4	388	6.9
NPLRatio	2.19%	1.72%	0.47%p	2.05%	0.14%p
Loan Loss Allowance ¹⁾	848	795	6.6	818	3.6
NPL Coverage Ratio	204%	234%	-30%p	211%	-7%p
Reserve for credit losses ²⁾	108	107	0.5	102	5.5

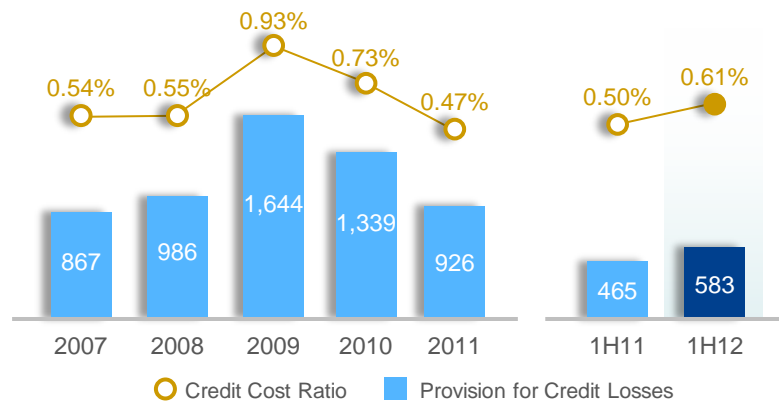
Note 1) Sum of IFRS standard LLA and reserves for credit losses, excluding those for contingent acceptances & guarantees and unused credit lines

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



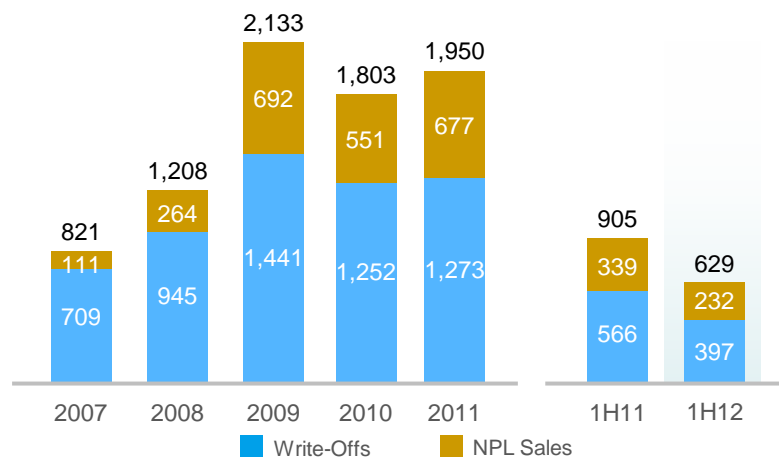
Provision for Credit Losses / Write-Offs

SFG Provision for Credit Losses (KRW bil.)



Note) Figs. for 2007-2009 K-GAAP

Write-Offs & NPL Sales (KRW bil.)



Credit Costs

(KRW bil.)	2012	1Q	2Q	2011	1Q	2Q	3Q	4Q
Shinhan Bank¹⁾	380	135	245	667	164	196	143	164
Retail	100	38	61	87	19	19	35	15
Corporate	281	97	184	580	145	177	108	149
Shinhan Card	137	58	79	164	-6	44	47	80
Total	517	193	324	831	158	240	189	244

Note 1) Shinhan Bank figures are non-consolidated basis

Write-Offs & NPL Sales

(KRW bil.)	2012	1Q	2Q	2011	1Q	2Q	3Q	4Q
Shinhan Bank	406	40	366	1,484	134	566	336	448
(Sale)	232	-	232	677	44	295	112	226
Retail	88	15	73	141	12	44	31	54
(Sale)	55	-	55	77	-	29	14	33
Corporate	318	25	293	1,343	122	522	305	394
(Sale)	177	-	177	601	44	266	98	193
Shinhan Card	223	98	125	466	106	99	114	146
Total	629	138	491	1,950	240	665	451	594

V . Capital Adequacy

1. Capital Adequacy





Group BIS Ratio

(KRW bil.)	2012.6(e)	2012.3	QoQ	
			Difference	%
Risk-Weighted Assets	198,199	197,239	960	0.5
Capital	24,352	23,392	960	4.1
Tier 1	18,924	18,070	854	4.7
Tier 2	5,428	5,322	106	2.0
BIS Ratio	12.3%	11.9%		0.4%p
Tier 1	9.5%	9.2%		0.3%p
Tier 2	2.7%	2.7%		0.0%p

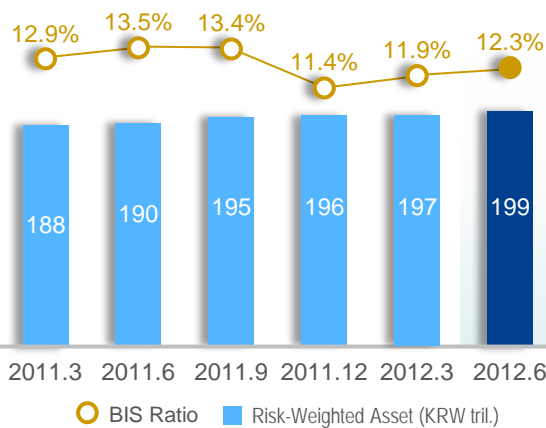
Note) Based on Basel I

Shinhan Bank BIS Ratio

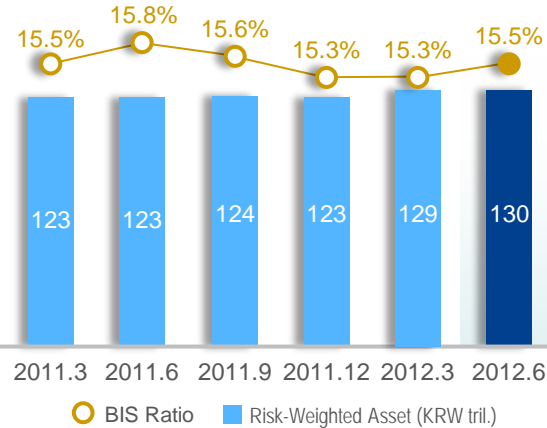
(KRW bil.)	2012.6(e)	2012.3	QoQ	
			Difference	%
Risk-Weighted Assets	129,931	128,852	1,079	0.8
Capital	20,155	19,757	398	2.0
Tier 1	16,234	15,907	327	2.1
Tier 2	3,921	3,850	71	1.8
BIS Ratio	15.5%	15.3%		0.2%p
Tier 1	12.5%	12.3%		0.2%p
Tier 2	3.0%	3.0%		0.0%p

Note) Based on Basel II FIRB approach

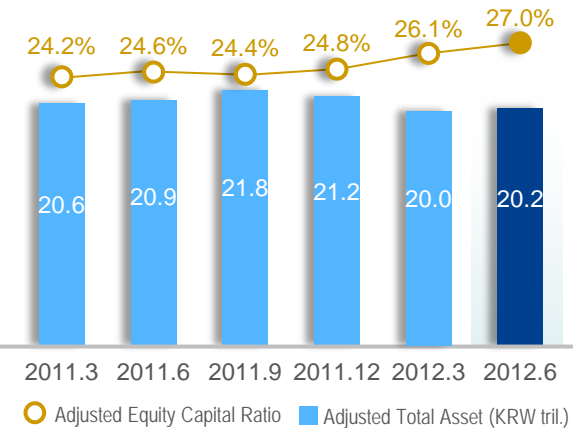
Group BIS Ratio



SHB BIS Ratio



Shinhan Card Capital Adequacy Ratio



VI. Appendix

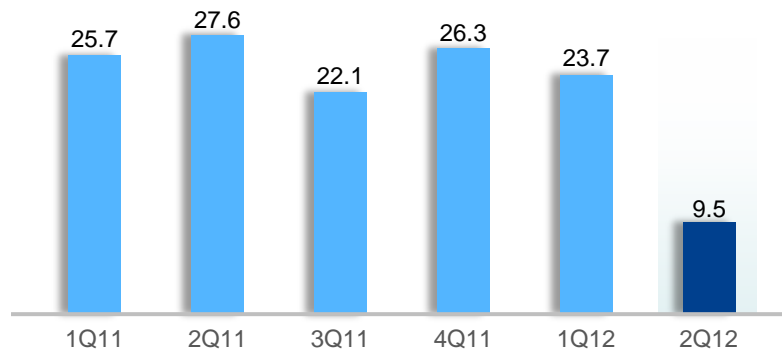
1. SFG Subsidiaries
2. Key Financial Indices
3. SHB SME Loans





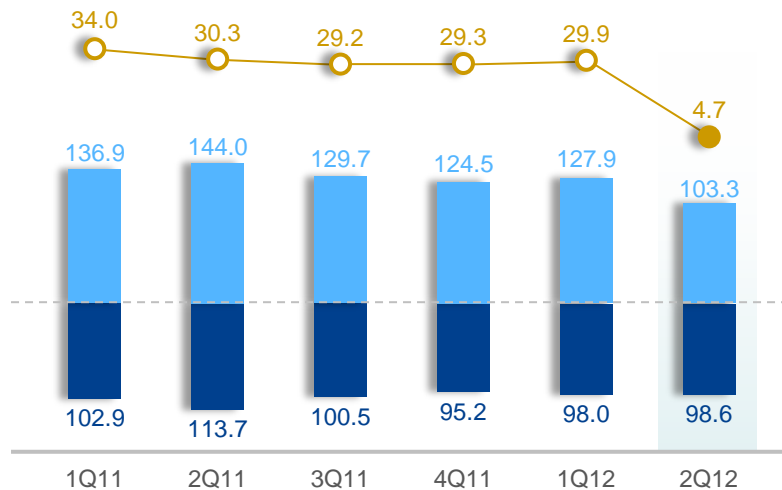
Net Income

(KRW bil.)



Operating Income

(KRW bil.)



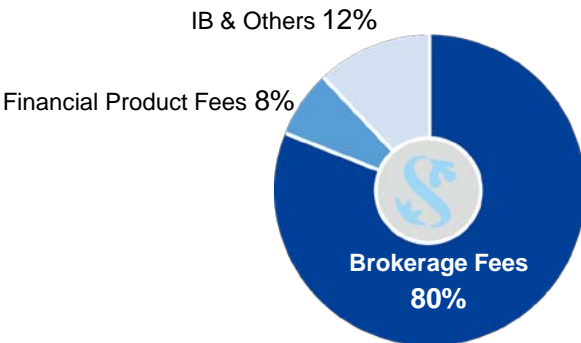
○ Operating Income ■ Operating Revenue ■ Operating Expense

Condensed I/S & Key Financial Indices

(KRW bil.)	1H12	1H11	YoY%	2Q12	1Q12	QoQ%
Operating Revenue	231.2	280.9	-17.7	103.3	127.9	-19.2
Fees & Commission	148.4	197.4	-24.9	60.8	87.5	-30.5
Proprietary Trading	50.0	53.1	-5.7	24.3	25.7	-5.6
Others	32.8	30.4	7.8	18.2	14.6	24.1
Operating Expense	196.5	216.6	-9.2	98.6	98.0	0.6
G&A Expenses	177.6	182.1	-2.5	87.1	90.5	-3.8
Commission Expense	21.2	29.9	-29.0	10.1	11.1	-8.2
Provision for Credit Losses	-2.2	4.5	n.a.	1.4	-3.6	n.a.
Operating Income	34.6	64.3	-46.2	4.7	29.9	-84.3
Net Income	33.3	53.3	-37.5	9.5	23.7	-59.8
Net Capital Ratio(%)	732.8	630.1	102.7%p	732.8	797.8	-65%p
ROE	3.1%	5.2%	-2.1%p	3.1%	4.4%	-1.3%p
ROA	0.5%	1.0%	-0.5%p	0.5%	0.7%	-0.2%p



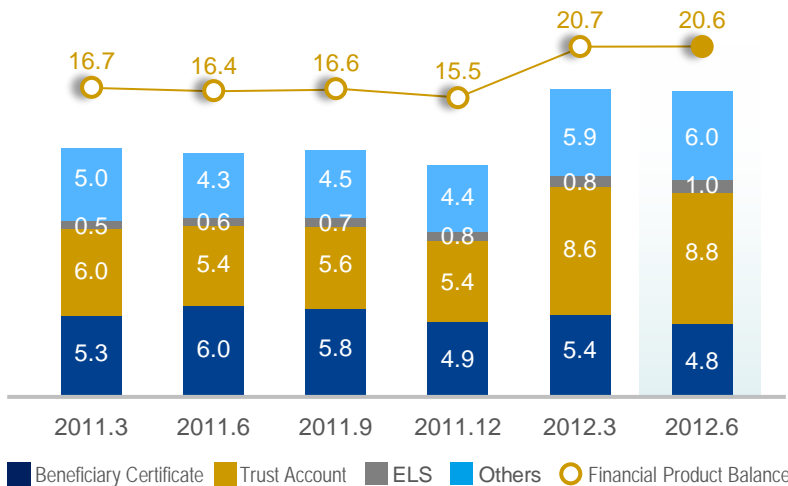
Fees & Commission (%)



Fees & Commission

(KRW bil.)	1H12	1H11	YoY%	2Q12	1Q12	QoQ%
Fees & Commission	148.4	197.4	-24.9	60.8	87.5	-30.5
Brokerage Commission	118.8	162.5	-26.9	48.8	70.0	-30.2
Financial Product Fees	13.3	14.6	-8.7	6.5	6.8	-4.5
IB	14.7	20.1	-27.1	4.5	10.2	-56.4
Others	1.6	0.3	510.8	1.0	0.5	96.4

Financial Products (Note) (KRW tril.)



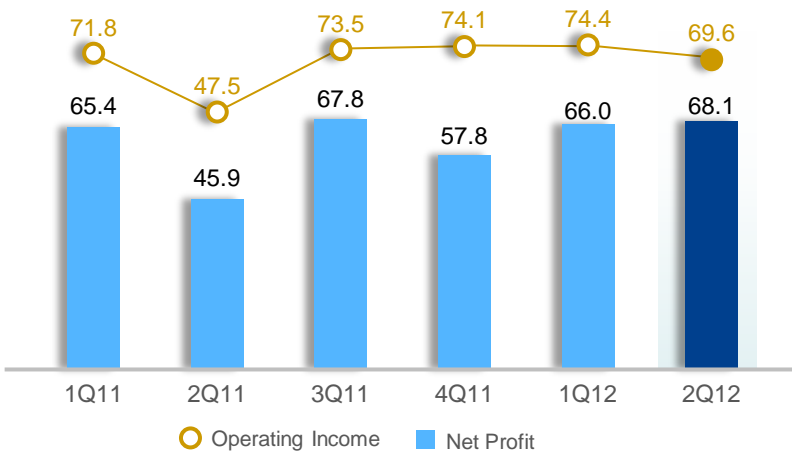
Balance of Financial Products

(KRW tril.)	2012.6	2011.12	YTD%	2012.3	QoQ%
Financial Products	20.6	15.5	32.8	20.7	-0.3
Beneficiary Certificate	4.8	4.9	-2.5	5.4	-10.5
Trust Account	8.8	5.4	63.0	8.6	2.3
ELS	1.0	0.8	26.4	0.8	19.5
Others	6.0	4.4	36.3	5.9	2.6

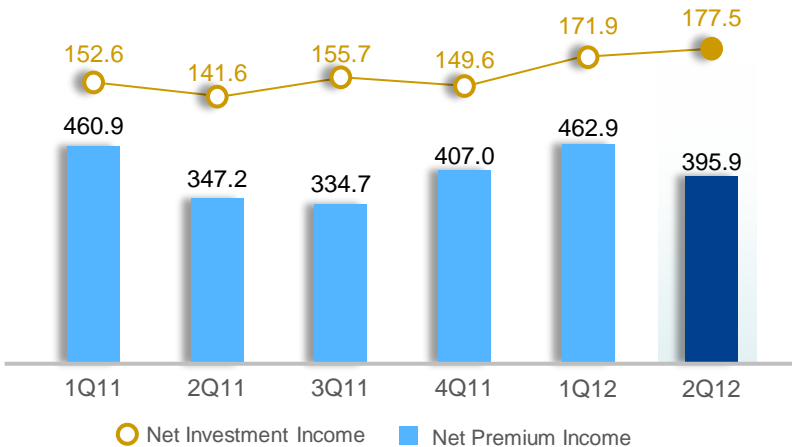
Note) Sum of Beneficiary Certificate, Trust Account, Wrap, ELS, RP, Micro Debentures



Net Income (KRW bil.)



Total Income (KRW bil.)



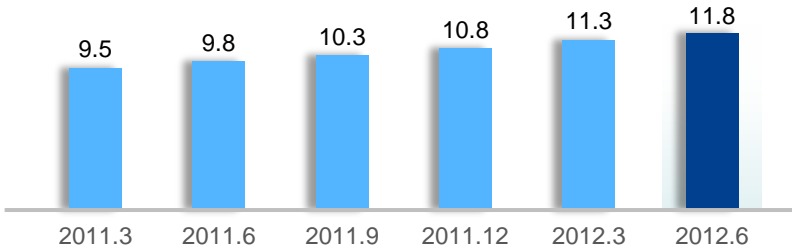
Condensed I/S & Key Financial Indices

(KRW bil.)	1H12	1H11	YoY%	2Q12	1Q12	QoQ%
Total Income	1,232.1	1,128.3	9.2	587.2	644.9	-8.9
Net Premium Income	858.8	808.1	6.3	395.9	462.9	-14.5
Net Investment Income	349.4	294.2	18.7	177.5	171.9	3.3
Special Account/Others	23.9	26.0	-8.0	13.8	10.1	36.6
Policy Reserve Write Back(Δ)	1,064.2	983.0	8.3	503.8	560.4	-10.1
Operating Income	144.0	119.3	20.7	69.6	74.4	-6.4
Net Income	134.0	111.3	20.4	68.1	66.0	3.2
Solvency Margin Ratio (%)	284.9	325.8	-40.9%p	284.9	309.0	-24.1%p
ROE	22.0%	21.2%	0.8%p	22.0%	21.8%	0.2%p
ROA	1.8%	1.8%	0.1%p	1.8%	1.8%	0.0%p

Note) ROE, ROA computed on a quarterly average basis

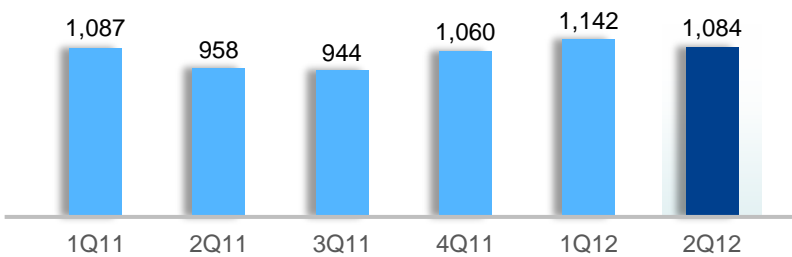


Operating Assets (KRW tril.)



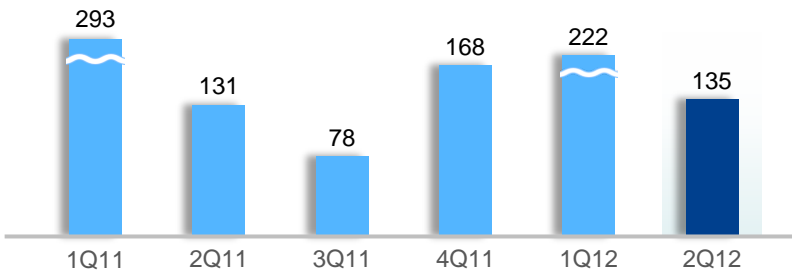
Note) Excluding Retirement Pension

Premium Received (KRW bil.)



Note) Excluding Retirement Pension

New Premium (KRW bil.)



Note) Excluding Retirement Pension

Operating Assets & Special Account Assets

(KRW bil.)	2012.6	2011.12	YTD%	2012.3	QoQ%
Operating Assets	11,783.9	10,775.9	9.4	11,323.2	4.1
Fixed Income	5,825.2	6,184.8	-5.8	6,463.1	-9.9
Loans	3,274.2	2,957.4	10.7	3,059.4	7.0
Equities	211.4	136.8	54.5	184.3	14.7
Cash & Deposits	1,493.8	882.9	69.2	864.3	72.8
Others	979.3	614.0	59.5	752.1	30.2
Special Account	1,765.2	1,657.6	6.5	1,779.2	-0.8

Premium Breakdown

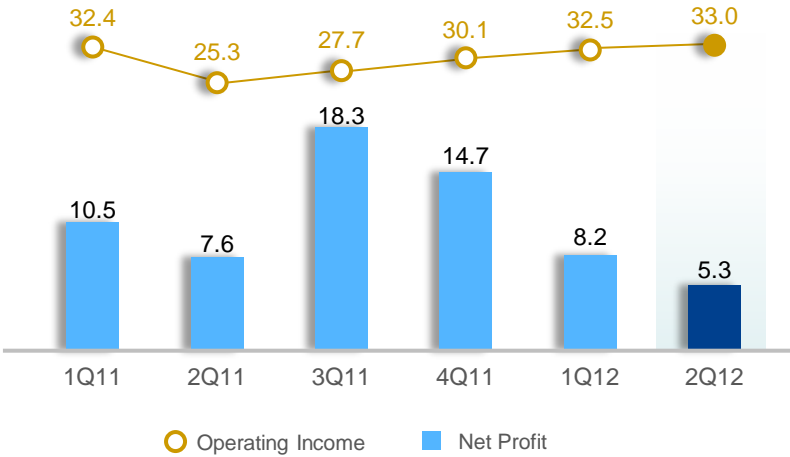
(KRW bil.)	2012	2012		2011	2011			
		1Q	2Q		1Q	2Q	3Q	4Q
Prem. Received	2,226	1,142	1,084	4,049	1,087	958	944	1,060
New Premium	357	222	135	670	293	131	78	168

Note) Excluding Retirement Pension



Net Income

(KRW bil.)

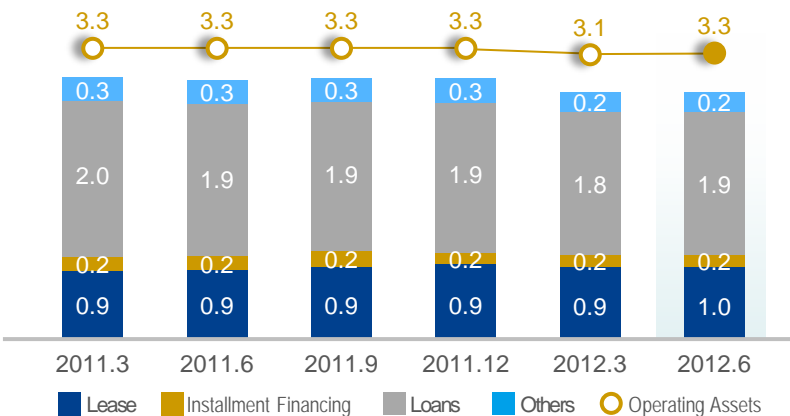


Condensed I/S & Key Financial Indices

(KRW bil.)	1H12	1H11	YoY%	2Q12	1Q12	QoQ%
Operating Revenue	171.2	212.5	-19.4	79.7	91.5	-12.8
Operating Expense	105.8	154.8	-31.7	46.8	59.0	-20.7
(Interest Expense)	66.2	71.5	-7.3	32.6	33.7	-3.2
(G&A Expenses)	10.7	9.5	13.3	5.4	5.3	1.4
Operating Income	65.4	57.7	13.5	33.0	32.5	1.5
Provision for Credit Losses	47.6	29.8	59.6	25.6	22.0	16.7
Net Income	13.4	18.1	-25.7	5.3	8.2	-35.5
ROE	5.6%	8.1%	-2.5%p	5.6%	6.4%	-0.8%p
ROA	0.8%	1.0%	-0.2%p	0.8%	0.9%	-0.1%p

Operating Assets

(KRW tril.)



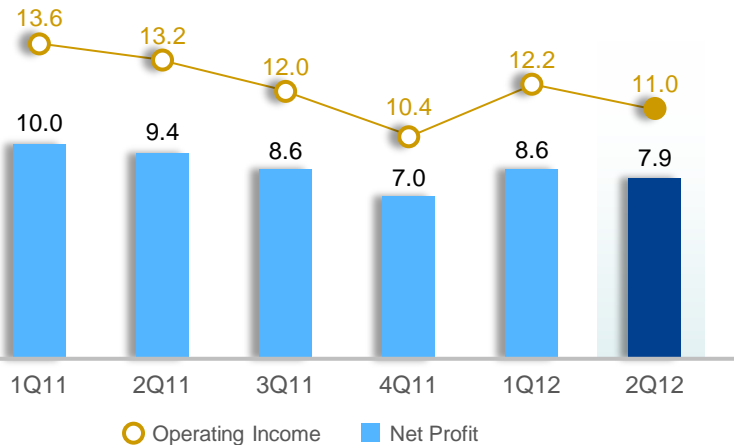
Operating Assets

(KRW tril.)	2012.6	2011.12	YTD%	2012.3	QoQ%
Operating Assets	3.3	3.3	0.7	3.1	4.3
Lease	1.0	0.9	3.3	0.9	7.1
Installment Financing	0.2	0.2	18.6	0.2	6.4
Loans	1.9	1.9	-1.2	1.8	4.3
Others	0.2	0.3	-23.1	0.2	-7.5



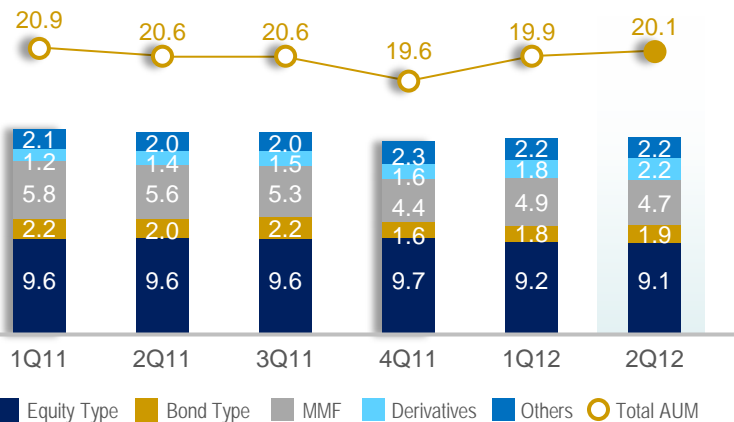
Net Income

(KRW bil.)



Assets Under Management

(KRW tril.)



Condensed I/S & Key Financial Indices

(KRW bil.)	1H12	1H11	YoY%	2Q12	1Q12	QoQ%
Operating Revenue	51.2	58.2	-12.0	25.0	26.2	-4.6
Operating Expense (G&A Expenses)	28.0	31.4	-10.8	14.0	14.0	0.0
Operating Income	23.2	26.8	-13.4	11.0	12.2	-9.8
Net Income	16.5	19.4	-14.9	7.9	8.6	-8.1
ROE	23.8%	28.0%	-4.2%p	23.8%	23.0%	0.8%p

Assets Under Management

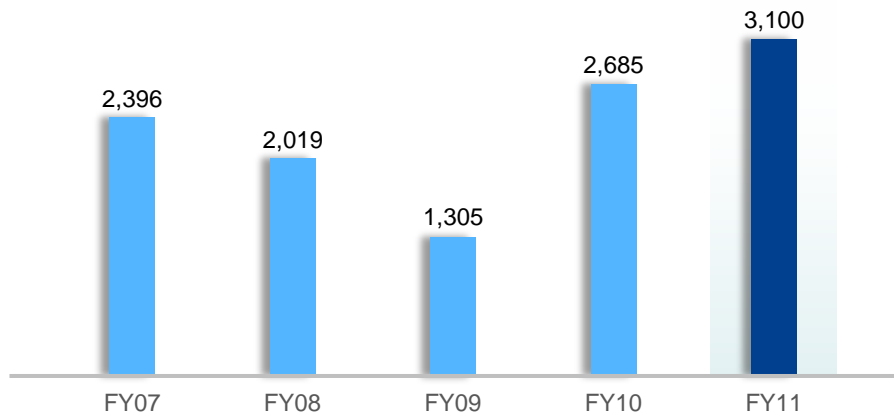
(KRW tril.)	2012.6	2011.12	YTD%	2012.3	QoQ%
Total AUM	20.1	19.6	2.6	19.9	1.0
Equity Type	9.1	9.7	-6.2	9.2	-1.1
Bond Type	1.9	1.6	18.8	1.8	5.6
MMF	4.7	4.4	6.8	4.9	-4.1
Derivatives	2.2	1.6	37.5	1.8	22.2
Others	2.2	2.3	-4.3	2.2	0.0



Key Financial Indices

Group Net Income

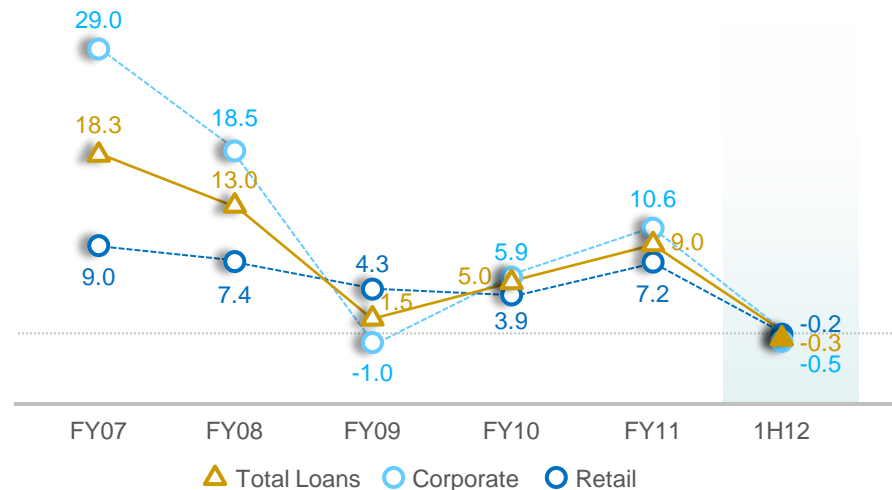
(KRW bil.)



Note) Figs. for 2007~2009 K-GAAP

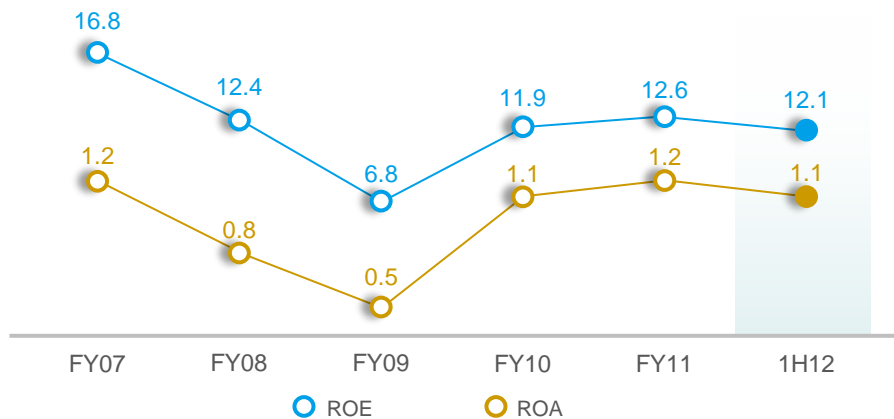
SHB Loan Growth Rate

(%)



ROA / ROE

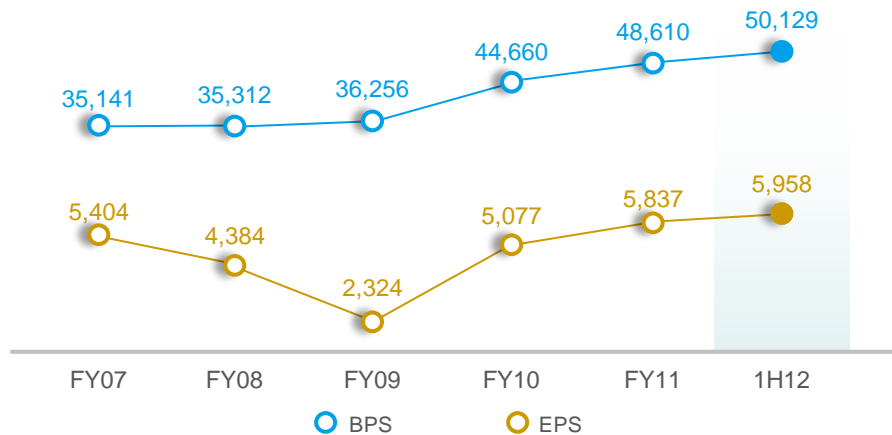
(%)



Note) ROE based on common stock (including RCPS), figures for 2007~2009 K-GAAP

BPS / EPS

(KRW)



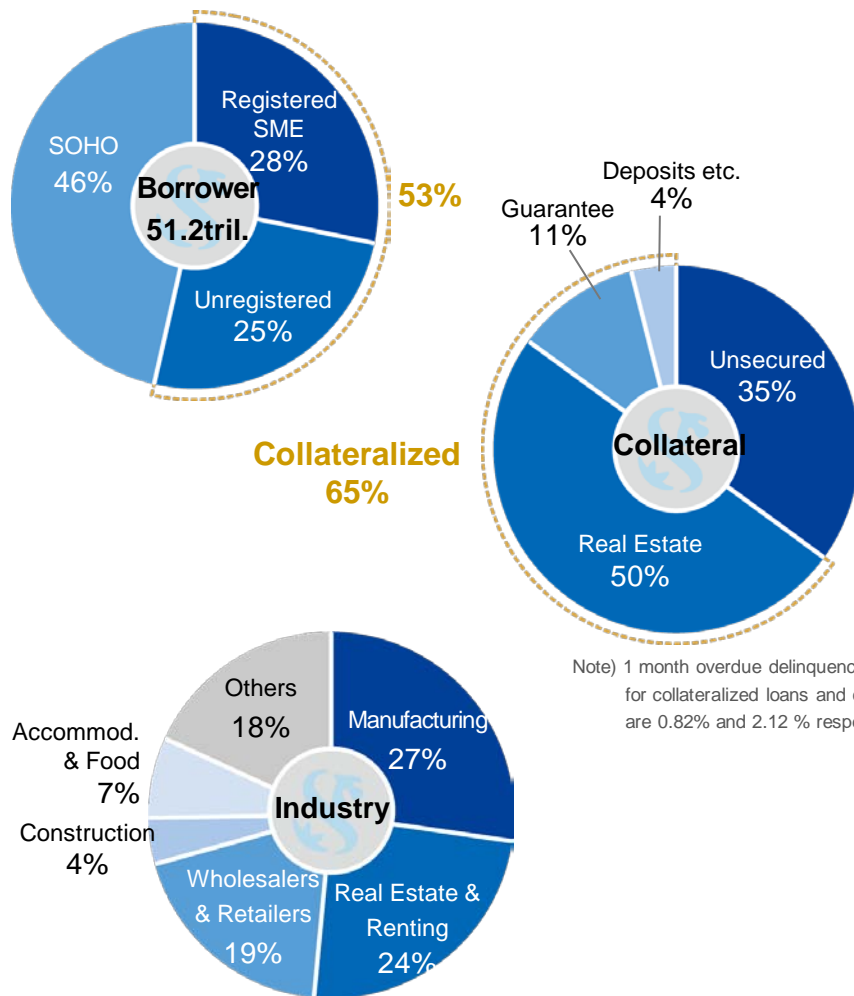
Note) Based on common stock (including RCPS) and figures for 2007~2009 K-GAAP



Shinhan Bank SME Loans

SME Loans Note)

(As of Jun. 30, 2012)



Note) 1 month overdue delinquency ratio for collateralized loans and credit loans are 0.82% and 2.12 % respectively

Note) Loans in KRW basis

Delinquency Ratio by Industry

(%)

	2012.6	2011.12	YTD%p	2012.3	QoQ%p
Manufacturing	0.72	0.70	0.02	1.07	-0.35
Real Estate & Renting	2.18	1.86	0.32	2.38	-0.20
Wholesalers/Retailers	0.69	0.41	0.28	0.77	-0.08
Construction	2.55	1.92	0.63	2.63	-0.08
Total	1.24	1.04	0.20	1.44	-0.20

(As of Jun. 30, 2012)

(%)

