SHG LISTED NYSE

FY 2012
Business Results

February 2013

SHINHAN FINANCIAL GROUP

Disclaimer Statement

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

For comparison purposes 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.

3) On November 30, 2012, Shinhan AITAS Co., Ltd. joined Shinhan Financial Group (hereafter SFG) as a direct subsidiary. Prior to November 30, 2012, Shinhan AITAS was an indirect subsidiary of SFG under Shinhan Bank, a wholly-owned bank subsidiary of SFG. Therefore financial statements of Shinhan AITAS before the date were consolidated within Shinhan Bank.

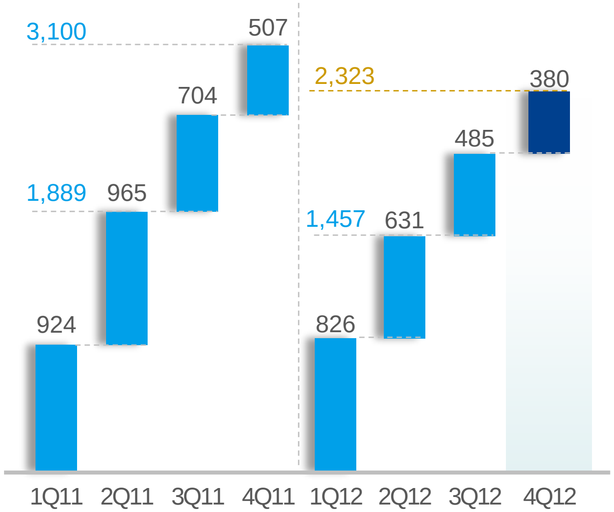
This presentation material is available at our website : www.shinhangroup.com

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

Contents

FY 2012 Business Results Highlights (1)

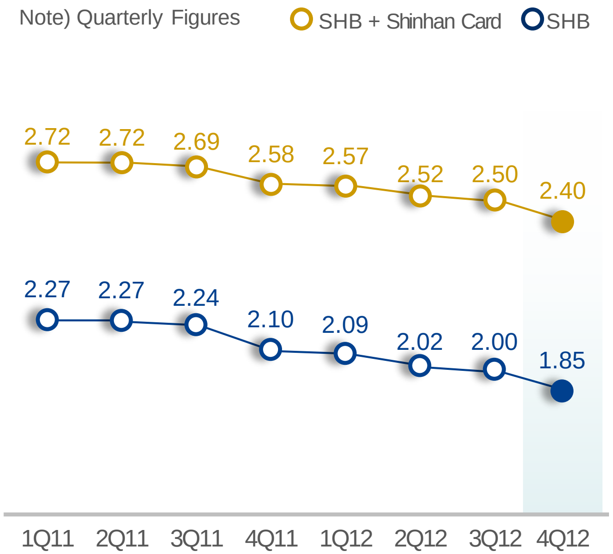
Group Net Income (KRW bil.)



FY2012 Net Income : KRW 2,322.7 bil.
(During 4Q12, KRW 380.1 bil.)

- Group net income decreased by 25.1% YoY and 21.6% QoQ.
- Interest income decreased by 5.9% QoQ, driven by rapid fall in the lending rate reflecting base rate cut by BOK in October.
- Non-interest income fell 55.0% QoQ due to one-off valuation losses stemming from derivative exposure against vulnerable shipbuilders and implementation of new merchant fee standard.
- SG&A and credit cost decreased by 11.8% and 23.1% QoQ respectively, maintaining at a stable level.

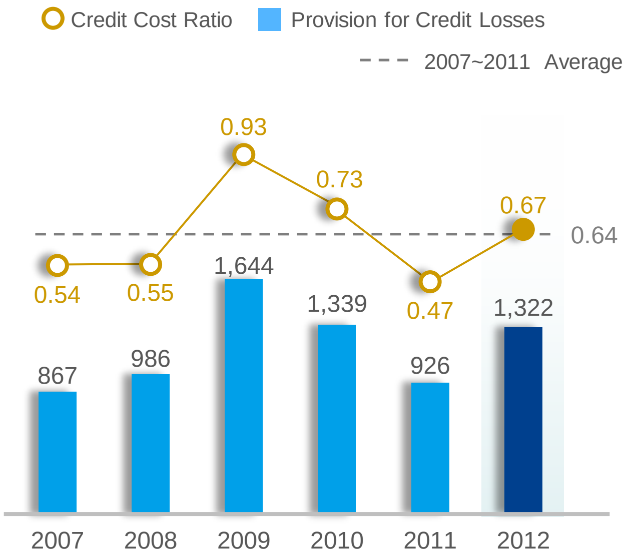
NIM (%)



2012 4Q Bank NIM : 1.85%,
Group NIM 2.40%

- Group and SHB's NIM each marked 2.40% and 1.85% QoQ, down by 10bp and 15bp, respectively.
- During 4Q12, SHB's retreat in NIM was largely due to the base rate cut by BOK in October. Excluding one-off recognition of overdue interest recovery during 3Q which accounts 4bp, NIM decreased by about 11bp during 4Q.
- Credit card NIM improved by 58bp YoY to 7.50% primarily due to funding cost reduction.

Credit Cost Ratio (%, KRW bil.)



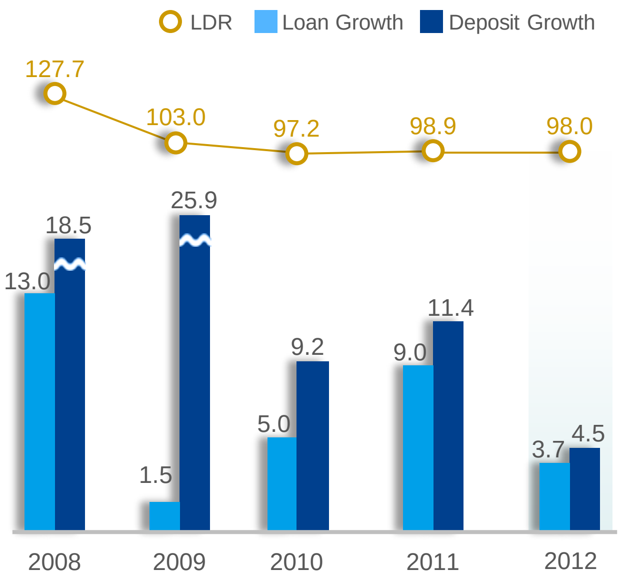
FY2012 Credit Cost 0.67%
(3bp over the 5-year average)

- Group's credit cost escalated 20bp YoY while it remained flat QoQ.
- SHB's 4Q provision for credit loses decreased by 32.8%(89.2bil.) QoQ to 182.8bil. reflecting continued reduction of bad loans along with stabilizing asset quality and elimination of one-off provisions related to court receivership of Woongjin during previous quarter.
- Shinhan Card's 4Q provision for credit loses decreased by 22.6%(20.1bil.) QoQ to 68.8bil. attributed to improving asset quality despite slight decrease in recovery from written-off assets.

FY 2012 Business Results Highlights (2)

Loans & Deposits

(%)

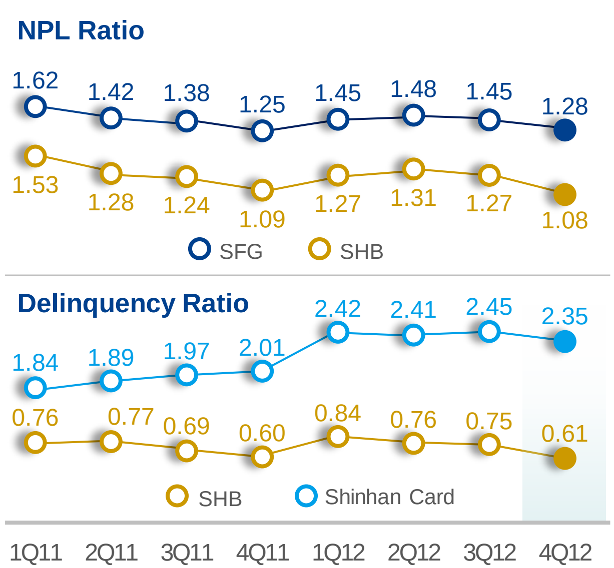


FY2012 Loan/Deposit growth at 3.7%,4.5%
LDR stable at 98.0%

- KRW loan balance as end of 2012 marked 144 tril. up 3.7% YTD, mostly led by active loan growth within unsecured household loans and SOHO loans.
- Deposit increased by 4.5% YTD to reach 147 tril., attributed to stable increase in time deposits and low cost deposits reflecting favorable funding environment.
- LDR stood at 98% remaining at a stable level.

NPL / Delinquency Ratio

(%)

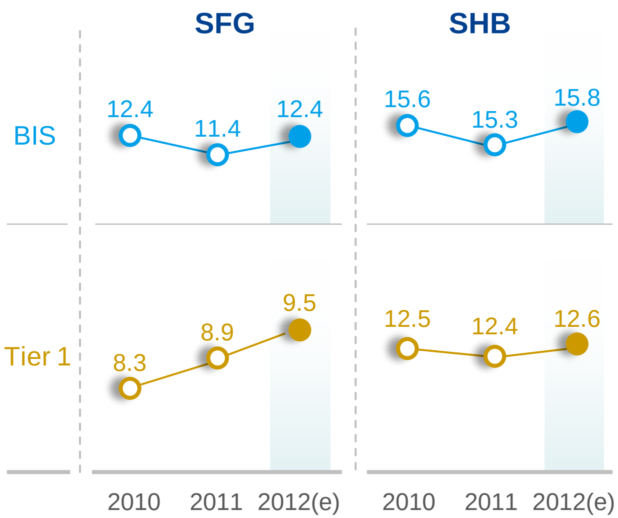


Group NPL ratio : 1.28%,
Bank Delinquency ratio : 0.61%

- NPL ratio for the Group and SHB recorded 1.28% and 1.08%, decreasing 0.17%p and 0.19%p respectively.
- SHB delinquency ratio improved by 0.14%p to 0.61%. Credit card delinquency ratio maintained at stable level of 2.35%.
- During 2012, the total amount of NPL write-offs/sales reached 1,857.2bil, decreased by 4.7%(92.8bil) YoY.

Capital Adequacy

(%)



2012 Group Tier1 ratio : 9.5%,
Bank Tier1 ratio : 12.6%

- Group's Tier1 marked 9.5% improving 0.6%p YoY, driven by growth in earnings and maintaining stable level of risk weighted assets. (Basel 1 standard)
- SHB's Tier1 increased 0.2%p YoY to 12.6%, continuously maintaining a competitive level of capital adequacy. (Basel 2, F-IRB standard)

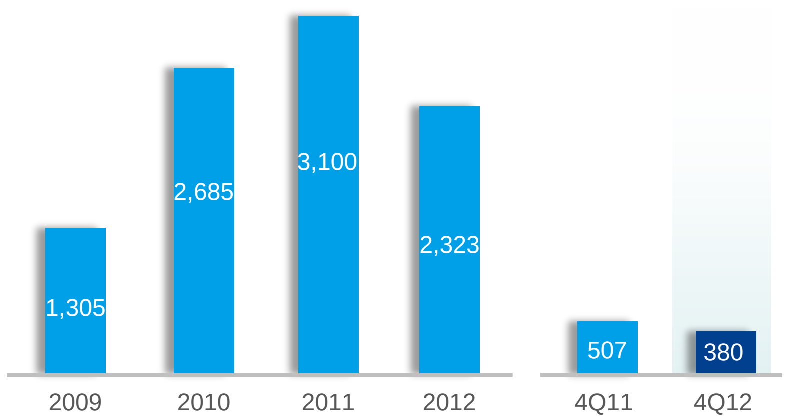
Ⅱ. Income Statements

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

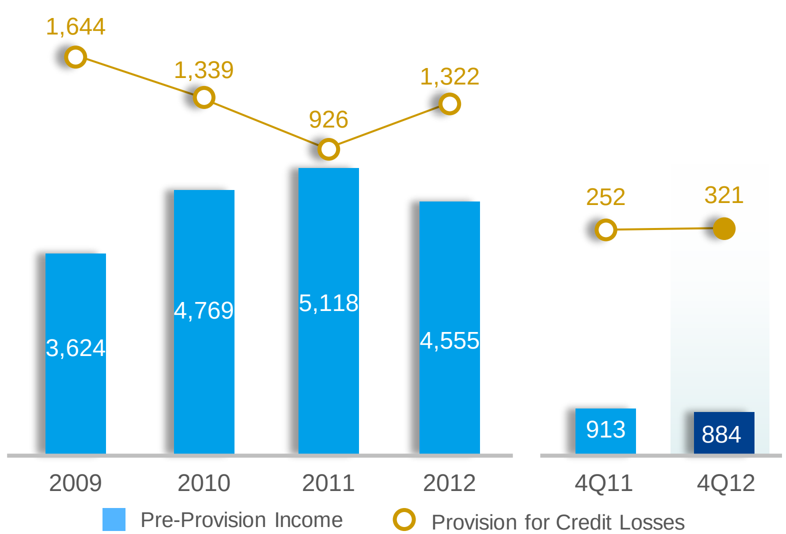
(KRW bil.)



Note) Figs. for 2009 K-GAAP

Pre-Provision Income & PCL

(KRW bil.)



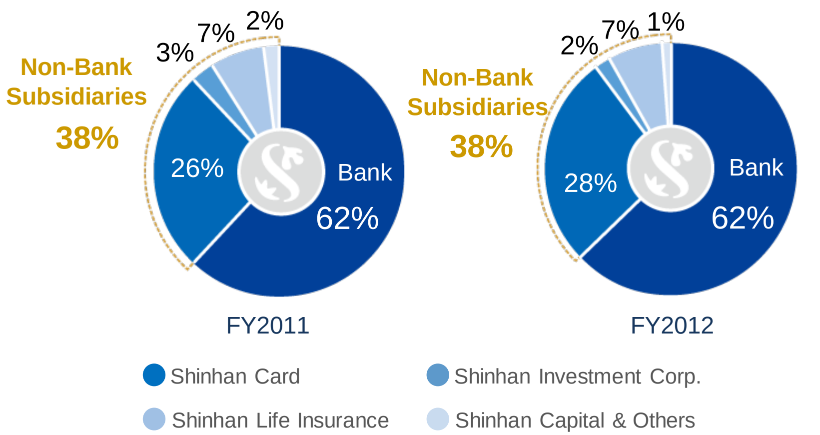
Note) Figs. for 2009 K-GAAP

(KRW bil.)	FY12 (Acc.)	FY11 (Acc.)	YoY%	4Q12	3Q12	QoQ%
Total Operating Income (a=b+c)	8,587.0	9,195.8	-6.6	1,858.4	2,179.7	−14.7
Interest Income (b)	6,974.2	7,080.0	-1.5	1,682.0	1,787.2	−5.9
Non-Interest Income (c)	1,612.8	2,115.9	-23.8	176.4	392.5	−55.0
G&A Expenses (d)	4,059.6	4,135.4	-1.8	982.4	1,113.7	−11.8
Pre-Provision Oper. Income (e=a-d)	4,527.4	5,060.5	-10.5	876.0	1,066.0	−17.8
Other (f)	27.5	57.8	-52.3	7.8	6.7	15.8
Pre-Provision Income (g=e+f)	4,555.0	5,118.3	-11.0	883.8	1,072.7	−17.6
Provision for Credit Losses (h)	1,321.9	925.7	42.8	321.1	417.5	−23.1
Earnings before Income Tax (i=g-h)	3,233.0	4,192.6	-22.9	562.7	655.2	−14.1
Income Tax	738.9	919.9	-19.7	138.0	128.6	7.3
Consolidated Net Income [1)]	2,322.7	3,100.0	-25.1	380.1	485.0	−21.6

Note 1) Net Income in Controlling Interest

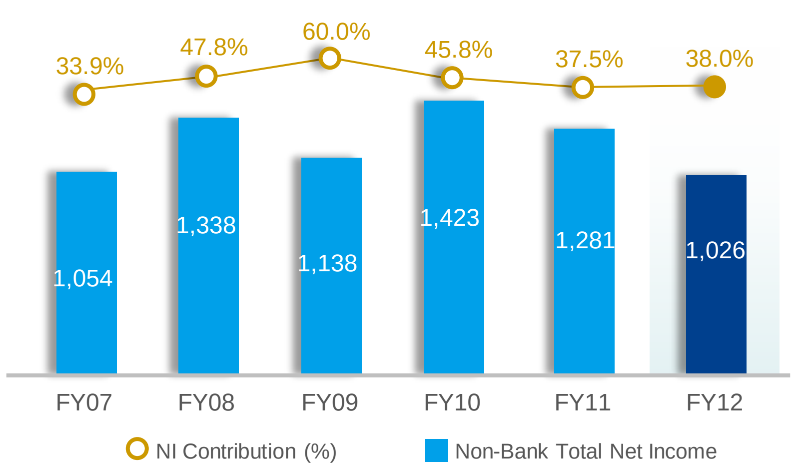
Subsidiaries Income (1)

Net Income Contribution by Subsidiaries



Net Income Contribution by Non-Bank Subsidiaries Note)

(KRW bil.)



Note) After reflecting ownership by SFG, NI for 2007~2009 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)	1,684.1		1,675.6	-171.9	1,503.7
Shinhan Bank	1,656.8	100.0%	1,656.8	-171.9	1,484.9
Jeju Bank	27.3	68.9%	18.8	0.0	18.8
Non-Bank (b)	1,037.3		1,026.3	9.3	1,035.6
Shinhan Card	749.8	100.0%	749.8	7.6	757.3
Shinhan Investment Corp.	63.9	100.0%	63.9	-0.4	63.5
Shinhan Life Insurance	209.4	100.0%	209.4	3.2	212.6
Shinhan BNPP AM	31.3	65.0%	20.3	-0.3	20.1
Shinhan Capital	4.7	100.0%	4.7	-0.2	4.4
Shinhan Savings Bank	-23.4	100.0%	-23.4	-1.2	-24.6
Shinhan Data System	0.9	100.0%	0.9	0.2	1.2
Shinhan AITAS	-0.5	99.8%	-0.5	0.5	0.0
Shinhan Credit Information	0.0	100.0%	0.0	0.0	0.0
Shinhan PE Investment Mgnt.	1.2	100.0%	1.2	-0.2	1.0
SFG (c)				-216.5 [2]	-216.5
Total (d=a+b+c) [1]	2,721.3		2,701.9	-379.2	2,322.7

Note) 1) Net Income in Controlling Interest

2) SFG (Separate): Brand Fee KRW 114.3bil., Interest Expense KRW -267.1 bil., G&A etc. KRW -63.2 bil.

Subsidiaries Income (2)

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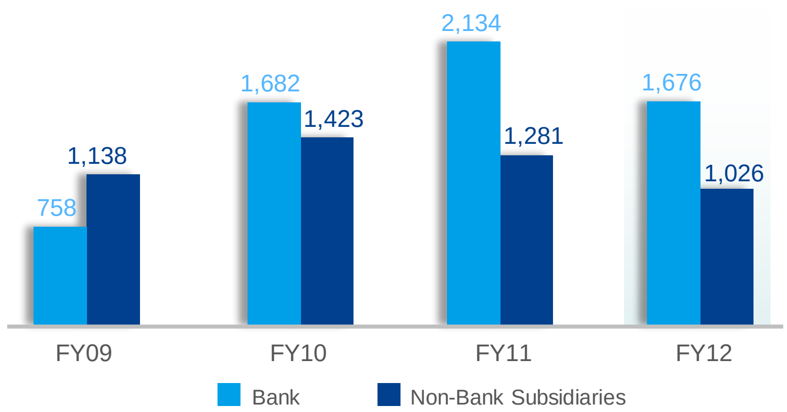
Bank / Non-Bank Net Income

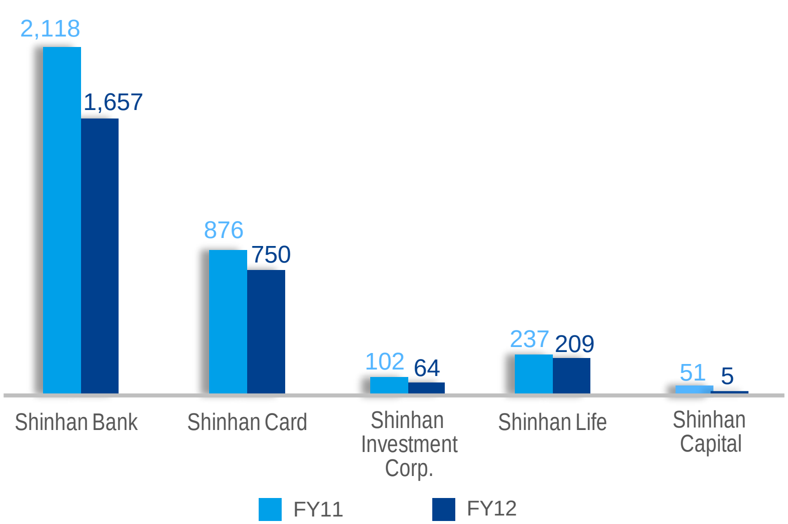
(KRW bil.)



Note) Figs. for 2009 K-GAAP

Net Income by Subsidiaries

(KRW bil.)



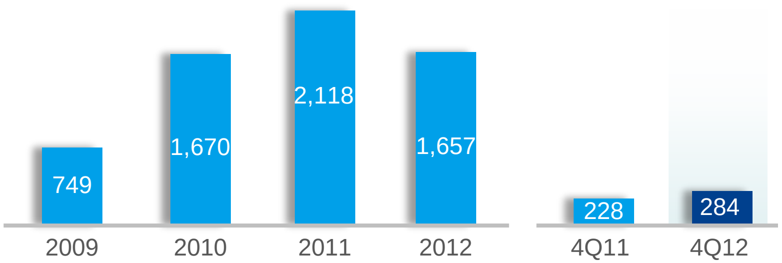
(Reflecting SFG Ownership, KRW bil.)	FY12 (Acc.)	FY11 (Acc.)	YoY%	4Q12	3Q12	QoQ%
Bank (a)	1,675.6	2,133.9	-21.5	291.7	327.1	-10.8
Shinhan Bank	1,656.8	2,118.4	-21.8	283.7	324.8	-12.7
Jeju Bank	18.8	15.4	21.7	8.0	2.3	248.9
Non-Bank (b)	1,026.3	1,281.1	-19.9	163.6	247.9	-34.0
Shinhan Card	749.8	875.9	-14.4	160.1	158.6	1.0
Shinhan Investment Corp.	63.9	101.7	-37.2	2.0	28.7	-93.1
Shinhan Life Insurance	209.4	236.9	-11.6	23.4	52.0	-54.9
Shinhan BNPP AM	20.3	22.8	-10.7	4.7	4.9	-2.9
Shinhan Capital	4.7	51.1	-90.9	-16.2	7.4	n.a.
Shinhan Savings Bank	-23.4	-0.1	n.a.	-10.2	-4.4	n.a.
Shinhan Data System	0.9	1.1	-10.5	-0.4	0.4	n.a.
Shinhan AITAS	-0.5	-	n.a.	-0.5	-	n.a.
Shinhan Credit Information	0.0	-0.7	n.a.	0.2	-0.2	n.a.
Shinahn PE Investment Mgnt.	1.2	-7.6	n.a.	0.4	0.5	-30.5
Total (a+b)	2,701.9	3,414.9	-20.9	455.4	575.0	-20.8
Consolidate Net Income[1)]	2,322.7	3,100.0	-25.1	380.1	485.0	-21.6

1) Net Income in Controlling Interest

SHB Income / NIM

Net Income

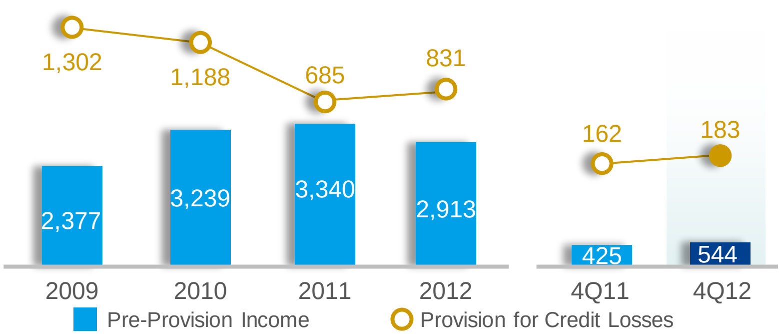
(KRW bil.)



Note) Figs. for 2009 K-GAAP

Pre-Provision Income & PCL

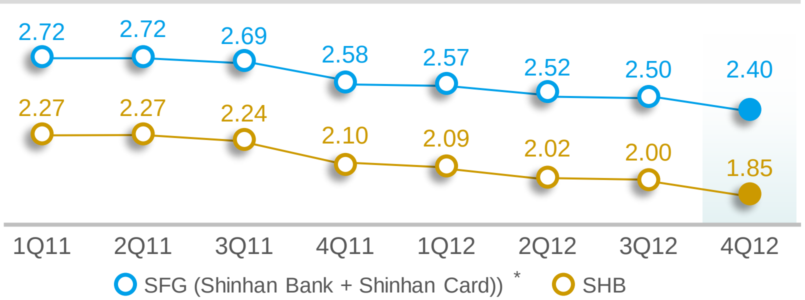
(KRW bil.)



Note) Figs. for 2009 K-GAAP

Group NIM

(%)



Note) Quarterly basis

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

(KRW bil.)	FY12 (Acc.)	FY11 (Acc.)	YoY%	4Q12	3Q12	QoQ%
Total Operating Income (a=b+c)	5,615.9	6,130.8	-8.4	1,175.1	1,424.7	-17.5
Interest Income (b)	4,751.6	4,971.1	-4.4	1,133.4	1,204.4	-5.9
Non-Interest Income (c)	864.3	1,159.7	-25.5	41.7	220.3	-81.1
G&A Expenses (d)	2,724.7	2,819.9	-3.4	634.7	776.8	-18.3
Pre-Provision Oper.Income (e=a-d)	2,891.1	3,310.9	-12.7	540.4	647.9	-16.6
Other (f)	21.9	29.0	-24.5	3.9	5.3	-26.1
Pre-Provision Income (g=e+f)	2,913.0	3,339.9	-12.8	544.3	653.2	-16.7
Provision for Credit Losses (h)	831.4	685.0	21.4	182.8	272.0	-32.8
Earnings before Income Tax (i=g-h)	2,081.6	2,654.9	-21.6	361.4	381.2	-5.2
Net Income [1)]	1,656.8	2,118.4	-21.8	283.7	324.8	-12.7

Note) Net Income in Controlling Interest

(%)	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12
NIS (a-b) (cumulative figures)	2.45	2.46	2.46	2.41	2.23	2.19	2.17	2.11
Loan interest rate (a)	5.40	5.49	5.54	5.54	5.47	5.43	5.36	5.25
Deposit interest rate (b)	2.96	3.03	3.08	3.13	3.24	3.24	3.20	3.14
NIM(quarterly)	2.27	2.27	2.24	2.10	2.09	2.02	2.00	1.85
NIM(cumulative figures)	2.27	2.27	2.26	2.22	2.09	2.05	2.03	1.99

SHB Non-Interest Income / G&A Expenses

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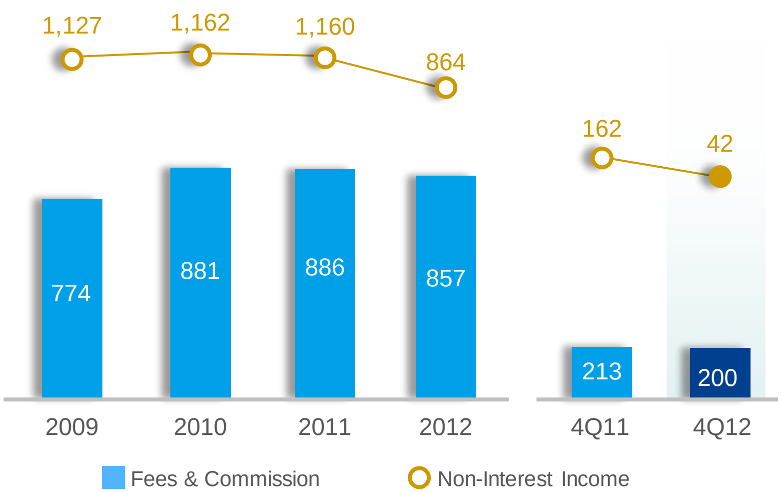
Fees and Commission

(KRW bil.)

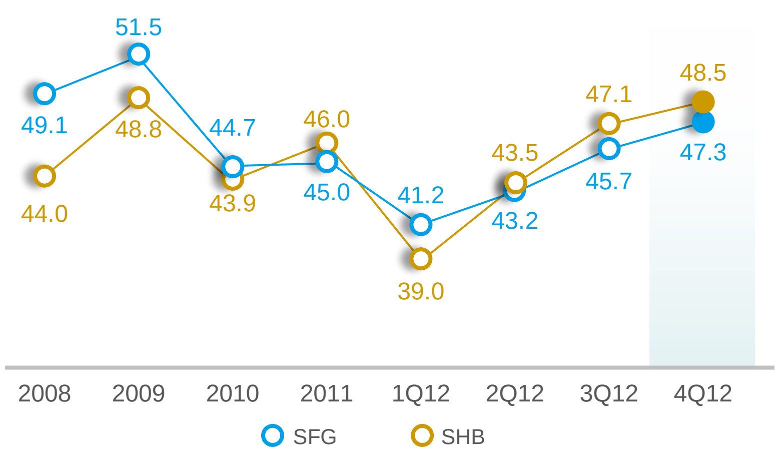


Note) Figs. for 2009 K-GAAP

(KRW bil.)	FY12 (Acc.)	FY11 (Acc.)	YoY%	4Q12	3Q12	QoQ%
Non-Interest Income	864.3	1,159.7	-25.5	41.7	220.3	-81.1
Fees & Commission	856.6	885.6	-3.3	200.3	222.7	-10.0
(Fund)	122.6	166.2	-26.2	29.1	28.1	3.5
(Bancassurance)	144.0	95.3	51.1	37.1	41.1	-9.6
(Trust Fees)	60.7	62.2	-2.5	15.9	15.5	2.2
Securities Related	366.1	614.9	-40.5	34.5	68.9	-50.0
FX Trading/Derivatives	159.5	219.4	-27.3	5.1	50.2	-89.8
Others	-517.9	-560.2	n.a	-198.2	-121.5	n.a

Cost-Income Ratio (%)

(%)



Note) Cumulative Figures and Figs. for 2008~2009 K-GAAP

(KRW bil.)	FY12 (Acc.)	FY11 (Acc.)	YoY%	4Q12	3Q12	QoQ%
G&A Expenses	2,724.7	2,819.9	-3.4	634.7	776.8	-18.3
Salary & Employee Benefits	1,240.3	1,270.0	-2.3	256.6	384.2	-33.2
D & A	141.6	153.2	-7.6	34.9	37.1	-6.0
Other Expenses	1,342.8	1,396.6	-3.9	343.2	355.5	-3.4

Shinhan Card Income

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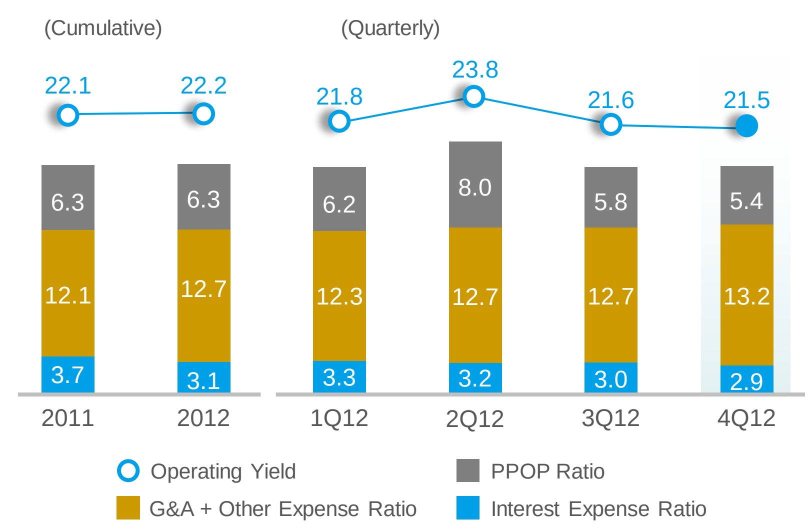
Operating Yield and PPOP Ratio

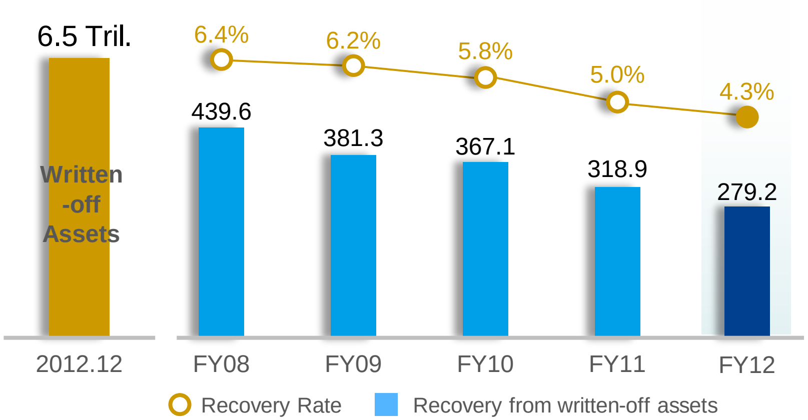
(%)



Note) Net of Derivatives & F/X

Recovery from Written-off Assets

(KRW bil.)



(KRW bil.)	FY12 (Acc.)	FY11 (Acc.)	YoY%	4Q12	3Q12	QoQ%
Operating Revenue (a)	4,594.7	4,526.1	1.5	1,184.8	1,141.9	3.8
Card Business	3,802.6	3,836.0	-0.9	957.8	958.2	0.0
Installment Finance	105.4	108.5	-2.9	25.6	26.2	-2.2
Lease	47.8	53.4	-10.5	10.8	12.1	-10.7
Others	638.9	528.3	20.9	190.5	145.4	31.0
(Derivatives & FX)	172.8	94.9	82.1	83.4	63.6	31.0
Interest Expense (b)	622.0	735.5	-15.4	148.9	152.1	-2.1
G&A Expenses (c)	612.8	656.8	-6.7	164.4	147.1	11.8
Commissions & Other Expenses (d)	2,097.8	1,869.2	12.2	595.1	551.7	7.9
(Derivatives & FX)	159.6	81.3	96.2	80.0	60.3	32.7
Pre-Provision Income (e=a-b-c-d)	1,262.0	1,264.7	-0.2	276.5	291.1	-5.0
Provision for Credit Losses (f)	295.0	164.5	79.3	68.8	88.9	-22.6
Earnings before Income Tax (g=e-f)	967.0	1,100.2	-12.1	207.7	202.2	2.7
Income Tax	217.3	224.2	-3.1	47.6	43.6	9.0
Net Income	749.8	875.9	-14.4	160.1	158.6	1.0

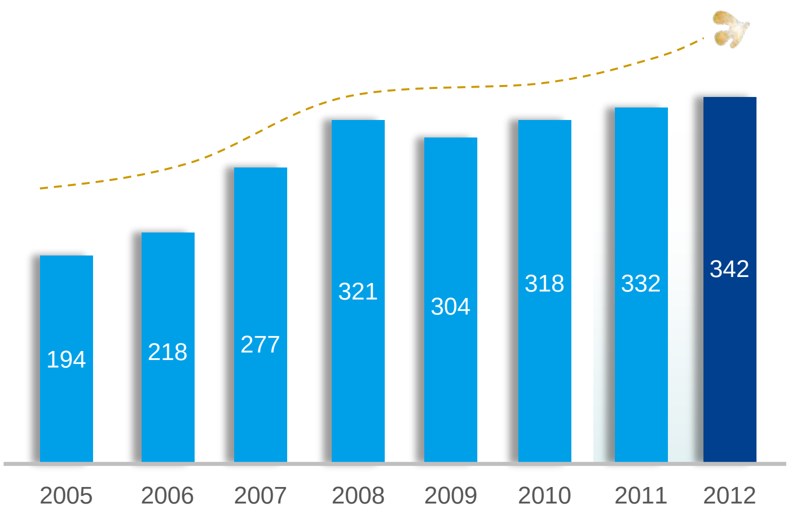
Ⅲ. Assets & Liabilities

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

SFG Asset Growth

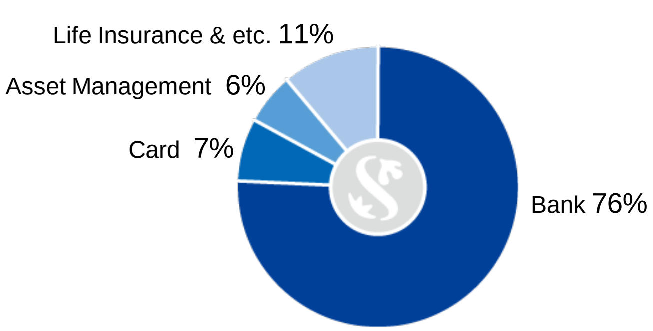
SFG Total Assets

(KRW tril.)



Note) Figs. for 2005~2009 K-GAAP

Asset Contribution by Subsidiary



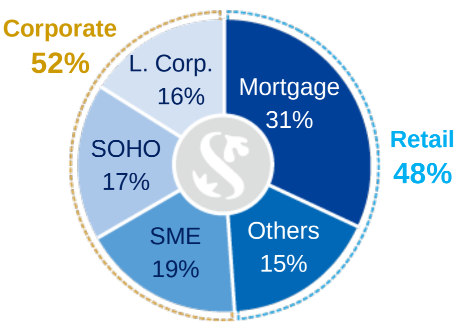
(KRW bil.)	2012.12	2011.12	YTD%	2012.9	QoQ%
Bank (a)	259,439.8	256,640.1	1.1	267,793.7	-3.1
Shinhan Bank	256,196.8	253,471.9	1.1	264,579.7	-3.1
Jeju Bank	3,242.9	3,168.2	2.4	3,214.0	0.9
Non-Bank (b)	79,923.2	72,295.4	10.6	80,219.7	-0.4
Shinhan Card	22,279.9	22,356.9	-0.3	21,556.6	3.4
Shinhan Investment Corp.	16,465.3	12,166.1	35.3	17,450.1	-5.6
Shinhan Life Insurance	16,942.2	13,976.7	21.2	16,122.1	5.1
Shinhan BNPP AM	19,484.2	19,765.6	-1.4	20,106.1	-3.1
Shinhan Capital	3,526.2	3,518.3	0.2	3,576.7	-1.4
Shinhan Savings Bank	636.1	4.0	n.m	857.7	-25.8
Shinhan Data System	16.3	15.5	4.9	18.9	-13.6
Shinhan AITAS	31.0	-	n.a	-	n.a
Shinhan Credit Information	19.2	19.5	-1.6	18.7	2.7
Shinahn PE Investment Mgnt.	421.8	343.2	22.9	400.5	5.3
Others	101.0	129.5	-22.1	112.4	-10.2
Total [Note)]	342,257.9	332,276.5	3.0	350,850.6	-2.4
Consolidate Total Assets	300,848.5	288,041.8	4.4	308,792.8	-2.6

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

SHB Loan / Deposit Growth

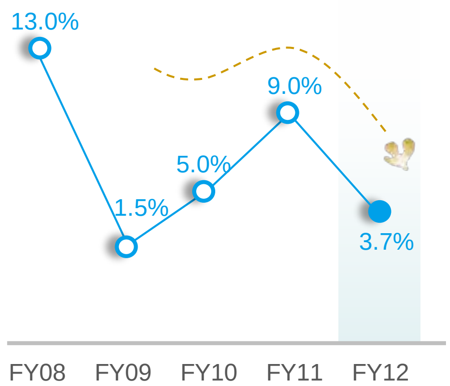
Loan Composition

Note) As of Dec. 31, 2012



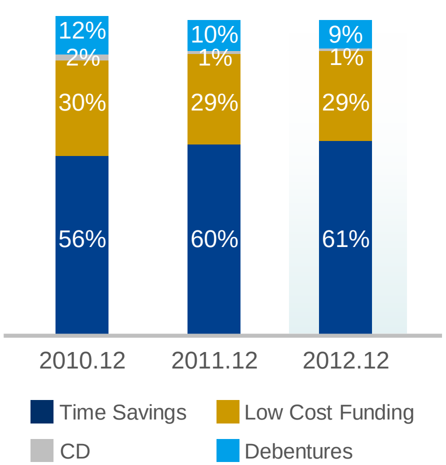
Loan Growth

Note) Loan in KRW basis



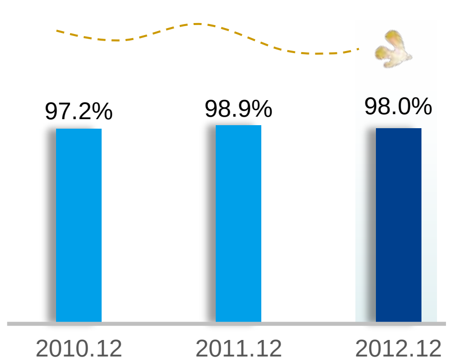
(KRW bil.)	2012.12	2011.12	YTD%	2012.9	QoQ%
Loan in KRW	144,228	139,082	3.7	143,409	0.6
Retail	69,804	65,228	7.0	67,432	3.5
Mortgage	45,668	45,571	0.2	45,227	1.0
Others	24,136	19,657	22.8	22,205	8.7
Corporate	74,424	73,855	0.8	75,977	-2.0
SME	51,324	52,268	-1.8	52,594	-2.4
SOHO	24,984	22,774	9.7	24,617	1.5
Large Corporate etc.	23,101	21,586	7.0	23,382	-1.2
Loan in FX	4,669	5,216	-10.5	5,230	-10.7

Funding Composition



Loan to Deposit Ratio

Note) Excluding CDs & monthly average basis

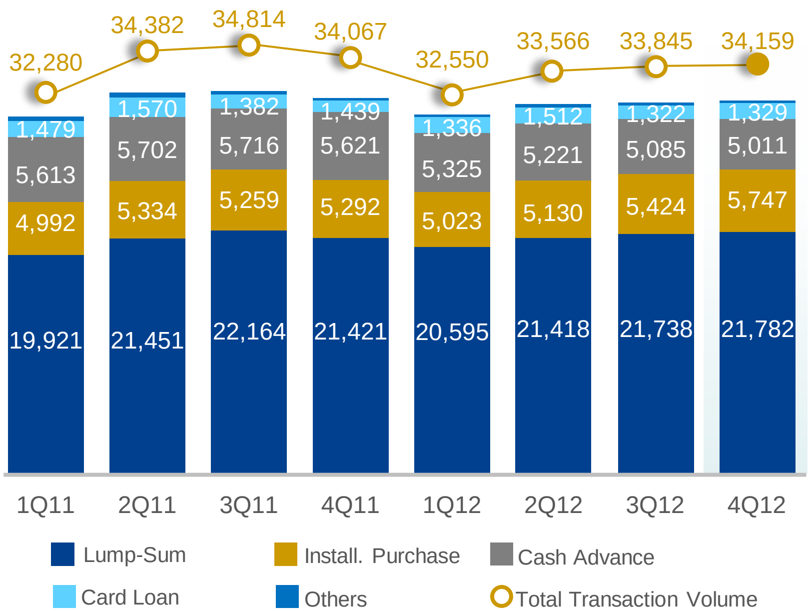


(KRW bil.)	2012.12	2011.12	YTD%	2012.9	QoQ%
Total Deposits in KRW	147,318	140,987	4.5	146,592	0.5
Low Cost Deposits	47,105	45,774	2.9	46,703	0.9
Demand	15,746	14,688	7.2	14,906	5.6
Savings	31,359	31,086	0.9	31,797	-1.4
Other Savings	100,213	95,214	5.3	99,889	0.3
Time Deposits	91,922	88,533	3.8	91,969	-0.1
Accumulative etc.	8,290	6,681	24.1	7,920	4.7
Certificate of Deposits	943	2,463	-61.7	1,161	-18.8
Debentures in KRW	14,644	15,722	-6.9	16,154	-9.4

Shinhan Card Asset Growth

Transaction Volume

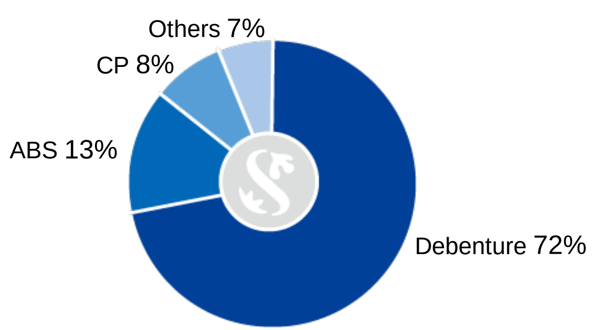
(KRW bil.)



(KRW bil.)	2012.12	2011.12	YTD%	2012.9	QoQ%
Earning Assets	20,027	19,772	1.3	19,527	2.6
Credit Purchase	11,551	11,092	4.1	11,292	2.3
Cash Advances	2,767	3,185	-13.1	2,836	-2.4
Card Loan	3,496	3,566	-2.0	3,481	0.4
(Re-aged Loan)	208	192	8.5	204	1.9
Installment Finance	1,242	1,226	1.3	1,222	1.7
Lease etc.	970	703	38.0	697	39.2
Effective Cardholders (in thousands)	15,070	15,424	-2.3	15,264	-1.3
Merchants (in thousands)	2,755	2,669	3.3	2,735	0.7

Funding Composition

(As of Dec. 31, 2012)



(KRW bil.)	2012.12	2011.12	YTD%	2012.9	QoQ%
Total Funding	12,877	13,910	-7.4	12,588	2.3
Debentures	9,251	10,066	-8.1	8,759	5.6
ABS	1,714	1,384	23.8	1,790	-4.2
CP	1,043	1,500	-30.5	1,048	-0.5
Others	870	960	-9.4	991	-12.2

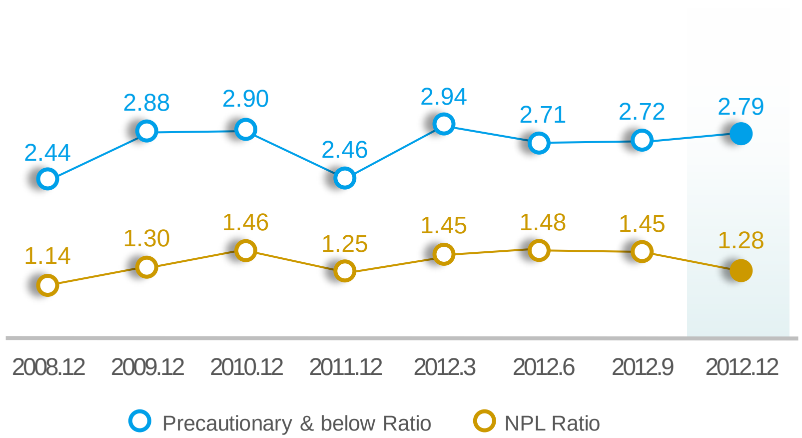
Ⅳ. Asset Quality

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

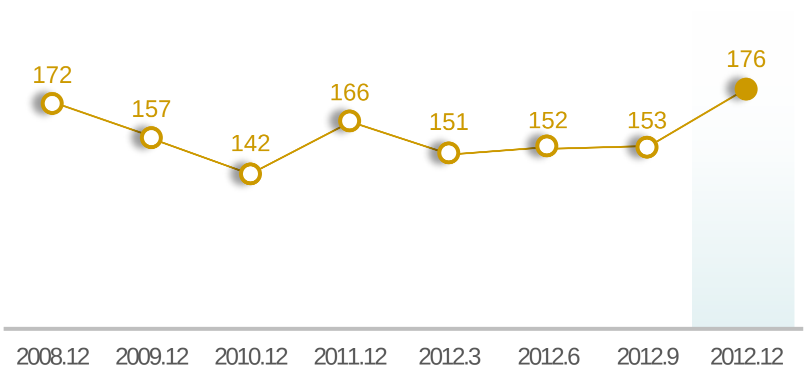
(%)



Note) Figs. for 2008~2009 K-GAAP

NPL Coverage Ratio

(%)



Note) Figs. for 2008~2009 K-GAAP

(KRW bil.)	2012.12	2011.12	YTD%	2012.9	QoQ%
Total Loans [1]	198,149	195,497	1.4	198,744	-0.3
Normal	192,615	190,695	1.0	193,345	-0.4
Precautionary	2,992	2,356	27.0	2,525	18.5
Substandard	1,243	1,305	-4.7	1,333	-6.8
Doubtful	503	470	7.1	552	-9.0
Estimated Loss	796	671	18.6	987	-19.4
Substandard & Below	2,542	2,445	3.9	2,873	-11.5
NPLRatio	1.28%	1.25%	0.03%p	1.45%	-0.17%p
Loan Loss Allowance [2]	4,479	4,054	10.5	4,406	1.7
NPL Coverage Ratio	176%	166%	10%p	153%	23%p
Reserve for credit losses [3]	1,844	1,606	14.8	1,662	11.0

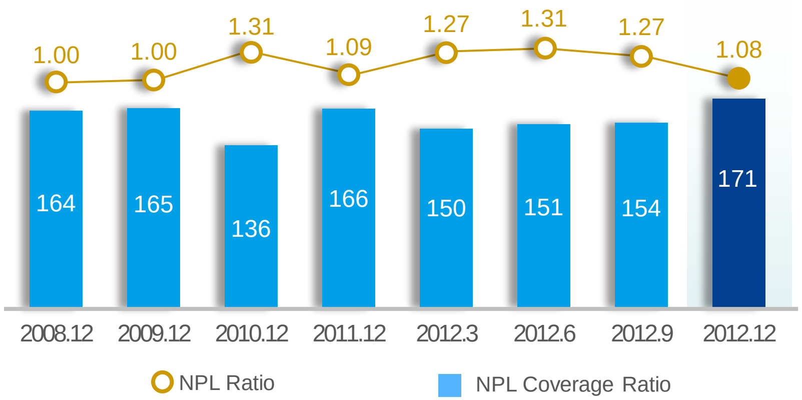
Note 1) Sum of Shinhan Bank, Jeju Bank, Shinhan Card, Shinhan Investment Corp., Shinhan Life Insurance, and Shinhan Capital
2) Sum of IFRS standard LLA and reserves for credit losses, excluding those for contingent acceptances & guarantees and unused credit lines
3) Excluding reserve for contingent acceptances & guarantees and unused credit lines

SHB Asset Quality

SHINHAN FINANCIAL GROUP

NPL Ratio & NPL Coverage Ratio

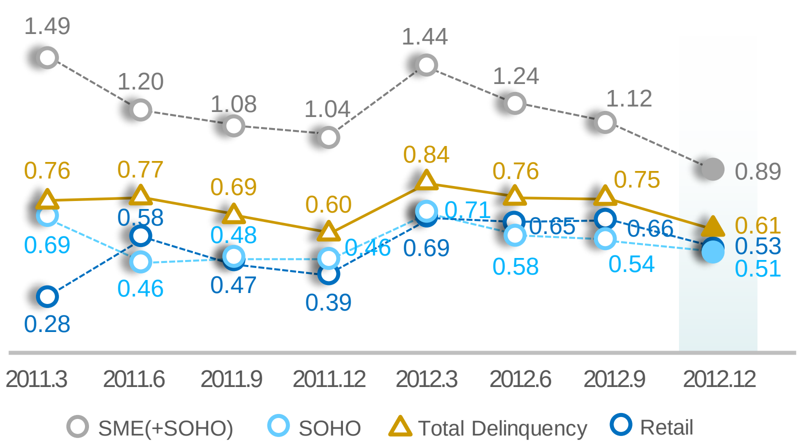
(%)



Note) Figs. for 2008~2009 K-GAAP

Delinquency Ratio

(%)



Note) 1 month overdue

(KRW bil.)	2012.12	2011.12	YTD%	2012.9	QoQ%
Total Loans	167,777	166,433	0.8	169,039	-0.7
Normal	163,852	162,625	0.8	164,856	-0.6
Precautionary	2,111	1,992	6.0	2,044	3.3
Substandard	1,079	1,157	-6.8	1,152	-6.4
Doubtful	333	266	25.5	386	-13.7
Estimated Loss	402	393	2.5	602	-33.1
Substandard & Below	1,814	1,815	-0.1	2,140	-15.2
NPLRatio	1.08%	1.09%	-0.01%p	1.27%	-0.19%p
Loan Loss Allowance [1)]	3,108	3,011	3.2	3,286	-5.4
NPL Coverage Ratio	171%	166%	5%p	154%	17%p
Reserve for credit losses [2)]	1,479	1,469	0.7	1,523	-2.9

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

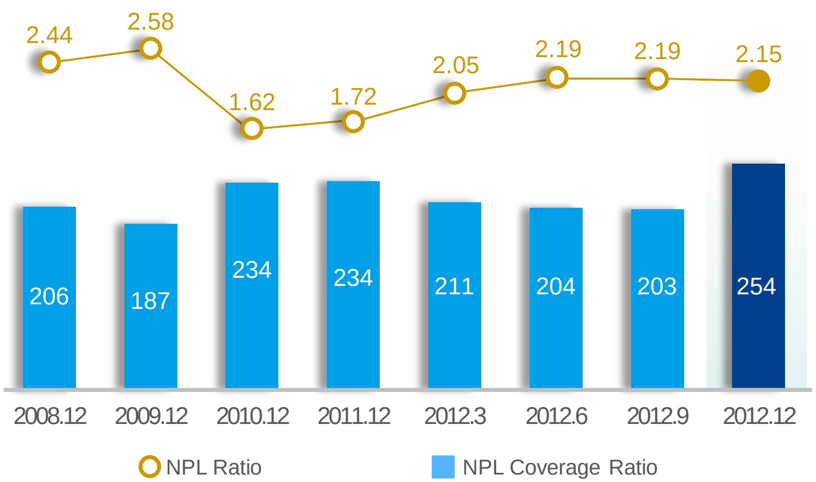
2) Excluding reserve for contingent acceptances & guarantees and unused credit lines

Shinhan Card Asset Quality

SHINHAN FINANCIAL GROUP

NPL Ratio & NPL Coverage Ratio

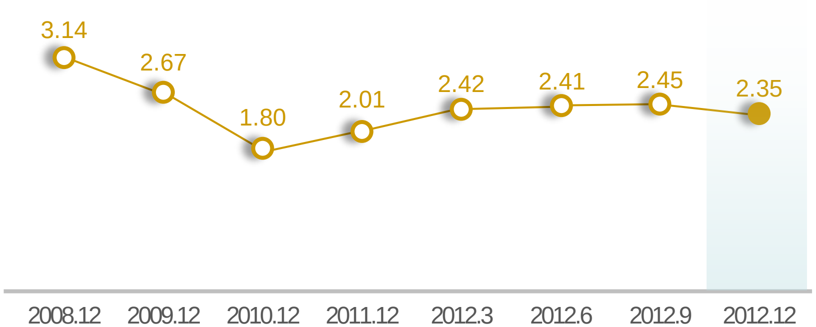
(%)



Note) Figs. for 2008~2009 K-GAAP

Delinquency Ratio

(%)



Note) Figs. for 2008~2009 K-GAAP, 1 month overdue from total credit

(KRW bil.)	2012.12	2011.12	YTD%	2012.9	QoQ%
Total Loans	20,027	19,772	1.3	19,527	2.6
Normal	18,907	19,204	-1.5	18,872	0.2
Precautionary	689	228	202.2	228	202.6
Substandard	-	-	n.a.	-	n.a.
Doubtful	101	106	-4.6	98	3.5
Estimated Loss	329	233	41.2	330	0.0
Substandard & Below	431	339	26.9	427	0.8
NPLRatio	2.15%	1.72%	0.43%p	2.19%	-0.04%p
Loan Loss Allowance [1]	1,093	795	37.4	869	25.8
NPL Coverage Ratio	254%	234%	20%p	203%	51%p
Reserve for credit losses [2]	334	107	212.2	105	218.0

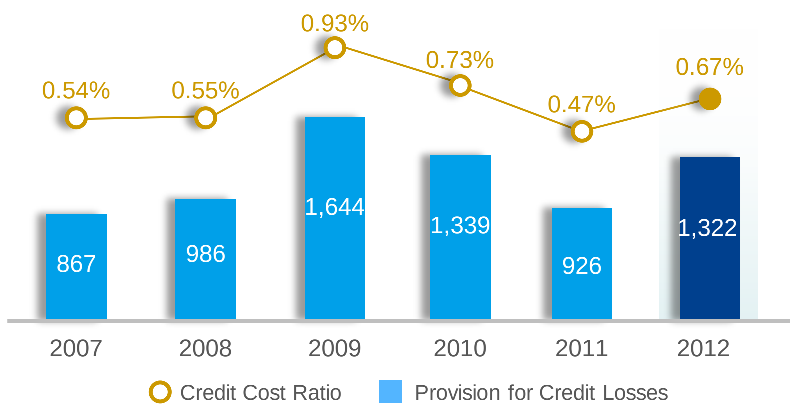
Note 1) Sum of IFRS standard LLA and reserves for credit losses, excluding those for contingent acceptances & guarantees and unused credit lines

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

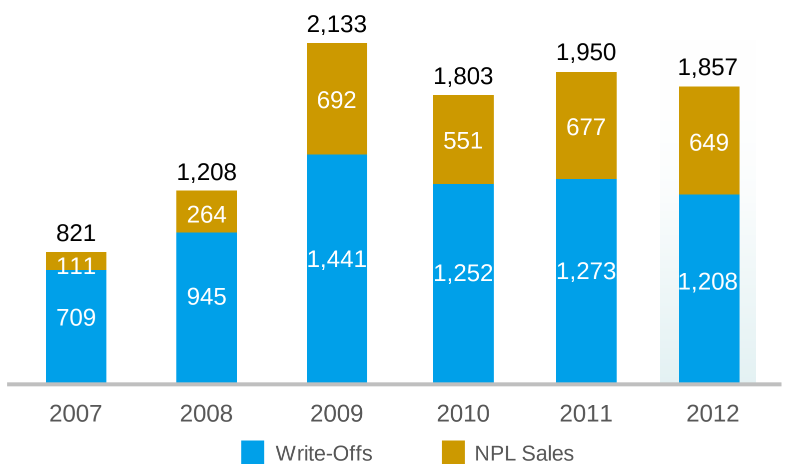
Credit Costs

(KRW bil.)	2012	1Q	2Q	3Q	4Q	2011	1Q	2Q	3Q	4Q
Shinhan Bank [1)]	837	135	245	265	192	667	164	196	143	164
Retail	179	38	61	44	36	87	19	19	35	15
Corporate	658	97	184	221	156	580	145	177	108	150
Shinhan Card	295	58	79	89	69	164	-6	44	47	80
Total	1,132	193	324	354	261	832	158	240	189	245

Note) Shinhan Bank figures are non-consolidated basis

Write-Offs & NPL Sales

(KRW bil.)



Note) Figs. for 2007~2009 K-GAAP

Write-Offs & NPL Sales

(KRW bil.)	2012	1Q	2Q	3Q	4Q	2011	1Q	2Q	3Q	4Q
Shinhan Bank	1,346	40	366	398	542	1,484	134	566	336	448
(Sale)	649	-	232	168	249	677	44	295	112	226
Retail	282	15	73	64	131	141	12	44	31	54
(Sale)	173	-	55	38	80	77	-	29	14	33
Corporate	1,063	25	293	334	411	1,343	122	522	305	394
(Sale)	476	-	177	129	169	601	44	266	98	193
Shinhan Card	512	98	125	135	153	466	106	99	114	146
Total	1,857	138	491	533	695	1,950	240	665	451	594

Ⅴ. Capital Adequacy

1. Capital Adequacy

Capital Adequacy

Group BIS Ratio

(KRW bil.)	2012.12(e)	2012.9	QoQ Difference	QoQ %
Risk-Weighted Assets	201,888	202,614	-726	-0.4
Capital	25,084	24,794	290	1.2
Tier 1	19,125	19,421	-296	-1.5
Tier 2	5,960	5,373	587	10.9
BIS Ratio	12.4%	12.2%	0.2%p	
Tier 1	9.5%	9.6%	-0.1%p	
Tier 2	3.0%	2.7%	0.3%p	

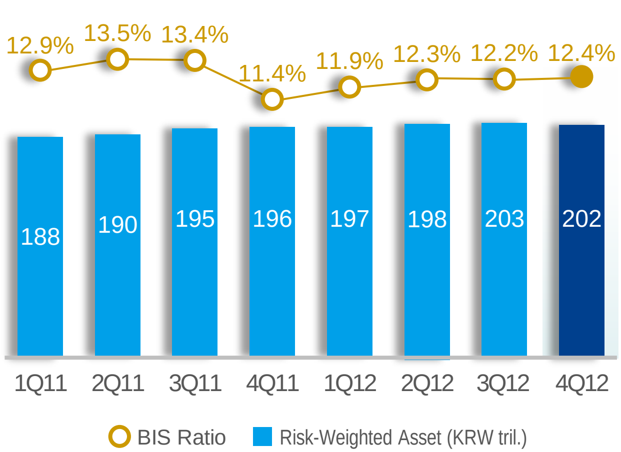
Note) Based on Basel I

Shinhan Bank BIS Ratio

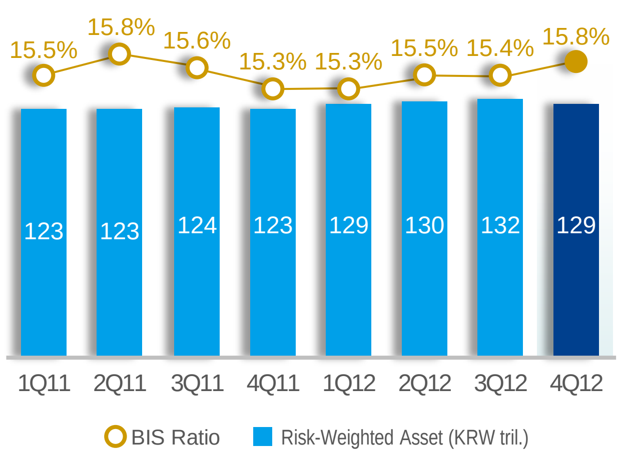
(KRW bil.)	2012.12(e)	2012.9	QoQ Difference	QoQ %
Risk-Weighted Assets	129,333	132,287	-2,954	-2.2
Capital	20,452	20,387	65	0.3
Tier 1	16,325	16,514	-189	-1.1
Tier 2	4,126	3,873	253	6.5
BIS Ratio	15.8%	15.4%	0.4%p	
Tier 1	12.6%	12.5%	0.1%p	
Tier 2	3.2%	2.9%	0.3%p	

Note) Based on Basel II FIRB approach

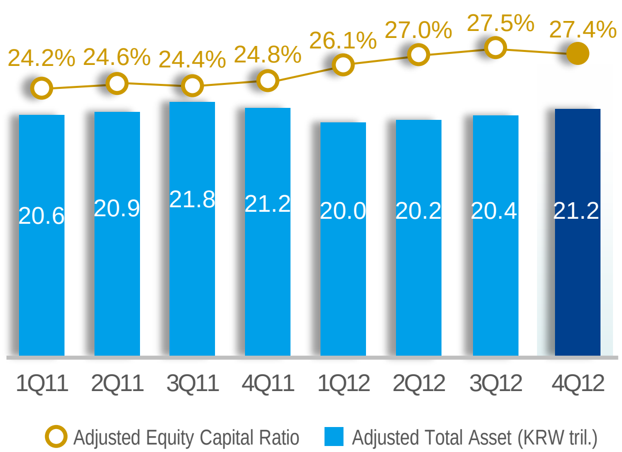
Group BIS Ratio



SHB BIS Ratio



Shinhan Card Capital Adequacy Ratio



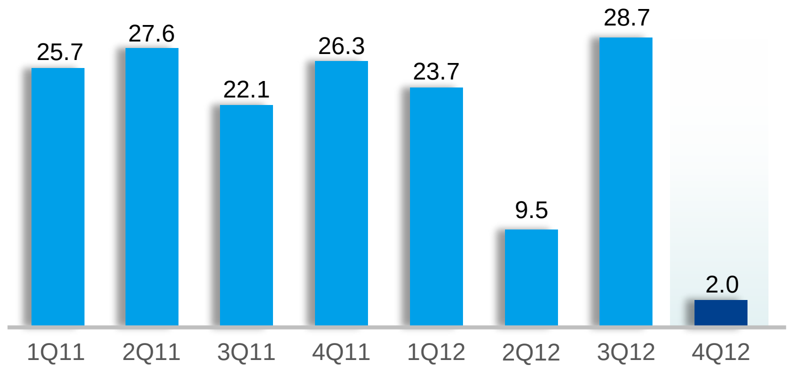
Ⅵ. Appendix

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

SFG Subsidiaries _ Shinhan Investment Corp. (1)

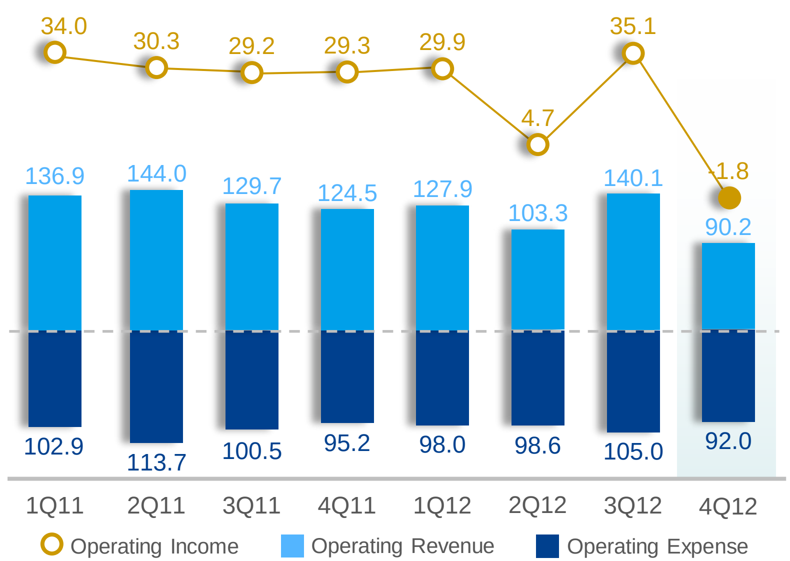
Net Income

(KRW bil.)



Operating Income

(KRW bil.)



Condensed I/S & Key Financial Indices

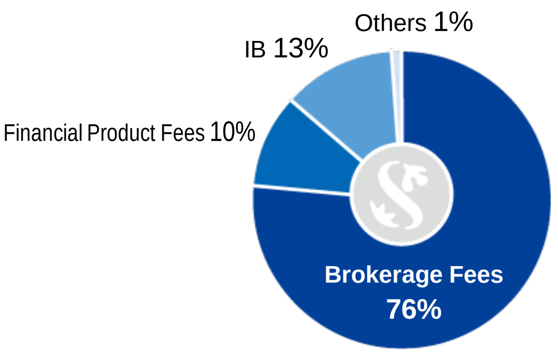
(KRW bil.)	CY12 (Acc.)	CY11 (Acc.)	YoY%	4Q12	3Q12	QoQ%
Operating Revenue	461.4	535.1	-13.8	90.2	140.1	-35.6
Fees & Commission	292.6	378.0	-22.6	65.9	78.3	-15.9
Proprietary Trading	123.0	85.9	43.3	15.0	50.9	-70.4
Others	45.9	71.2	-35.6	9.3	10.9	-14.5
Operating Expense	393.5	412.2	-4.5	92.0	105.0	-12.4
G&A Expenses	350.2	351.4	-0.3	81.8	90.9	-10.0
Commission Expense	44.6	52.5	-15.1	12.1	11.3	7.1
Provision for Credit Losses	-1.3	8.3	n.a.	-1.9	2.8	n.a.
Operating Income	67.9	122.9	-44.7	-1.8	35.1	n.a.
Net Income	63.9	101.7	-37.2	2.0	28.7	-93.1
Net Capital Ratio(%)	668.1	648.3	19.7%p	668.1	587.6	80.4%p
ROE	3.0%	4.9%	-1.9%p	3.0%	3.8%	-0.9%p
ROA	0.4%	0.9%	-0.5%p	0.4%	0.6%	-0.1%p

Note) ROE, ROA are calculated on a cumulative basis

SFG Subsidiaries _ Shinhan Investment Corp. (2)

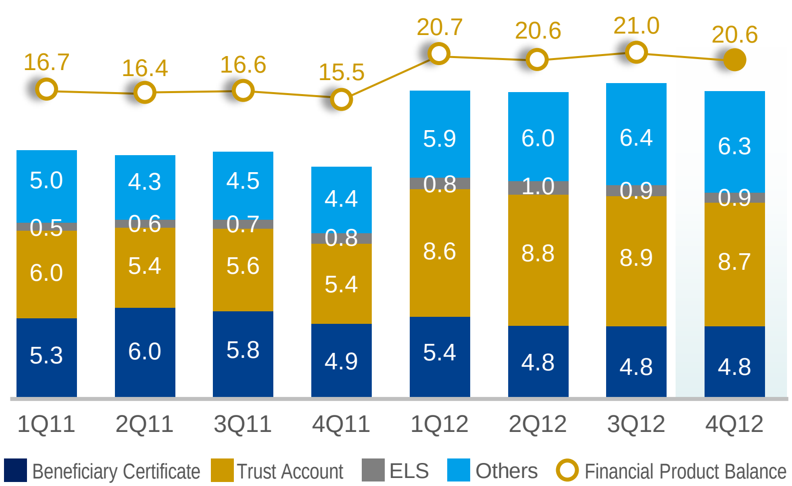
Fees & Commission

(%)



Financial Products Note)

(KRW tril.)



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

Fees & Commission

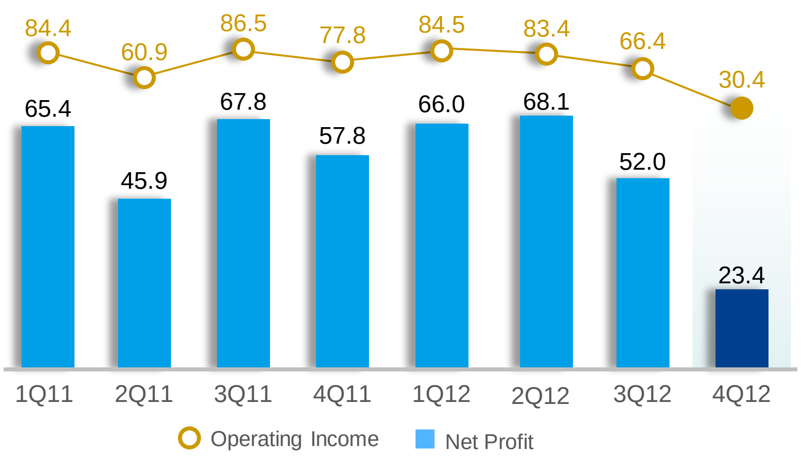
(KRW bil.)	CY12 (Acc.)	CY11 (Acc.)	YoY%	4Q12	3Q12	QoQ%
Fees & Commission	292.6	378.0	-22.6	65.9	78.3	-15.9
Brokerage Commission	223.3	318.3	-29.9	48.7	55.7	-12.6
Financial Product Fees	29.8	27.1	9.8	8.2	7.9	3.3
IB	36.4	30.6	18.7	7.9	13.8	-42.5
Others	3.2	2.0	57.3	1.0	0.9	20.9

Balance of Financial Products

(KRW tril.)	2012.12	2011.12	YTD%	2012.9	QoQ%
Financial Products	20.6	15.5	32.7	21.0	-1.6
Beneficiary Certificate	4.8	4.9	-3.3	4.8	0.0
Trust Account	8.7	5.4	60.1	8.9	-1.9
ELS	0.9	0.8	17.9	0.9	-0.3
Others	6.3	4.4	41.9	6.4	-2.6

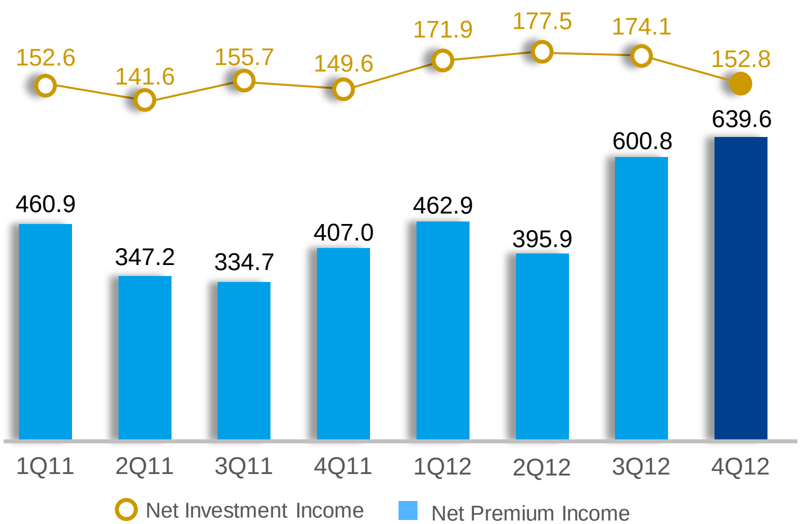
Net Income

(KRW bil.)



Total Income

(KRW bil.)



Condensed I/S & Key Financial Indices

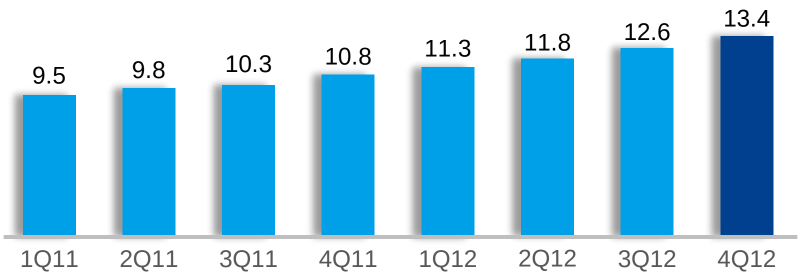
(KRW bil.)	CY12 (Acc.)	CY11 (Acc.)	YoY%	4Q12	3Q12	QoQ%
Total Income	2,819.0	2,192.0	28.6	804.2	782.7	2.7
Net Premium Income	2,099.2	1,549.8	35.4	639.6	600.8	6.5
Net Investment Income	676.3	599.5	12.8	152.8	174.1	-12.2
Special Account/Others	43.5	42.7	1.9	11.8	7.8	51.3
Policy Reserve Write Back(△)	2,554.3	1,882.4	35.7	773.8	716.3	8.0
Operating Income	264.7	309.6	-14.5	30.4	66.4	-54.2
Net Income	209.4	236.9	-11.6	23.4	52.0	-54.9
Solvency Margin Ratio (%)	295.9	324.0	-28.1%p	295.9	311.9	-16%p
ROE	16.7%	21.5%	-4.8%p	16.7%	19.7%	-3.0%p
ROA	1.4%	1.8%	-0.5%p	1.4%	1.6%	-0.3%p

Note) ROE, ROA are calculated on a cumulative basis

SFG Subsidiaries _ Shinhan Life Insurance (2)

Operating Assets

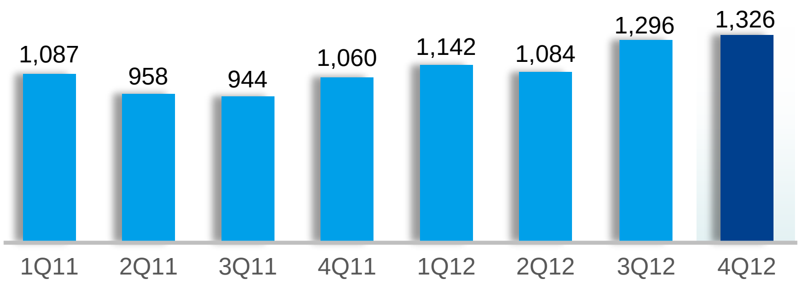
(KRW tril.)



Note) Excluding Retirement Pension

Premium Received

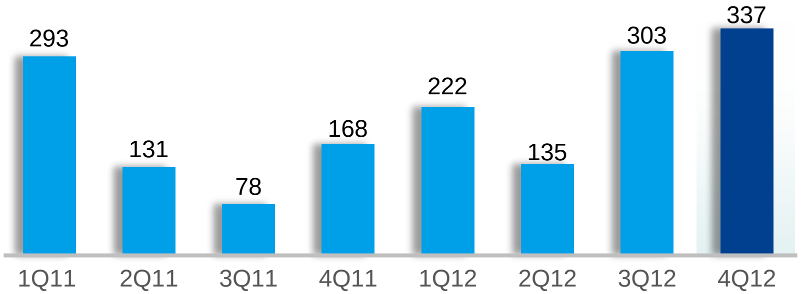
(KRW bil.)



Note) Excluding Retirement Pension

New Premium

(KRW bil.)



Note) Excluding Retirement Pension

Operating Assets & Special Account Assets

(KRW bil.)	2012.12	2011.12	YTD%	2012.9	QoQ%
Operating Assets	13,365.7	10,775.9	24.0	12,550.2	6.5
Fixed Income	7,113.7	6,184.8	15.0	6,440.2	10.5
Loans	3,581.0	2,957.4	21.1	3,413.8	4.9
Equities	151.1	136.8	10.5	166.8	-9.4
Cash & Deposits	1,510.8	882.9	71.1	1,521.9	-0.7
Others	1,009.1	614.0	64.3	1,007.5	0.2
Special Account	1,896.1	1,657.6	14.4	1,882.3	0.7

Premium Breakdown

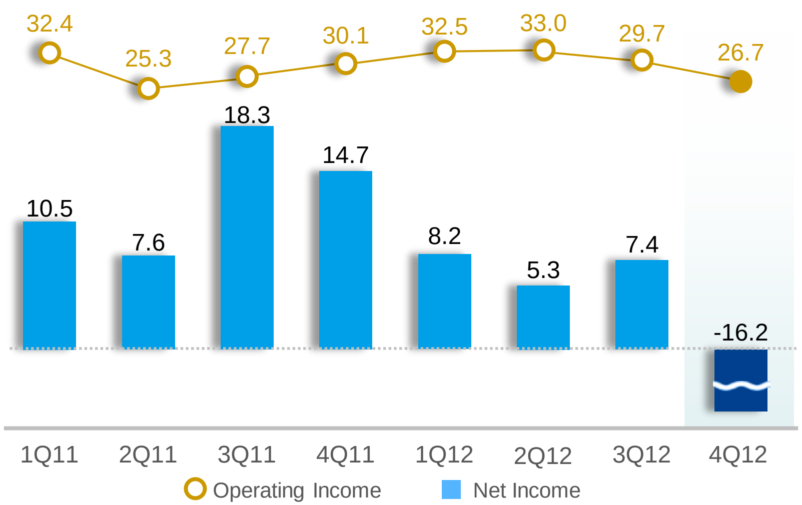
(KRW bil.)	2012	1Q	2Q	3Q	4Q	2011	1Q	2Q	3Q	4Q
Prem. Received	4,848	1,142	1,084	1,296	1,326	4,049	1,087	958	944	1,060
New Premium	997	222	135	303	337	670	293	131	78	168

Note) Excluding Retirement Pension

SFG Subsidiaries _ Shinhan Capital

Net Income

(KRW bil.)



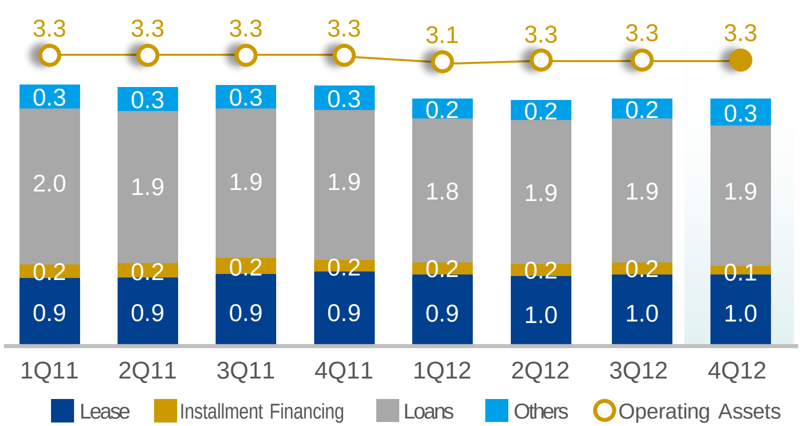
Condensed I/S & Key Financial Indices

(KRW bil.)	FY12 (Acc.)	FY11 (Acc.)	YoY%	4Q12	3Q12	QoQ%
Operating Revenue	373.0	365.9	1.9	106.8	95.0	12.4
Operating Expense	251.2	250.5	0.3	80.1	65.3	22.7
(Interest Expense)	132.6	141.0	-5.9	31.5	34.9	-9.6
(G&A Expenses)	19.9	18.0	10.6	5.4	3.8	41.7
Operating Income	121.8	115.4	5.5	26.7	29.7	-10.1
Provision for Credit Losses	116.7	46.4	151.7	48.6	20.5	137.4
Net Income	4.7	51.1	-90.9	-16.2	7.4	n.a.
ROE	1.0%	11.0%	-10.1%p	1.0%	5.7%	-4.7%p
ROA	0.1%	1.4%	-1.3%p	0.1%	0.8%	-0.7%p

Note) ROE, ROA are calculated on a cumulative basis

Operating Assets

(KRW tril.)



Operating Assets

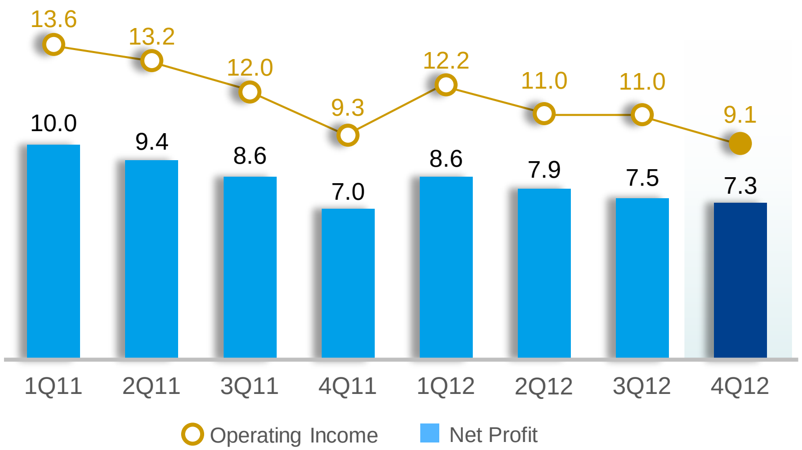
(KRW tril.)	2012.12	2011.12	YTD%	2012.9	QoQ%
Operating Assets	3.3	3.3	1.0	3.3	-0.5
Lease	1.0	0.9	8.0	1.0	1.7
Installment Financing	0.1	0.2	-6.4	0.2	-29.0
Loans	1.9	1.9	-2.6	1.9	0.6
Others	0.3	0.3	-12.6	0.2	5.8

SFG Subsidiaries _ Shinhan BNPP AM

SHINHAN FINANCIAL GROUP

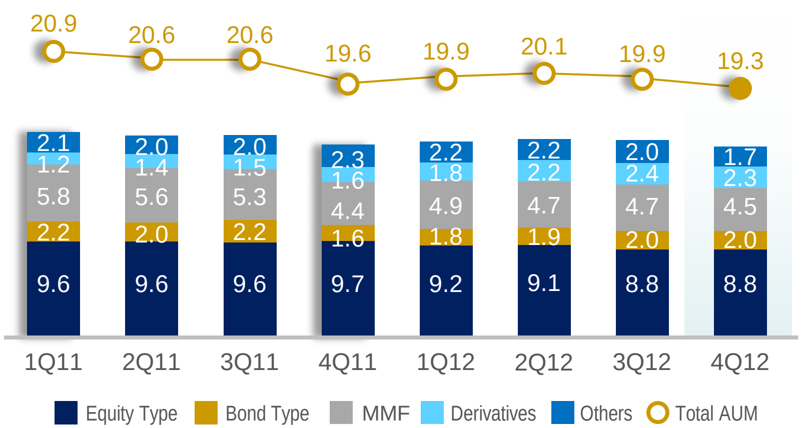
Net Income

(KRW bil.)



Assets Under Management

(KRW tril.)



Condensed I/S & Key Financial Indices

(KRW bil.)	CY12 (Acc.)	CY11 (Acc.)	YoY%	4Q12	3Q12	QoQ%
Operating Revenue	102.5	109.8	-6.6	26.2	25.1	4.4
Operating Expense	59.2	61.7	-4.1	17.1	14.1	21.3
(G&A Expenses)	38.6	38.2	1.0	10.9	9.3	17.2
Operating Income	43.3	48.1	-10.0	9.1	11.0	-17.3
Net Income	31.3	35.0	-10.7	7.3	7.5	-2.9
ROE	21.4%	23.9%	-2.5%p	21.4%	22.4%	-1.0%p

Note) ROE is calculated on a cumulative basis

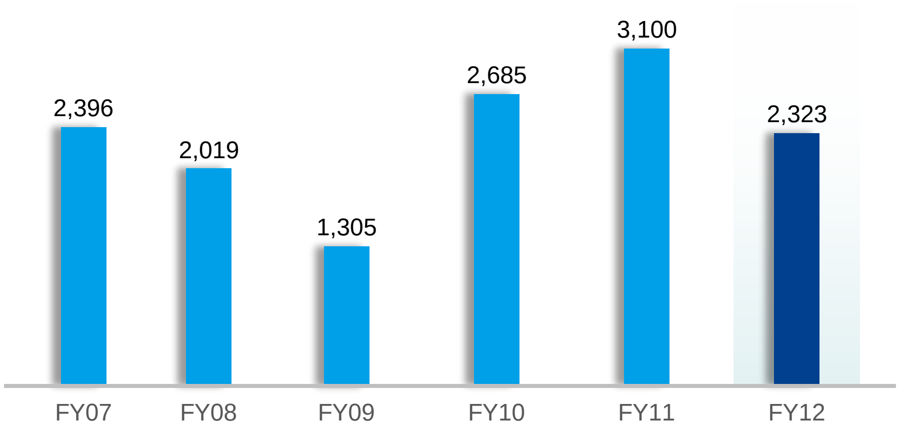
Assets Under Management

(KRW tril.)	2012.12	2011.12	YTD%	2012.9	QoQ%
Total AUM	19.3	19.6	-1.5	19.9	-3.0
Equity Type	8.8	9.7	-9.1	8.8	0.2
Bond Type	2.0	1.6	26.3	2.0	1.0
MMF	4.5	4.4	2.5	4.7	-4.0
Derivatives	2.3	1.6	41.3	2.4	-5.8
Others	1.7	2.3	-26.1	2.0	-15.0

Key Financial Indices

Group Net Income

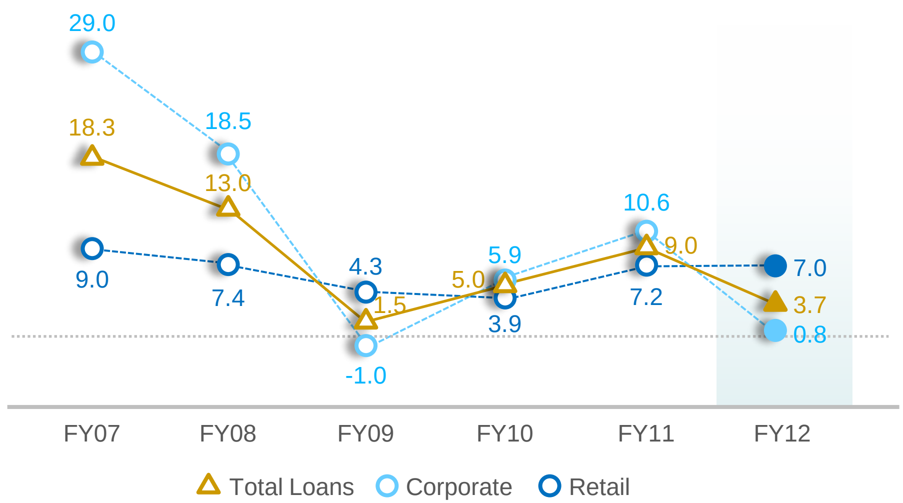
(KRW bil.)



Note) Figs. for 2007~2009 K-GAAP

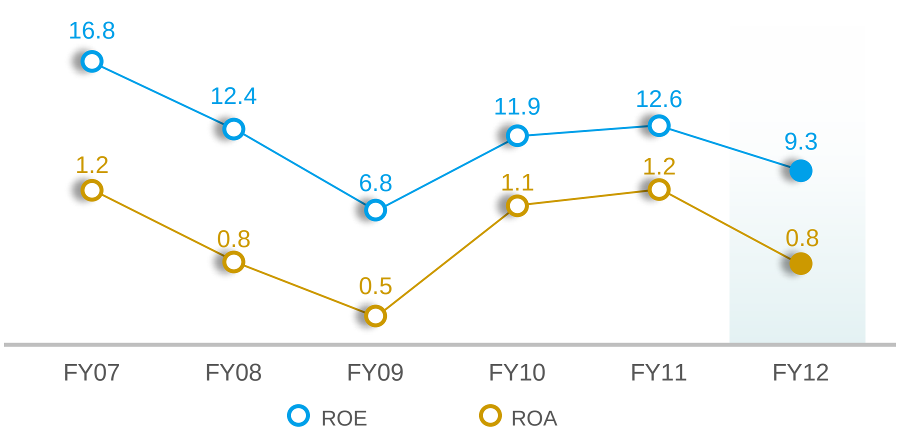
SHB Loan Growth Rate

(%)



ROA / ROE

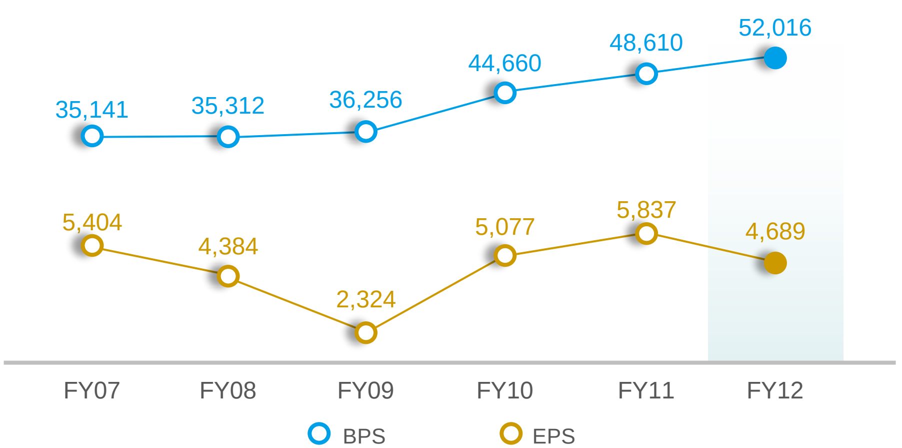
(%)



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

BPS / EPS

(KRW)

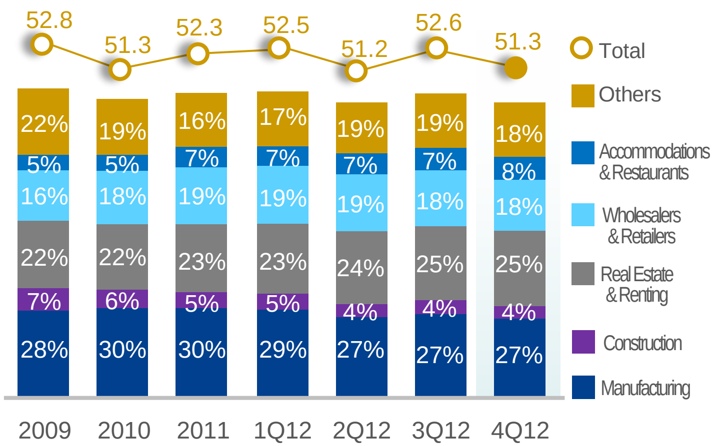


Note) Based on common stock (including RCPS) and figures for 2007~2009 K-GAAP

Shinhan Bank SME Loans

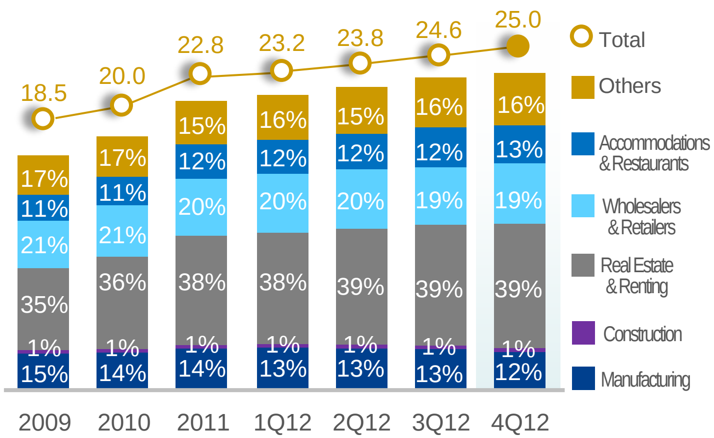
Loans (KRW tril.)

SME



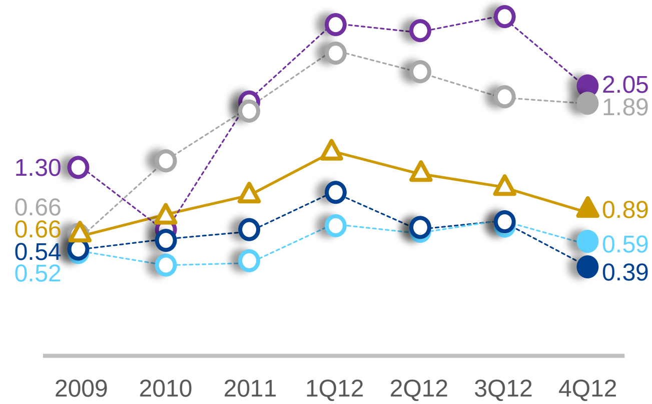
Note) SME Loan by Borrowers as of Dec. 31, 2012
SOHO 47%, Registered 28%, Unregistered 25%

SOHO

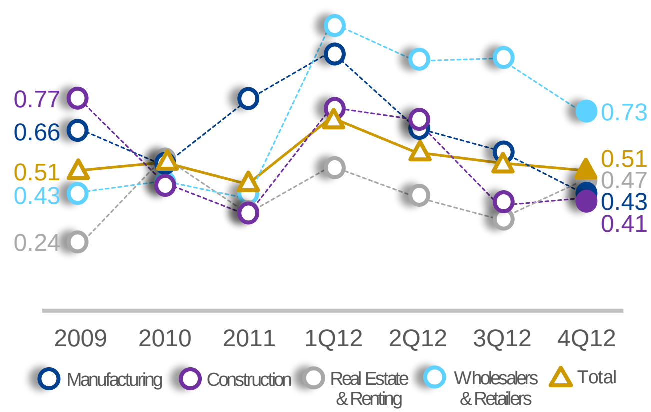


Delinquency (%)

SME

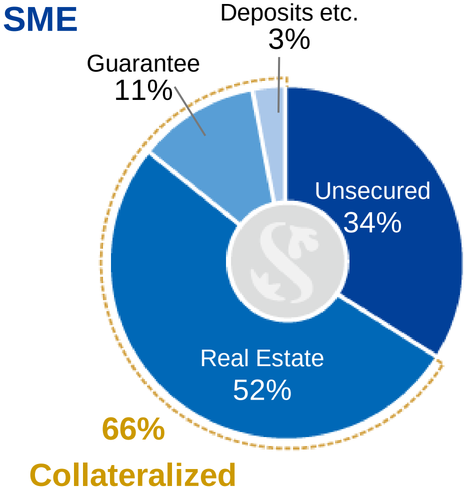


SOHO



Collateral

SME



SOHO