



Winter

FY 2013

Business Results

February 2014

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 from year 2010 have been derived following IFRS standards, and financial results up to 2009 followed K-GAAP standards.

The main serial financial figures and indices listed herein may be subject to change in the future.

2) The financial figures in 2012 have been retroactively restated to reflect the new standards and amendments of Korean-IFRS which is applicable in 2013.

- The Financial figures in 2012 and 1Q 2013 have been restated to reflect the reinterpretation of Statements of Korea Accounting Standards(SKAS) and Korean-IFRS during 2Q 2013.

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.

4) On April 1, 2013, Shinhan Savings Bank merged with Yehanbyoul Savings Bank, both of which were direct subsidiaries of Shinhan Financial Group. As a result of the integration of the two savings banks, the former Shinhan Savings Bank has been liquidated and is thus no longer a subsidiary of Shinhan Financial Group.

Instead, Yehanbyoul Savings Bank now exists under the name of “Shinhan Savings Bank” as an existing legal entity constituting a member of Shinhan Financial Group. Accordingly financial statements of Yehanbyoul Savings Bank before the date were consolidated within Shinhan Savings Bank.

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

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



Winter

Contents

- I . FY 2013 Business Results Highlights
- II . Income
- III . Assets & Liabilities
- IV . Asset Quality
- V . Capital Adequacy
- VI . Appendix

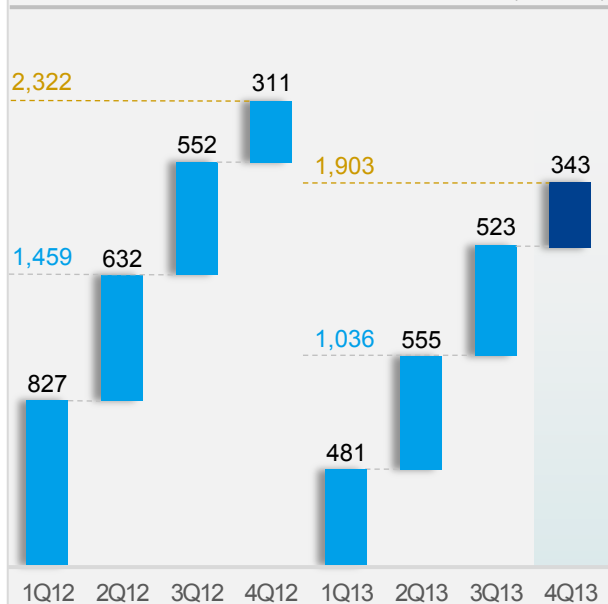


Winter



FY 2013 Business Results Highlights (1)

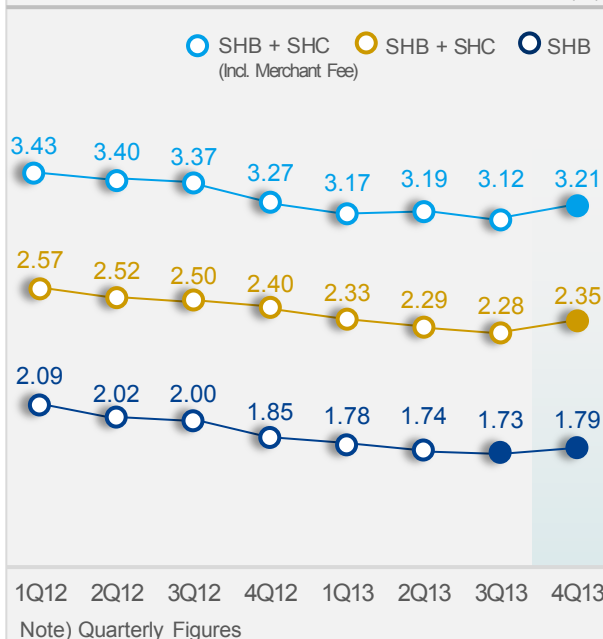
Group Net Income (KRW bil.)



FY2013 Net Income : KRW 1.9 tril.
(During 4Q13, KRW 343.3 bil.)

- SFG posted net income 343.3bil. in 4Q, decreased by 34.4% QoQ. Full year net income marked 1.9tril. decreased by 18.0% YoY.
- Interest income increased by 2.7% QoQ, attributed to moderate loan growth coupled with stable margin.
- Non-interest income dropped by 47.8% QoQ, due to decreased volume of one-off security sales gains along with increase in impairment losses from securities holdings.
- SG&A increased by 4.9% QoQ, due to seasonal pick-up and ERP, while annual increase tamed at 3.5% YoY through tighter cost control.

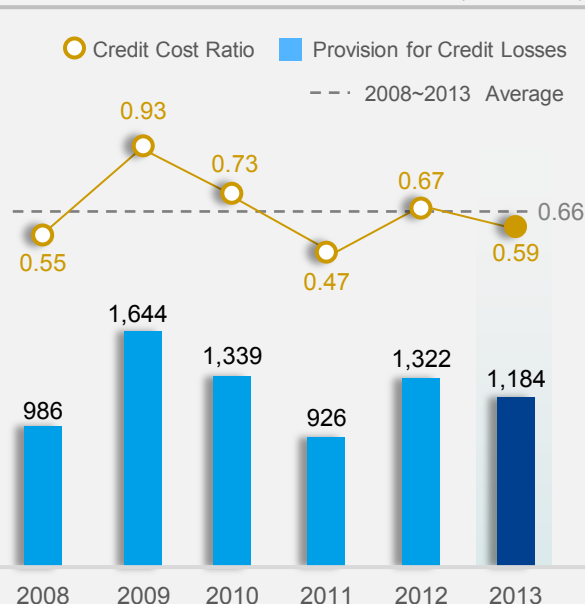
NIM (%)



2013 4Q Bank NIM : 1.79%,
Group NIM 2.35%

- Group NIM marked 2.35% improved by 7bp QoQ.
- During 4Q13, SHB NIM rebound is largely attributed by one-off factors such as overdue interest recovery and early repayment of loans. Recurring NIM stands at 1.73%. Year-round efforts to draw more low-cost deposits contributed in stable margin.
- Group margin including credit card merchant fee marked 3.21%, 9bp improvement QoQ, owing to seasonal boost in sales.

Credit Cost Ratio (% , KRW bil.)



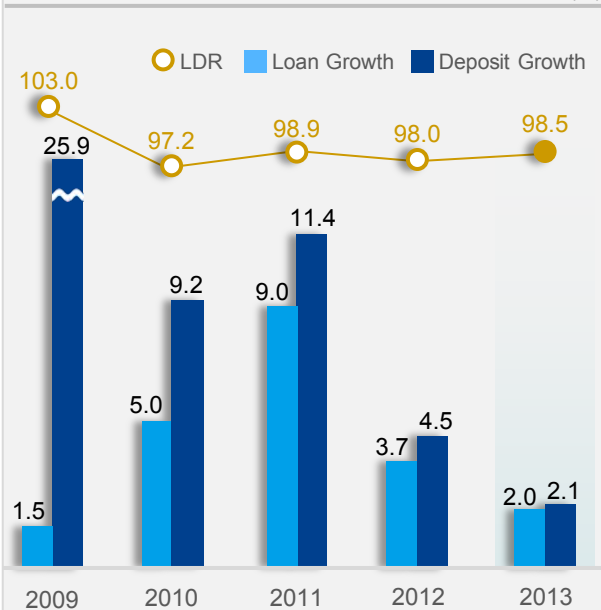
FY2013 Credit Cost 0.59%
(7bp lower than 6-year average)

- Group credit costs improved by 8bp YoY to 0.59%.
- Group's accumulated provision for credit losses decreased by 10.5% YoY to 1,184.2 bil. while increased by 51.6% QoQ to 329.6bil.
- SHB's provision for credit losses decreased by 11.3% YoY, while increased by 80.5% QoQ, mainly due to one-off provision related to debt-workout program of Keangnam during 4Q. SHC's provision for credit losses escalated by 19.4% YoY mainly due to expected decrease in recovery from written-off assets.



FY 2013 Business Results Highlights (2)

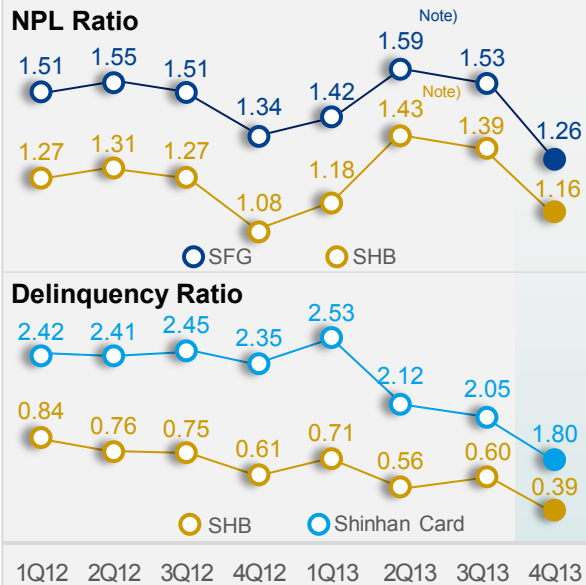
Loans & Deposits (%)



FY2013 Loan/Deposit growth at 2.0%, 2.1%
LDR stable at 98.5%

- KRW loan balance as end of 2013 marked 147 tril. up by 2.0% YTD. (up by 3.8% YTD., incl. loans securitized) Corporate; Loan growth was driven by SMEs including SOHO, which increased by 7.3% and 11% respectively. Retail; Retail Personal loans including unsecured personal loans and Jeonse loans increased by 14.3% YTD bringing up retail loan growth by 2.9% YTD.
- Deposit increased by 2.1% YTD to reach 150.5 tril., well-balanced with the loan growth.
- LDR stood at 98.5% remaining at a stable level.

NPL / Delinquency Ratio (%)

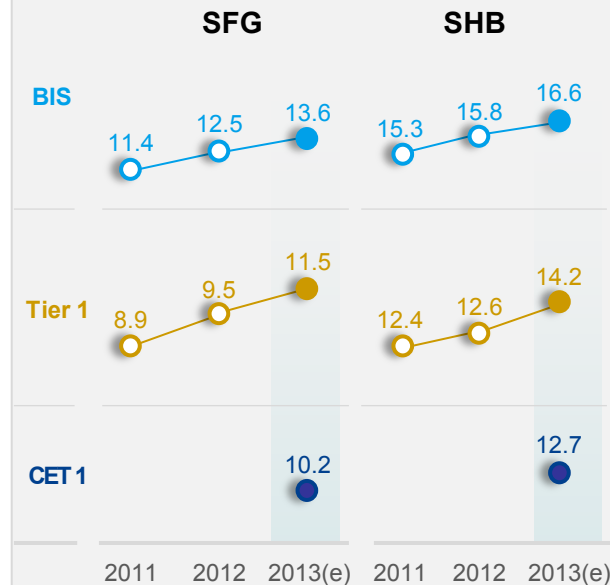


Note) After re-classification of companies subject to DCF classified as precautionary to substandard and below

Group NPL ratio : 1.26%,
Bank Delinquency ratio : 0.39%

- NPL ratio for the Group and SHB recorded 1.26% and 1.16%, improvement of 0.27%p and 0.23%p respectively.
- NPL coverage ratio for the Group and SHB each marked 163% and 149%, increased by 19%p and 17%p respectively.
- SHB and SHC delinquency ratio recorded 0.39% and 1.80%, which improved by 0.21%p and 0.25%p respectively. Major factors for improvement attributed to preemptive write-off & sales and tightened asset quality control.

Capital Adequacy (%)



Note) Figs. for 2013 Group/Bank based on Basel3, Figs. for 2011-2012 Group based on Basel1, Bank Basel2

2013 Group Common Equity Tier1 ratio : 10.2%,
Bank BIS ratio : 16.6%

- Based on BASEL3, Group's Common Equity Tier1 and BIS ratio each marked 10.2% and 13.6% driven by growth in earnings with stable level of risk weighted assets.
- Based on BASEL3, SHB's Common Equity Tier1 and BIS ratio each marked 12.7% and 16.6%, maintaining sufficient capital base.

II . Income

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

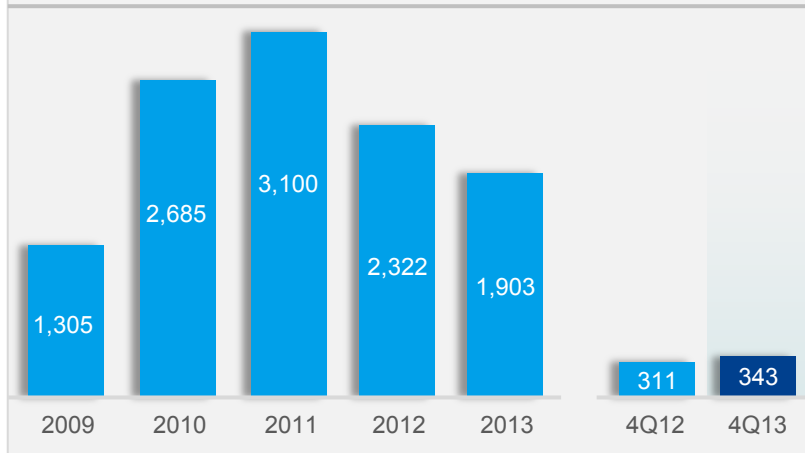


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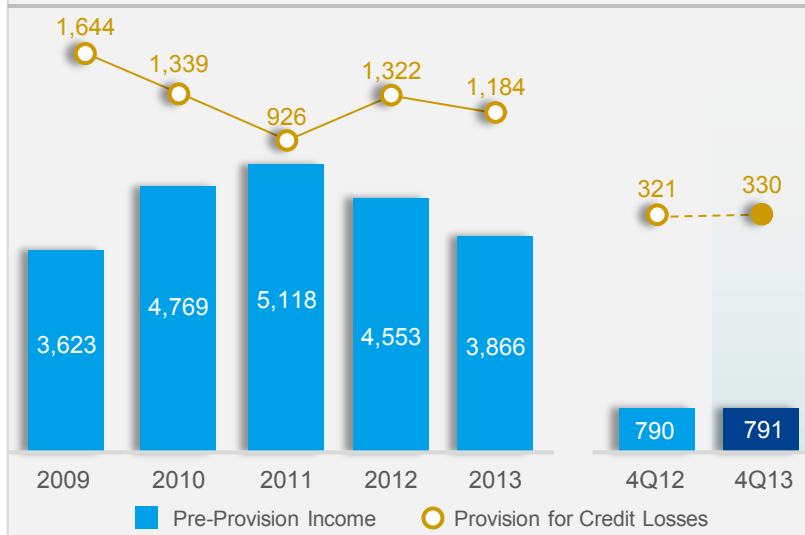
Net Income

(KRW bil.)



Pre-Provision Income & PCL

(KRW bil.)



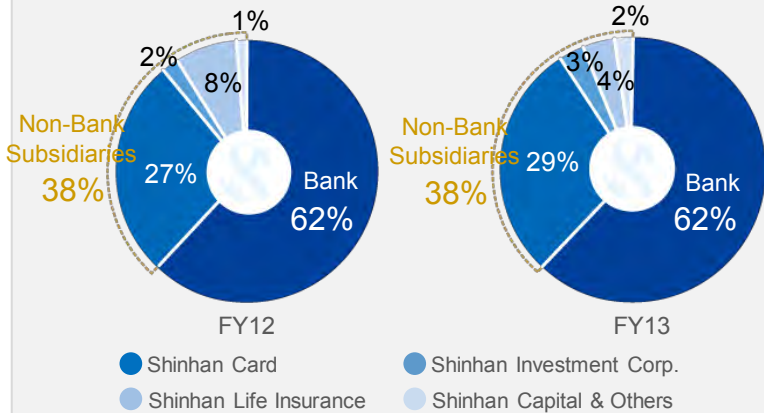
(KRW bil.)	FY13 (Acc.)	FY12 (Acc.)	YoY%	4Q13	3Q13	QoQ%
Operating Income (a=b+c)	8,024.3	8,561.9	-6.3	1,887.1	2,016.2	-6.4
Interest Income (b)	6,602.9	6,979.7	-5.4	1,697.3	1,652.3	2.7
Non-Interest Income (c)	1,421.4	1,582.2	-10.2	189.9	363.9	-47.8
G&A Expenses (d)	4,202.5	4,061.6	3.5	1,090.1	1,039.4	4.9
Pre-Provision Oper. Income (e=a-d)	3,821.7	4,500.3	-15.1	797.0	976.8	-18.4
Non-Operating Income (f)	44.6	52.7	-15.4	-5.9	0.4	n.a.
Pre-Provision Income (g=e+f)	3,866.3	4,553.0	-15.1	791.1	977.3	-19.1
Provision for Credit Losses (h)	1,184.2	1,322.4	-10.5	329.6	217.4	51.6
Earnings before Income Tax (i=g-h)	2,682.1	3,230.6	-17.0	461.5	759.9	-39.3
Income Tax	622.6	738.7	-15.7	81.6	195.0	-58.2
Consolidated Net Income ¹⁾	1,902.8	2,321.9	-18.0	343.3	523.2	-34.4

Note 1) Net Income in Controlling Interest

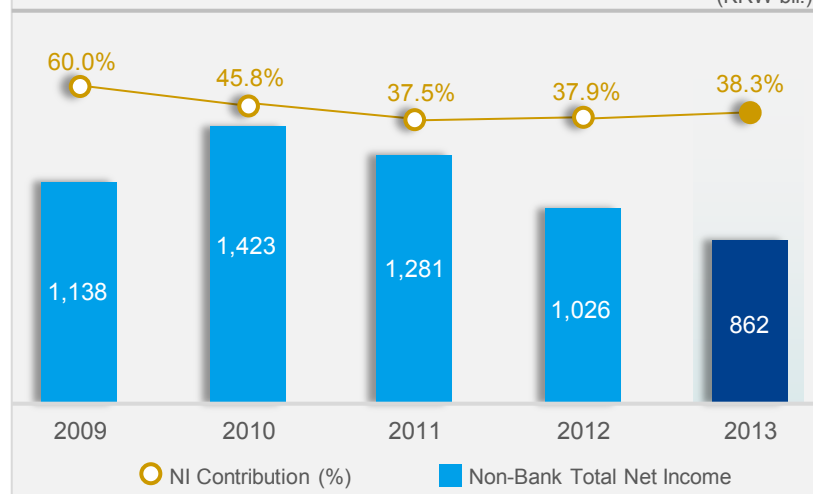


Subsidiaries Income (1)

Net Income Contribution by Subsidiaries



Net Income Contribution by Non-Bank Subsidiaries



Note) After reflecting ownership by SFG

(KRW bil.)	Net Income [A]	Ownership [B]	Net Income (A x Ownership) [C=A x B]	Adjustment [D]	Net Income (Consolidated) [E=C+D]
Bank (a)	1,393.5		1,387.1	-153.5	1,233.6
Shinhan Bank	1,373.0	100.0%	1,373.0	-153.6	1,219.4
Jeju Bank	20.5	68.9%	14.1	0.1	14.2
Non-Bank (b)	873.0		861.9	0.6	862.5
Shinhan Card	658.1	100.0%	658.1	0.2	658.2
Shinhan Investment Corp.	75.4	100.0%	75.4	-0.3	75.0
Shinhan Life Insurance	79.7	100.0%	79.7	0.5	80.2
Shinhan BNPP AM	31.5	65.0%	20.5	0.2	20.7
Shinhan Capital	50.4	100.0%	50.4	0.0	50.4
Shinhan Savings Bank	-29.9	100.0%	-29.9	0.0	-29.9
Shinhan Data System	1.1	100.0%	1.1	-0.0	1.1
Shinhan AITAS	3.8	99.8%	3.8	-	3.8
Shinhan Credit Information	0.2	100.0%	0.2	-0.1	0.1
Shinhan PE Investment Mgmt.	2.9	100.0%	2.9	-	2.9
SFG (c)			1,902.8	-193.3 ²⁾	-193.3
Total (d=a+b+c) ¹⁾	2,266.5		2,249.1	-346.2	1,902.8

Note) 1) Net Income in Controlling Interest

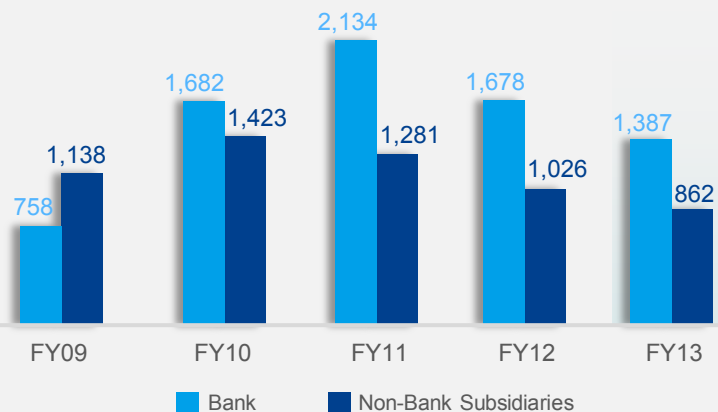
2) SFG (Separate): Brand Fee Income KRW 114.3bil., Interest Expense KRW -246.1bil., G&A etc. KRW -66.8bil.



Subsidiaries Income (2)

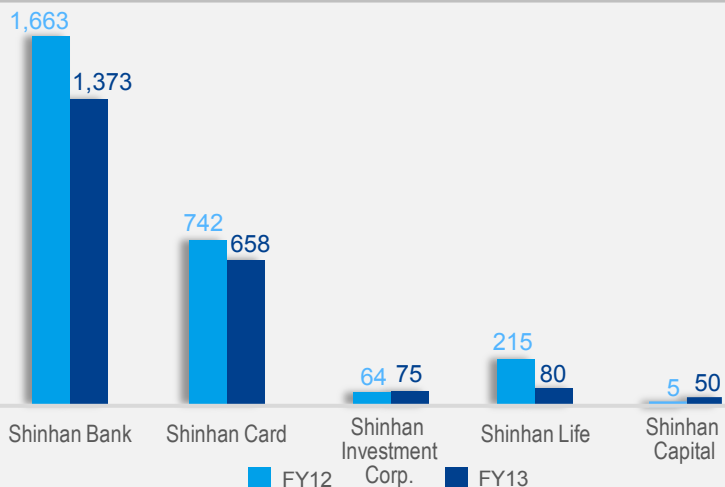
Bank / Non-Bank Net Income

(KRW bil.)



Net Income by Subsidiaries

(KRW bil.)



(Reflecting SFG Ownership, KRW bil.)	FY13 (Acc.)	FY12 (Acc.)	YoY%	4Q13	3Q13	QoQ%
Bank (a)	1,387.1	1,678.4	-17.4	286.5	395.2	-27.5
Shinhan Bank	1,373.0	1,662.5	-17.4	283.3	390.8	-27.5
Jeju Bank	14.1	15.9	-11.1	3.2	4.4	-26.9
Non-Bank (b)	861.9	1,025.7	-16.0	145.0	210.0	-30.9
Shinhan Card	658.1	741.8	-11.3	123.3	160.4	-23.1
Shinhan Investment Corp.	75.4	63.9	17.9	2.7	16.0	-82.9
Shinhan Life Insurance	79.7	215.3	-63.0	3.3	15.3	-78.2
Shinhan BNPP AM	20.5	20.3	0.5	5.0	4.9	1.7
Shinhan Capital	50.4	4.7	961.4	13.3	12.7	5.3
Shinhan Savings Bank	-29.9	-23.4	n.a.	-4.0	-0.8	n.a.
Shinhan Data System	1.1	1.6	-30.7	-0.2	-0.2	n.a.
Shinhan AITAS	3.8	-0.5	n.a.	0.7	1.4	-53.4
Shinhan Credit Information	0.2	-0.0	n.a.	0.1	-0.3	n.a.
Shinhan PE Investment Mgmt.	2.9	2.0	40.9	0.7	0.6	33.6
Total (a+b)	2,249.1	2,704.2	-16.8	431.5	605.1	-28.7
Consolidate Net Income ¹⁾	1,902.8	2,321.9	-18.0	343.3	523.2	-34.4

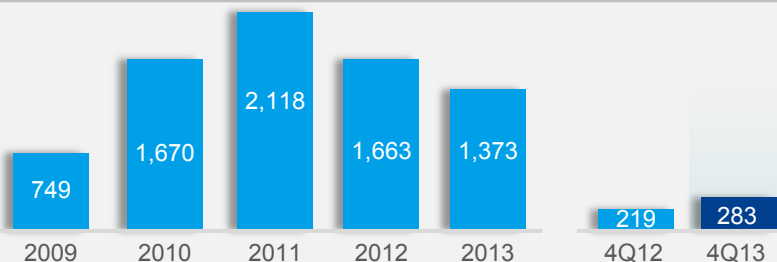
1) Net Income in Controlling Interest



SHB Income / NIM

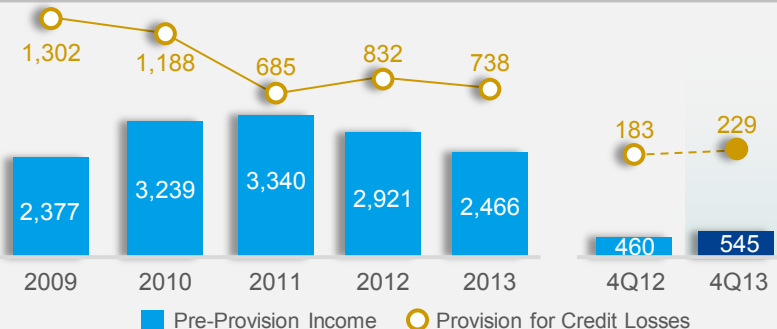
Net Income

(KRW bil.)



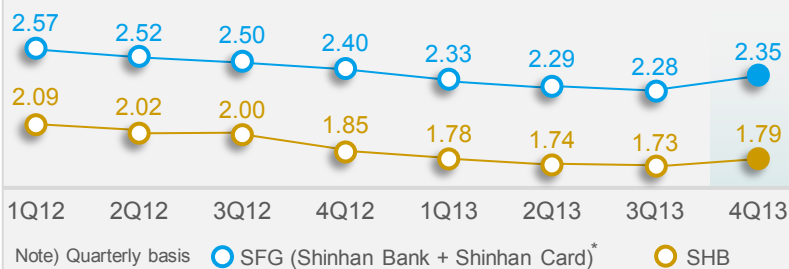
Pre-Provision Income & PCL

(KRW bil.)



Net Interest Margin

(%)



Note) Quarterly basis ● SFG (Shinhan Bank + Shinhan Card)* ● SHB

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

(KRW bil.)	FY13 (Acc.)	FY12 (Acc.)	YoY%	4Q13	3Q13	QoQ%
Operating Income (a=b+c)	5,151.0	5,631.6	-8.5	1,225.6	1,329.4	-7.8
Interest Income (b)	4,350.5	4,768.7	-8.8	1,111.3	1,079.5	2.9
Non-Interest Income (c)	800.5	862.9	-7.2	114.4	250.0	-54.2
G&A Expenses (d)	2,692.9	2,718.8	-1.0	671.5	660.0	1.7
Pre-Provision Oper.Income (e=a-d)	2,458.1	2,912.8	-15.6	554.1	669.4	-17.2
Non-Operating Income (f)	8.0	8.2	-1.8	-9.4	-8.6	n.a
Pre-Provision Income (g=e+f)	2,466.2	2,921.0	-15.6	544.7	660.9	-17.6
Provision for Credit Losses (h)	738.2	831.8	-11.3	229.2	127.0	80.5
Earnings before Income Tax (i=g-h)	1,728.0	2,089.2	-17.3	315.6	533.9	-40.9
Income Tax	354.8	426.5	-16.8	32.2	143.0	-77.5
Net Income ¹⁾	1,373.0	1,662.5	-17.4	283.3	390.8	-27.5

1) Net Income in Controlling Interest

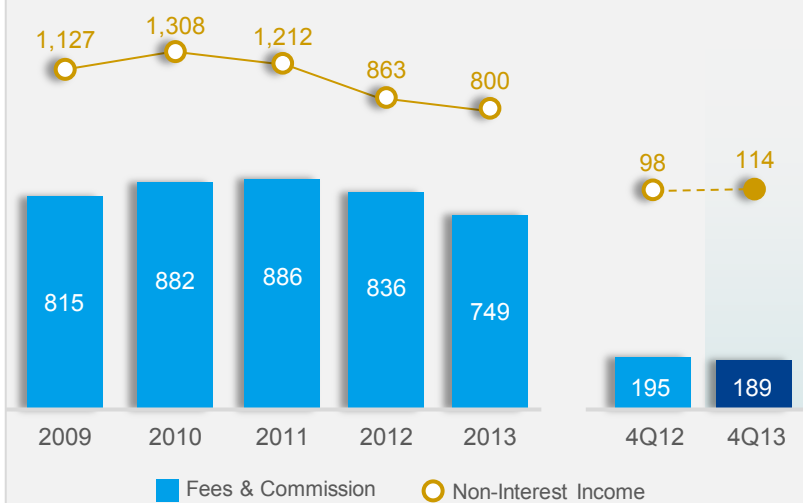
(%)	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13
NIS (a-b) (cumulative figures)	2.23	2.19	2.17	2.11	1.87	1.87	1.86	1.87
Loan interest rate (a)	5.47	5.43	5.36	5.25	4.69	4.60	4.52	4.46
Deposit interest rate (b)	3.24	3.24	3.20	3.14	2.81	2.73	2.66	2.59
NIM(quarterly)	2.09	2.02	2.00	1.85	1.78	1.74	1.73	1.79
NIM(cumulative figures)	2.09	2.05	2.03	1.99	1.78	1.76	1.75	1.76



SHB Non-Interest Income / G&A Expenses

Fees and Commission

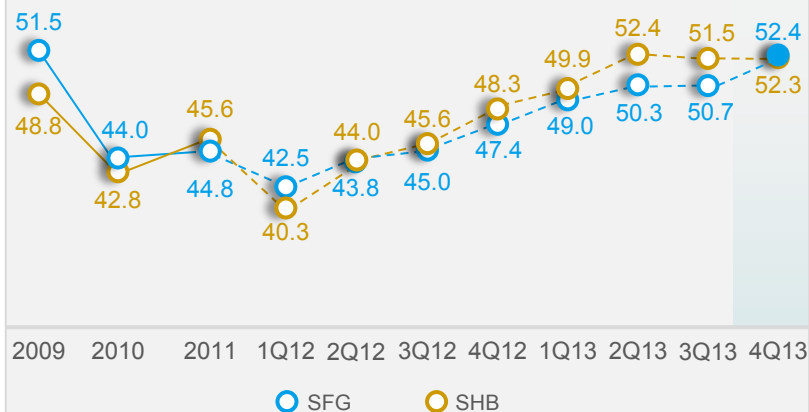
(KRW bil.)



(KRW bil.)	FY13 (Acc.)	FY12 (Acc.)	YoY%	4Q13	3Q13	QoQ%
Non-Interest Income	800.5	862.9	-7.2	114.4	250.0	-54.2
Fees & Commission	748.9	836.3	-10.4	189.0	178.2	6.0
(Fund)	118.3	122.6	-3.5	30.0	27.1	10.6
(Bancassurance)	87.3	144.0	-39.4	19.5	16.8	16.1
(Trust Fees)	42.2	40.6	3.9	9.9	10.5	-5.4
Securities Related	421.1	385.3	9.3	30.7	91.4	-66.4
FX Trading/Derivatives	139.0	159.5	-12.9	26.0	79.5	-67.3
Others	-508.5	-518.2	n.a.	-131.3	-99.1	n.a.

Cost-Income Ratio

(%)

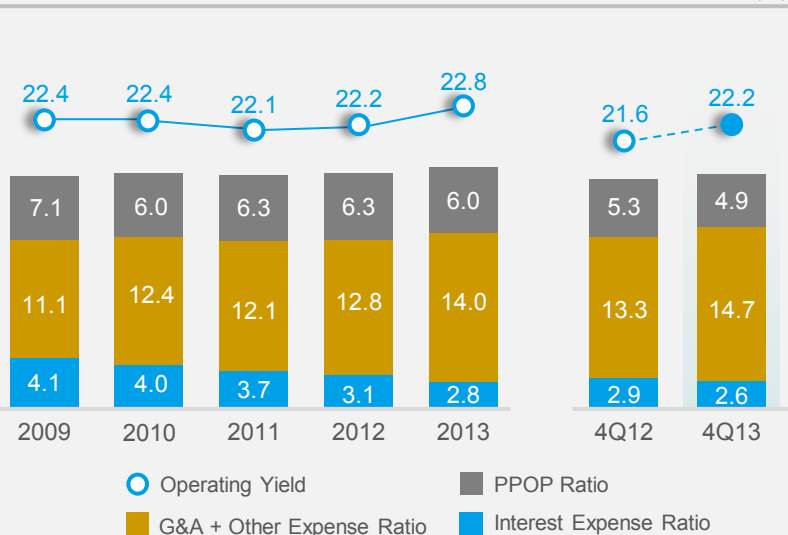


(KRW bil.)	FY13 (Acc.)	FY12 (Acc.)	YoY%	4Q13	3Q13	QoQ%
G&A Expenses	2,692.9	2,718.8	-1.0	671.5	660.0	1.7
Salary & Employee Benefits	1,508.9	1,525.2	-1.1	348.4	372.0	-6.3
D & A	203.6	192.6	5.7	52.5	53.2	-1.2
Other Expenses	980.4	1,000.9	-2.1	270.5	234.9	15.2



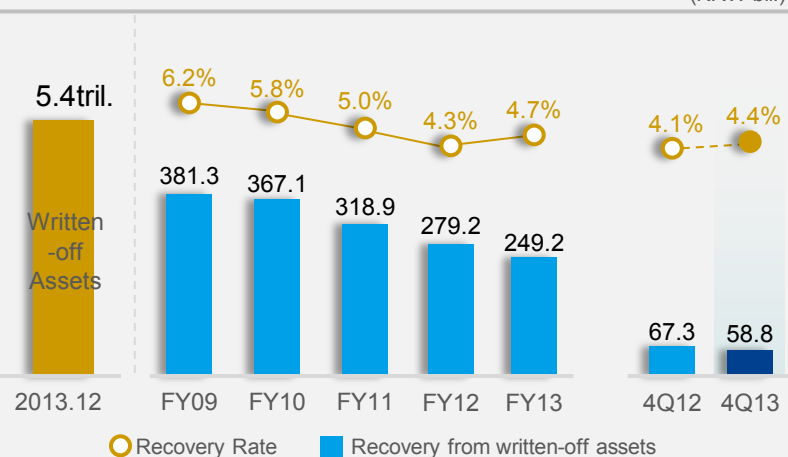
Shinhan Card Income

Operating Yield and PPOP Ratio (%)



Note) Net of Derivatives & FX

Recovery from Written-off Assets (KRW bil.)



(KRW bil.)	FY13 (Acc.)	FY12 (Acc.)	YoY%	4Q13	3Q13	QoQ%
Operating Revenue (a)	4,609.3	4,594.7	0.3	1,135.6	1,033.3	9.9
Card Business	3,767.7	3,802.6	-0.9	955.9	940.9	1.6
Installment Finance	92.2	105.4	-12.5	21.9	22.7	-3.5
Lease	42.5	47.8	-11.1	9.8	10.9	-10.2
Others	706.8	638.9	10.6	148.0	58.8	151.9
(Derivatives & FX)	68.3	172.8	-60.5	26.3	-100.6	n.a.
Interest Expense (b)	550.1	622.0	-11.6	131.3	136.5	-3.8
G&A Expenses (c)	710.9	623.4	14.0	209.1	178.9	16.9
Commissions & Other Expenses (d)	2,145.1	2,097.8	2.3	551.4	433.3	27.2
(Derivatives & FX)	51.4	159.6	-67.8	21.8	-104.6	n.a.
Pre-Provision Income (e=a-b-c-d)	1,203.1	1,251.5	-3.9	243.8	284.5	-14.3
Provision for Credit Losses (f)	352.3	295.0	19.4	82.1	81.6	0.6
Earnings before Income Tax (g=e-f)	850.8	956.5	-11.0	161.8	203.0	-20.3
Income Tax	192.7	214.7	-10.2	38.5	42.6	-9.8
Net Income	658.1	741.8	-11.3	123.3	160.4	-23.1

III. Assets & Liabilities

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

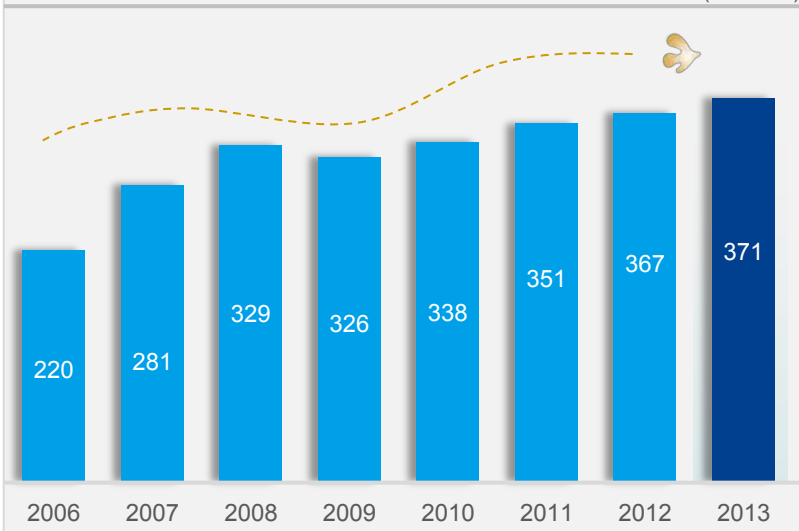


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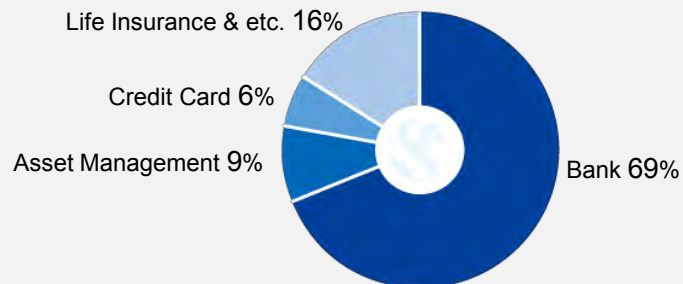
SFG Total Assets

(KRW tril.)



Note) Trust A/C of Shinhan Investment Corp. and discretionary asset of Shinhan BNPP AM is included

Asset Contribution by Subsidiary



(KRW bil.)	2013.12	2012.12	YTD%	2013.9	QoQ%
Bank (a)	257,033.8	259,453.6	-0.9	267,453.3	-3.9
Shinhan Bank	253,837.7	256,199.2	-0.9	264,314.5	-4.0
Jeju Bank	3,196.0	3,254.3	-1.8	3,138.9	1.8
Non-Bank (b)	111,009.4	104,614.4	6.1	109,007.2	1.8
Shinhan Card	21,649.2	22,279.9	-2.8	21,678.1	-0.1
Shinhan Investment Corp.	30,039.9	26,458.0	13.5	28,269.5	6.3
Shinhan Life Insurance	19,385.2	16,942.2	14.4	18,698.9	3.7
Shinhan BNPP AM	33,675.1	33,246.4	1.3	34,148.3	-1.4
Shinhan Capital	3,772.4	3,526.2	7.0	3,661.5	3.0
Shinhan Savings Bank	777.1	636.1	22.2	850.5	-8.6
Shinhan Data System	20.5	16.3	26.0	22.0	-6.7
Shinhan AITAS	34.6	31.0	11.6	33.4	3.5
Shinhan Credit Information	21.0	19.2	9.6	19.8	6.1
Shinhan PE Investment Mgmt.	572.9	604.9	-5.3	600.3	-4.6
Others	1,061.5	854.2	24.3	1,024.9	3.6
Total ¹⁾	371,462.8	366,812.8	1.3	379,775.6	-2.2
Consolidate Total Assets	311,296.8	304,939.2	2.1	317,394.9	-1.9

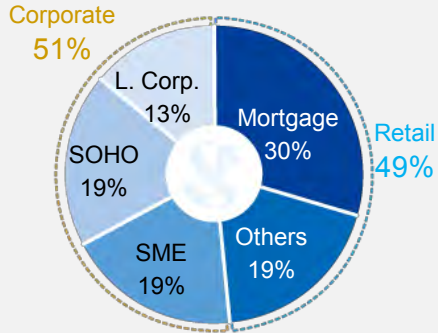
1) Including trust A/C and AUM(Including discretionary assets)



SHB Loan / Deposit Growth

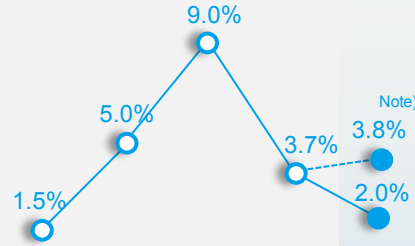
Loan Composition

Note) As of Dec. 31, 2013



KRW Loan Growth

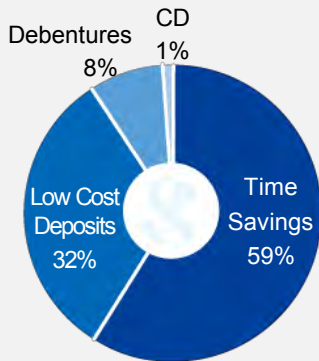
Note) Including Loans Securitized
(Retail Loan growth 2.9% → 6.7%)



FY09 FY10 FY11 FY12 FY13

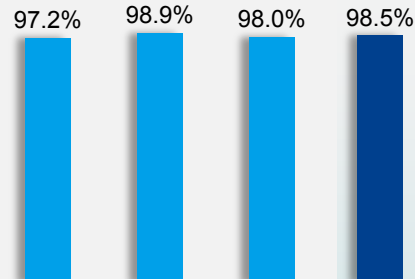
Funding Composition

Note) As of Dec. 31, 2013



Loan to Deposit Ratio

Note) Excluding CDs & monthly average basis



2010.12 2011.12 2012.12 2013.12

(KRW bil.)	2013.12	2012.12	YTD%	2013.9	QoQ%
Loan in KRW	147,048	144,228	2.0	147,501	-0.3
Retail	71,846	69,804	2.9	70,477	1.9
Mortgage	44,257	45,668	-3.1	43,742	1.2
Others ¹⁾	27,589	24,136	14.3	26,735	3.2
Corporate	75,202	74,424	1.0	77,023	-2.4
SME	55,062	51,324	7.3	54,549	0.9
SOHO	27,732	24,984	11.0	27,009	2.7
Large Corporate etc.	20,140	23,101	-12.8	22,475	-10.4
Loan in FX	5,292	5,900	-10.3	5,745	-7.9

Note) Including Unsecured Personal Loans, Commercial Mortgage Loans, Jeonse Loans etc.

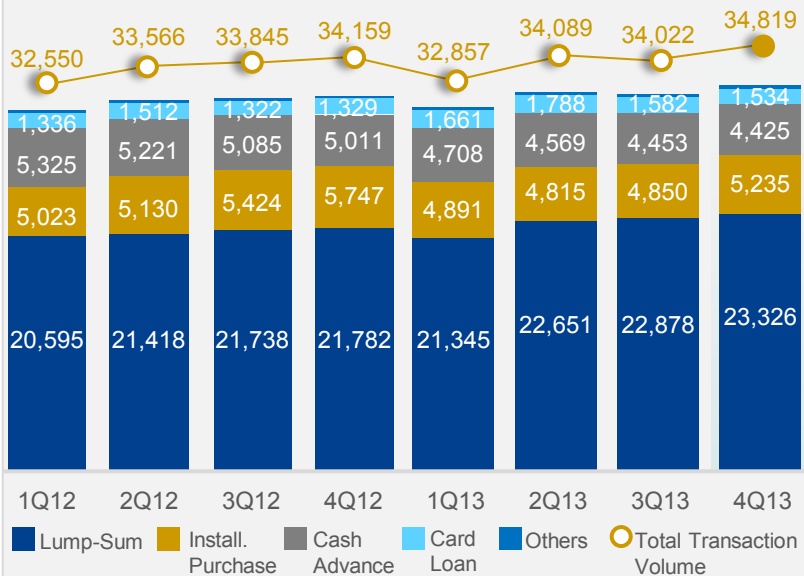
(KRW bil.)	2013.12	2012.12	YTD%	2013.9	QoQ%
Total Deposits in KRW	150,479	147,318	2.1	150,493	0.0
Low Cost Deposits	52,697	47,105	11.9	52,048	1.2
Demand	17,691	15,746	12.4	17,797	-0.6
Savings	35,006	31,359	11.6	34,251	2.2
Time Savings	97,782	100,213	-2.4	98,445	-0.7
Time Deposits	89,642	91,922	-2.5	89,170	0.5
Accumulative etc.	8,141	8,290	-1.8	9,275	-12.2
Certificate of Deposits	1,476	943	56.5	1,362	8.3
Debentures in KRW	13,787	14,644	-5.9	14,389	-4.2



Shinhan Card Asset Growth

Transaction Volume

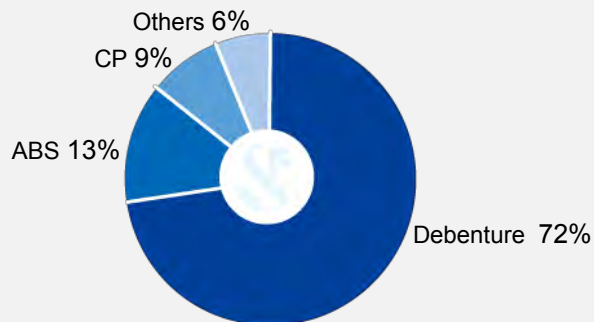
(KRW bil.)



(KRW bil.)	2013.12	2012.12	YTD%	2013.9	QoQ%
Earning Assets	19,626	20,027	-2.0	19,161	2.4
Credit Purchase	10,954	11,551	-5.2	10,540	3.9
Cash Advances	2,368	2,767	-14.4	2,389	-0.9
Card Loan	4,261	3,496	21.9	4,185	1.8
(Re-aged Loan)	225	208	8.0	222	1.1
Installment Finance	1,213	1,242	-2.4	1,204	0.7
Lease etc.	830	970	-14.4	843	-1.5
Effective Cardholders (in thousands)	13,385	15,070	-11.2	14,419	-7.2
Merchants (in thousands)	2,392	2,755	-13.2	2,805	-14.7

Funding Composition

Note) As of Dec. 31, 2013



(KRW bil.)	2013.12	2012.12	YTD%	2013.9	QoQ%
Total Funding	12,067	12,877	-6.3	12,187	-1.0
Debentures	8,701	9,251	-5.9	8,533	2.0
ABS	1,583	1,714	-7.6	1,990	-20.4
CP	1,013	1,043	-2.9	963	5.2
Others	770	870	-11.5	701	9.9

IV. Asset Quality

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

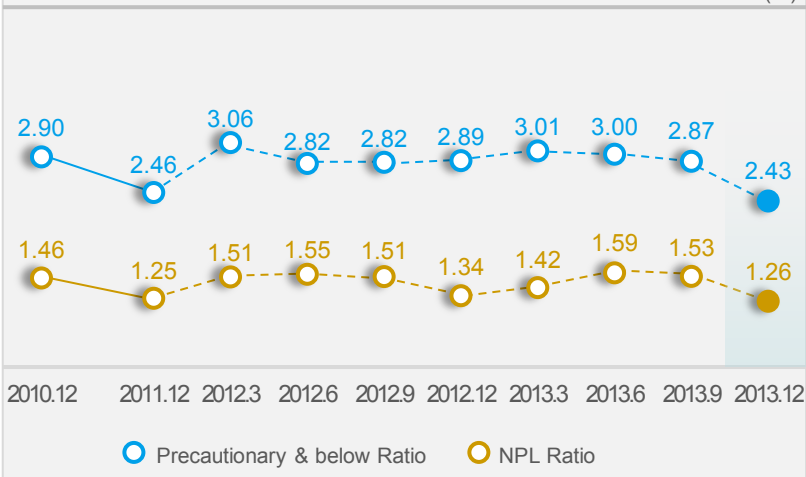


Winter

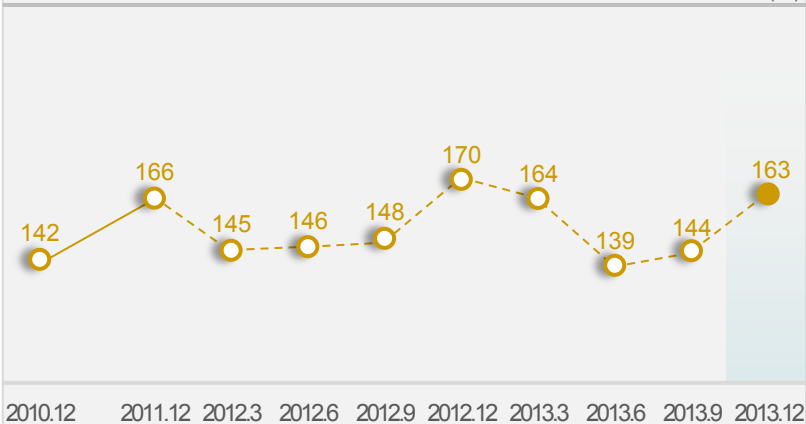


SFG Asset Quality

Precautionary & below Ratio / NPL Ratio (%)



NPL Coverage Ratio (%)



(KRW bil.)	2013.12	2012.12	YTD%	2013.9	QoQ%
Total Loans ¹⁾	202,223	198,508	1.9	201,871	0.2
Normal	197,303	192,767	2.4	196,081	0.6
Precautionary	2,367	3,085	-23.3	2,697	-12.2
Substandard	1,080	1,313	-17.7	1,684	-35.9
Doubtful	370	542	-31.7	618	-40.1
Estimated Loss	1,103	801	37.8	791	39.5
Substandard & Below	2,553	2,655	-3.8	3,093	-17.5
NPL Ratio	1.26%	1.34%	-0.08%p	1.53%	-0.27%p
Loan Loss Allowance ²⁾	4,173	4,522	-7.7	4,458	-6.4
NPL Coverage Ratio	163%	170%	-7%p	144%	19%p
Reserve for credit losses ³⁾	1,816	1,844	-1.5	1,756	3.4

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

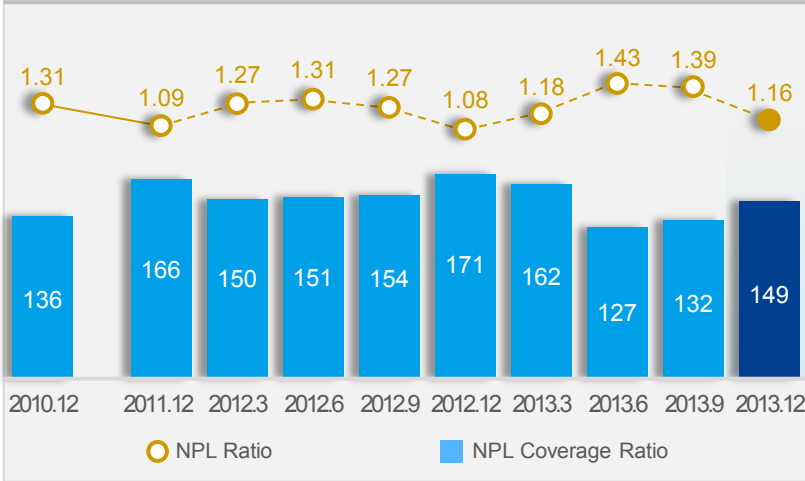
2) Sum of IFRS standard LLA and reserves for credit losses, excluding those for contingent acceptances & guarantees and unused credit lines

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

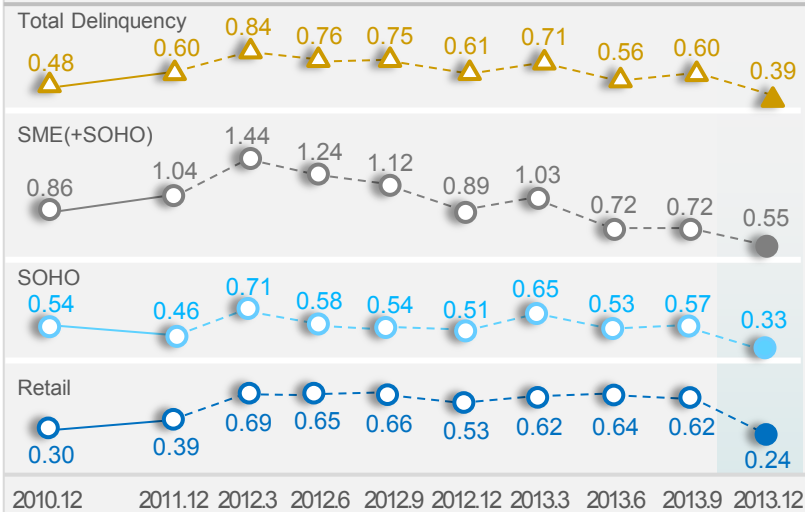


SHB Asset Quality

NPL Ratio & NPL Coverage Ratio (%)



Delinquency Ratio (%)



Note) 1 month overdue

(KRW bil.)	2013.12	2012.12	YTD%	2013.9	QoQ%
Total Loans	170,767	167,777	1.8	171,195	-0.3
Normal	167,398	163,852	2.2	167,158	0.1
Precautionary	1,384	2,111	-34.5	1,659	-16.6
Substandard	913	1,079	-15.4	1,474	-38.1
Doubtful	257	333	-22.8	447	-42.4
Estimated Loss	815	402	102.6	457	78.2
Substandard & Below	1,985	1,814	9.4	2,378	-16.5
NPL Ratio	1.16%	1.08%	0.08%p	1.39%	-0.23%p
Loan Loss Allowance ¹⁾	2,962	3,108	-4.7	3,137	-5.6
NPL Coverage Ratio	149%	171%	-22%p	132%	17%p
Reserve for credit losses ²⁾	1,469	1,479	-0.6	1,414	3.9

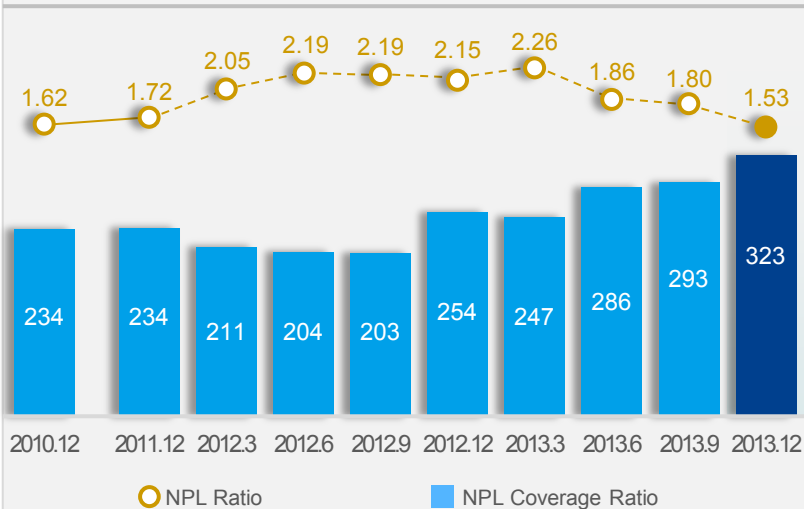
Note 1) Sum of IFRS standard LLA and reserves for credit losses, excluding those for contingent acceptances & guarantees and unused credit lines

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

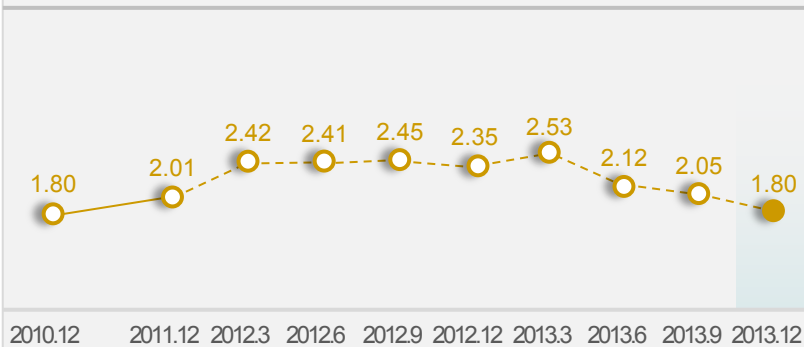


Shinhan Card Asset Quality

NPL Ratio & NPL Coverage Ratio (%)



Delinquency Ratio (%)



Note) 1 month overdue from total credit

(KRW bil.)	2013.12	2012.12	YTD%	2013.9	QoQ%
Total Loans	19,626	20,027	-2.0	19,161	2.4
Normal	18,609	18,907	-1.6	18,105	2.8
Precautionary	716	689	3.9	711	0.6
Substandard	-	-	-	-	-
Doubtful	84	101	-16.5	86	-1.6
Estimated Loss	217	329	-34.3	259	-16.4
Substandard & Below	301	431	-30.1	345	-12.7
NPL Ratio	1.53%	2.15%	-0.62%p	1.80%	-0.27%p
Loan Loss Allowance ¹⁾	971	1,093	-11.2	1,010	-3.8
NPL Coverage Ratio	323%	254%	69%p	293%	30%p
Reserve for credit losses ²⁾	312	334	-6.7	305	2.2

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

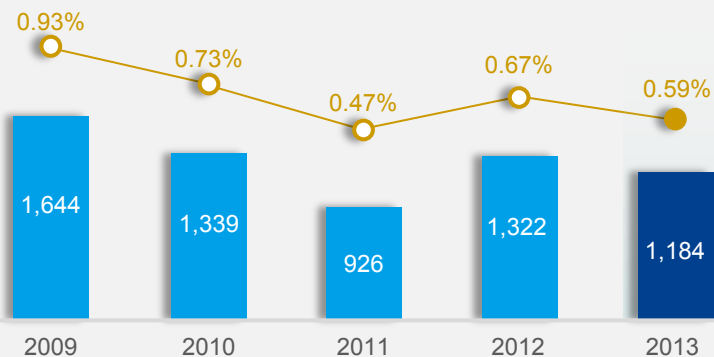
2) Excluding reserve for contingent acceptances & guarantees and unused credit lines



Provision for Credit Losses / Write-Offs

SFG Provision for Credit Losses

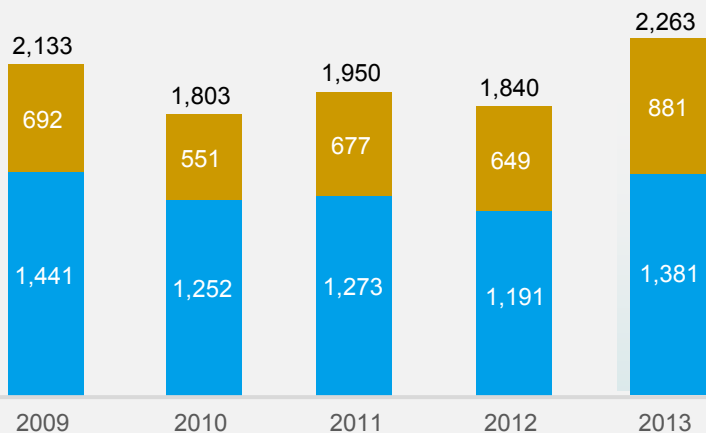
(KRW bil.)



○ Credit Cost Ratio ■ Provision for Credit Losses

Write-Offs & NPL Sales

(KRW bil.)



■ Write-Offs ■ NPL Sales

Credit Costs

(KRW bil.)	2013	1Q	2Q	3Q	4Q	2012	1Q	2Q	3Q	4Q
Shinhan Bank ¹⁾	711	246	133	111	221	837	135	245	265	192
Retail	156	107	32	39	-22	179	38	61	44	36
Corporate	555	139	101	72	242	658	97	184	221	156
Shinhan Card	352	87	102	82	82	295	58	79	89	69
Total	1,064	333	235	193	303	1,132	193	324	354	261

Note) Shinhan Bank figures are separate basis

Write-Offs & NPL Sales

(KRW bil.)	2013	1Q	2Q	3Q	4Q	2012	1Q	2Q	3Q	4Q
Shinhan Bank	1,568	128	412	237	791	1,346	40	366	398	542
(Sale)	806	75	172	142	418	649	-	232	168	249
Retail	527	49	92	88	299	282	15	73	64	131
(Sale)	346	17	62	62	204	173	-	55	38	80
Corporate	1,041	79	321	150	492	1,063	25	293	334	411
(Sale)	461	58	109	80	214	476	-	177	129	169
Shinhan Card	694	140	216	152	186	495	95	122	130	148
Total	2,263	268	629	389	976	1,840	135	488	528	690

V . Capital Adequacy

1. Capital Adequacy



Winter



Group BIS Ratio

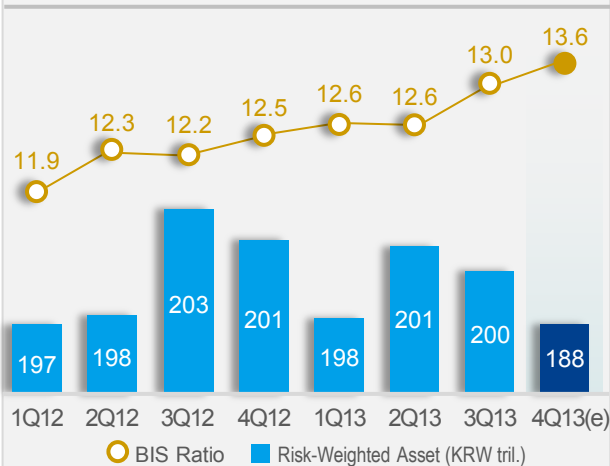
(KRW bil.)	2013.12(e)	2013.9	QoQ	
			Difference	%
Risk-Weighted Assets	187,807	199,738	-11,931	-6.0%
Capital	25,595	26,020	-425	-1.6%
CET 1	19,120	-	-	-
Tier 1	21,538	20,343	1,195	5.9%
BIS Ratio	13.6%	13.0%		0.6%p
CET 1	10.2%	-		-
Tier 1	11.5%	10.2%		1.3%p

Shinhan Bank BIS Ratio

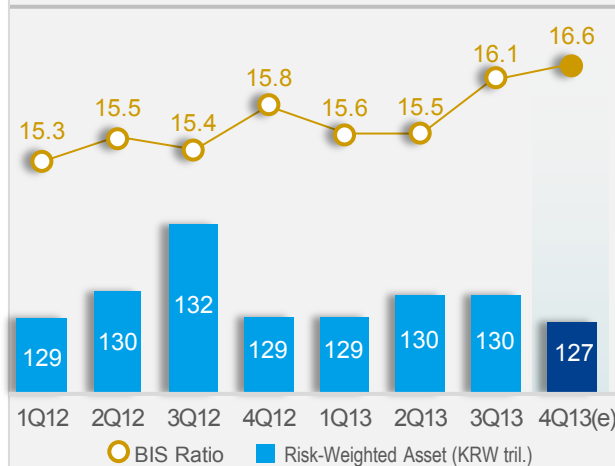
(KRW bil.)	2013.12(e)	2013.9	QoQ	
			Difference	%
Risk-Weighted Assets	127,065	129,644	-2,579	-2.0%
Capital	21,041	20,867	174	0.8%
CET 1	16,130	-	-	-
Tier 1	18,021	17,013	1,008	5.9%
BIS Ratio	16.6%	16.1%		0.5%p
CET 1	12.7%	-		-
Tier 1	14.2%	13.1%		1.1%p

Note) Figs. for 2013.12 Group/Bank based on Basel3, Figs. up to 2013.9 Group based on Basel1, Bank based on Basel2

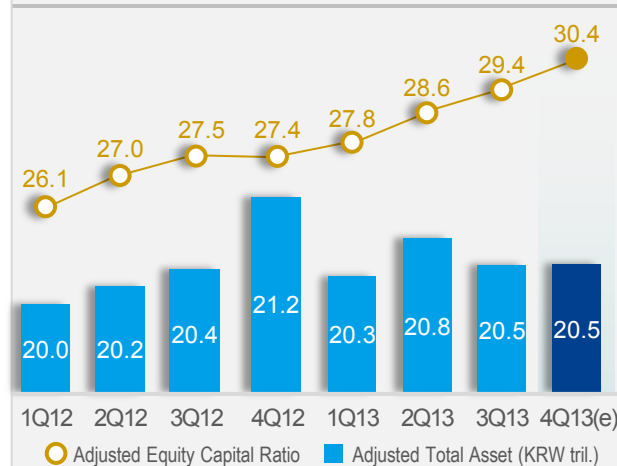
Group BIS Ratio



SHB BIS Ratio



Shinhan Card Capital Adequacy Ratio



VI. Appendix

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

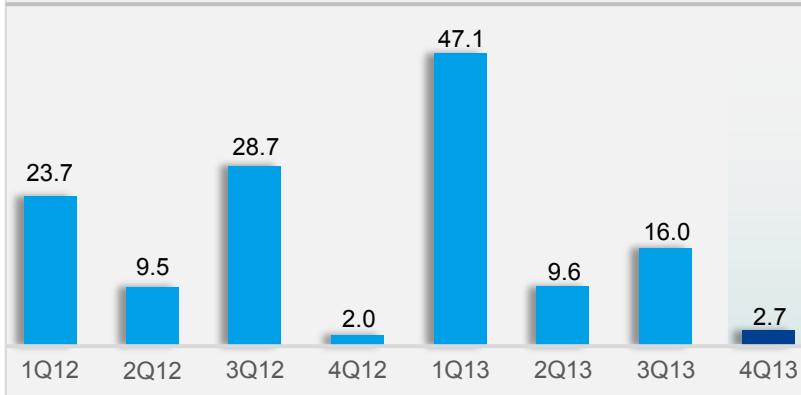


Winter



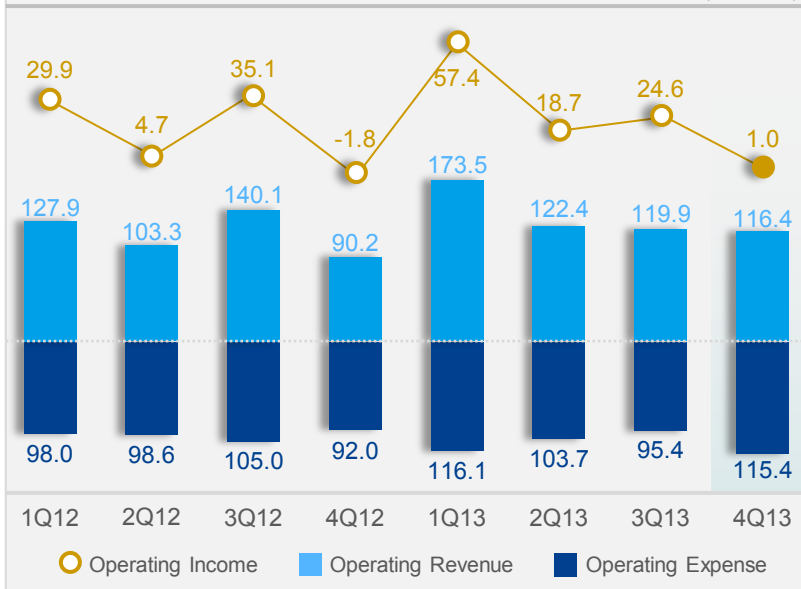
Net Income

(KRW bil.)



Operating Income

(KRW bil.)



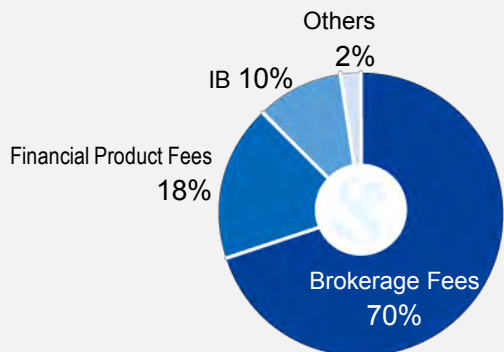
Condensed I/S & Key Financial Indices

(KRW bil.)	FY13 (Acc.)	FY12 (Acc.)	YoY%	4Q13	3Q13	QoQ%
Operating Revenue	532.3	461.4	15.4	116.4	119.9	-2.9
Fees & Commission	273.2	292.6	-6.6	61.8	68.4	-9.7
Proprietary Trading	137.2	123.0	11.5	35.6	25.5	39.4
Others	121.9	45.9	165.8	19.0	26.0	-26.8
Operating Expense	430.6	393.5	9.4	115.4	95.4	21.0
G&A Expenses	372.1	350.2	6.2	93.3	93.0	0.3
Commission Expense	49.3	44.6	10.6	12.6	11.9	6.1
Provision for Credit Losses	9.2	-1.3	n.a.	9.5	-9.5	n.a.
Operating Income	101.7	67.9	49.7	1.0	24.6	-95.9
Net Income	75.4	63.9	17.9	2.7	16.0	-82.9
Net Capital Ratio(%)	496.6%	668.1%	-171.5%p	496.6%	611.3%	-114.7%p
ROE	3.4%	3.0%	0.4%p	3.4%	4.4%	-1.0%p
ROA	0.4%	0.4%	0.0%p	0.4%	0.5%	-0.1%p

Note) ROE, ROA are calculated on a cumulative basis



Fees & Commission

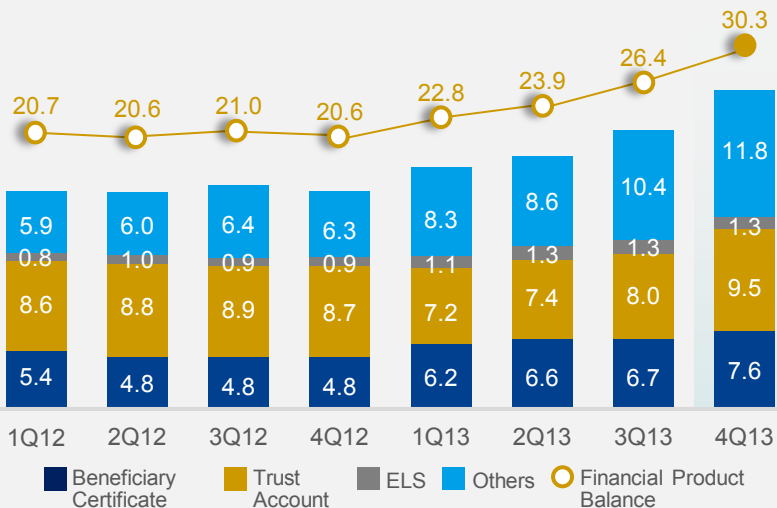


Fees & Commission

(KRW bil.)	FY13 (Acc.)	FY12 (Acc.)	YoY%	4Q13	3Q13	QoQ%
Fees & Commission	273.2	292.6	-6.6	61.8	68.4	-9.7
Brokerage Fees	190.5	223.3	-14.7	41.6	46.3	-10.2
Financial Product Fees	50.4	29.8	69.1	12.7	10.3	23.8
IB	28.4	36.4	-21.8	7.5	10.9	-31.2
Others	3.9	3.2	23.3	-0.0	0.9	n.a.

Financial Products Note)

(KRW tril.)



Balance of Financial Products

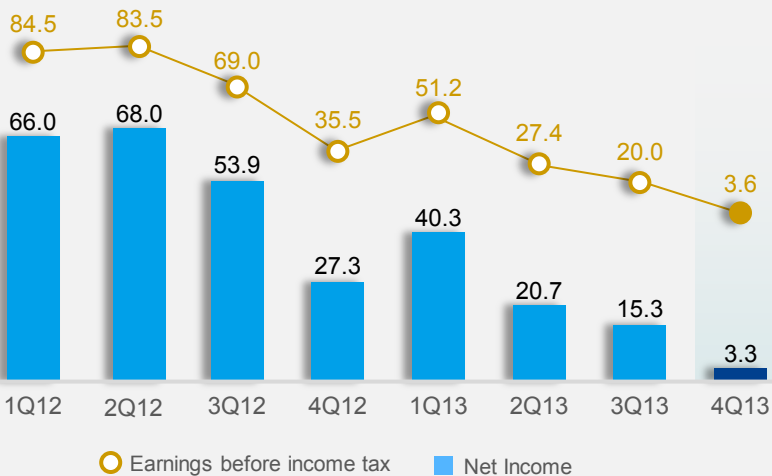
(KRW tril.)	2013.12	2012.12	YTD%	2013.9	QoQ%
Financial Products	30.3	20.6	46.8	26.4	14.5
Beneficiary Certificate	7.6	4.8	59.5	6.7	13.1
Trust Account	9.5	8.7	9.5	8.0	18.7
ELS	1.3	0.9	49.9	1.3	2.6
Others	11.8	6.3	88.3	10.4	13.5

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

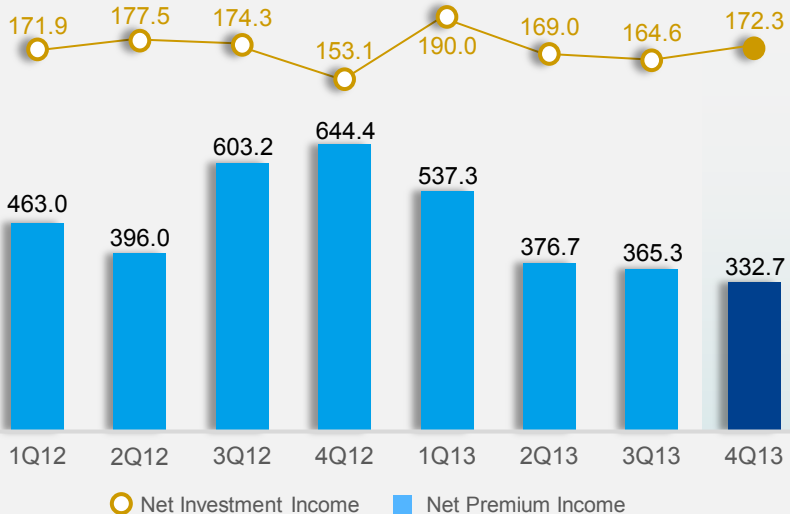


Net Income

(KRW bil.)



Investment Income & Premium Income



Condensed I/S & Key Financial Indices

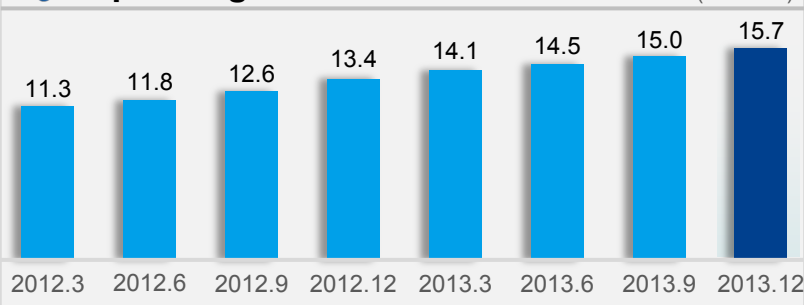
(KRW bil.)	FY13 (Acc.)	FY12 (Acc.)	YoY%	4Q13	3Q13	QoQ%
Total Income	2,344.8	2,826.8	-17.0	512.9	540.3	-5.1
Net Premium Income	1,611.9	2,106.5	-23.5	332.7	365.3	-8.9
Net Investment Income	695.9	676.8	2.8	172.3	164.6	4.7
Special Account/Others	37.0	43.5	-14.9	7.9	10.4	-24.1
Policy Reserve Write Back(Δ)	2,242.6	2,554.3	-12.2	509.2	520.3	-2.1
Earnings before Income Tax	102.2	272.5	-62.5	3.6	20.0	-81.8
Net Income	79.7	215.3	-63.0	3.3	15.3	-78.2
Solvency Margin Ratio	246.9%	287.7%	-40.8%p	246.9%	261.9%	-15.0%p
ROE	6.0%	17.0%	-11.0%p	6.0%	7.7%	-1.7%p
ROA	0.4%	1.4%	-1.0%p	0.4%	0.6%	-0.2%p

Note) ROE, ROA are calculated on a cumulative basis



Operating Assets

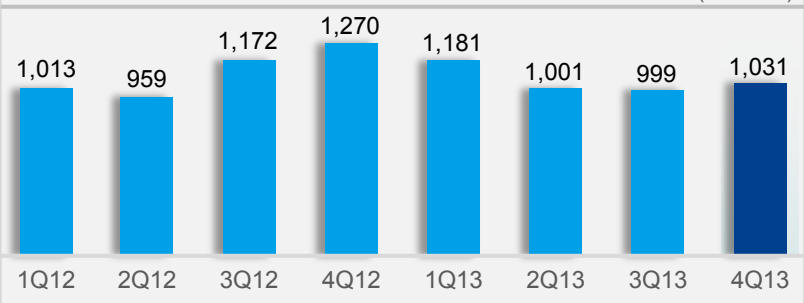
(KRW tril.)



Note) Excluding Retirement Pension

Premium Received

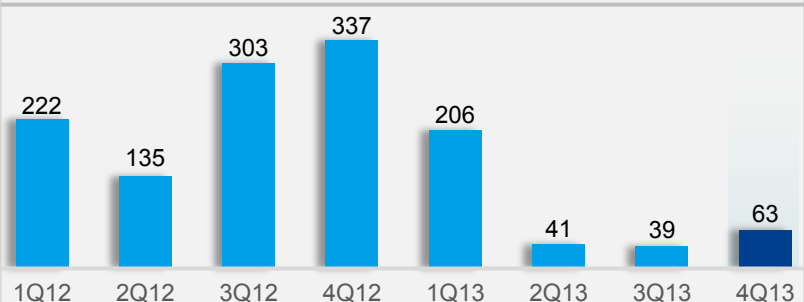
(KRW bil.)



Note) Excluding Retirement Pension

New Premium

(KRW bil.)



Note) Excluding Retirement Pension

Operating Assets & Special Account Assets

(KRW bil.)	2013.12	2012.12	YTD%	2013.9	QoQ%
Operating Assets	15,684.5	13,365.9	17.3	15,046.8	4.2
Fixed Income	8,482.1	7,113.7	19.2	8,084.4	4.9
Loans	4,160.1	3,581.0	16.2	3,992.1	4.2
Equities	90.7	151.1	-40.0	138.3	-34.5
Cash & Deposits	916.6	1,510.9	-39.3	933.4	-1.8
Others	2,035.0	1,009.1	101.7	1,898.6	7.2
Special Account	2,108.6	1,896.1	11.2	2,013.4	4.7

Premium Breakdown

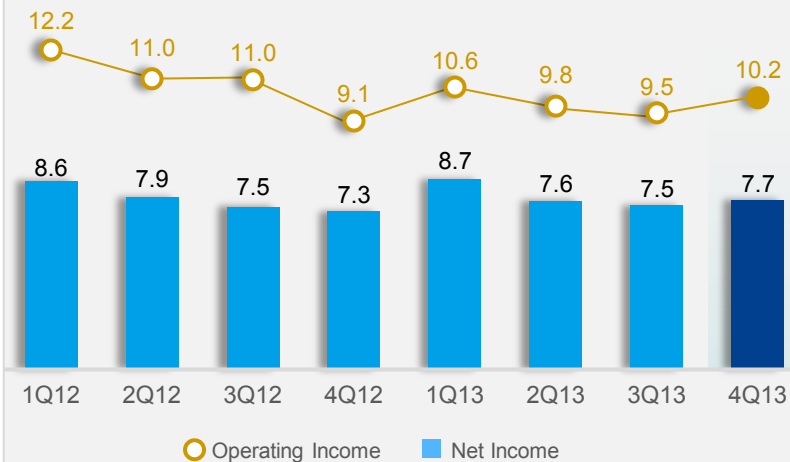
(KRW bil.)	2013	2012								
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Prem. Received	4,211	1,180	1,001	999	1,031	4,414	1,013	959	1,172	1,270
New Premium	350	206	41	39	63	997	222	135	303	337

Note) Excluding Retirement Pension



Net Income

(KRW bil.)



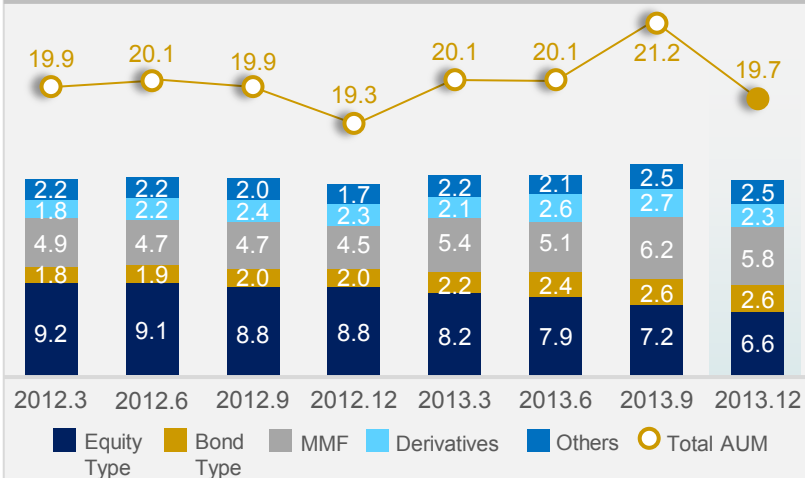
Condensed I/S & Key Financial Indices

(KRW bil.)	FY13 (Acc.)	FY12 (Acc.)	YoY%	4Q13	3Q13	QoQ%
Operating Revenue	98.0	102.5	-4.4	24.1	24.5	-1.7
Operating Expense	57.9	59.2	-2.2	13.9	15.0	-7.5
(G&A Expenses)	37.8	38.6	-2.0	9.4	9.8	-3.6
Operating Income	40.1	43.3	-7.4	10.2	9.5	7.4
Net Income	31.5	31.3	0.5	7.7	7.5	2.6
ROE	21.4%	21.4%	0.0%p	21.4%	22.2%	-0.8%p

Note) ROE is calculated on a cumulative basis

Assets Under Management

(KRW tril.)



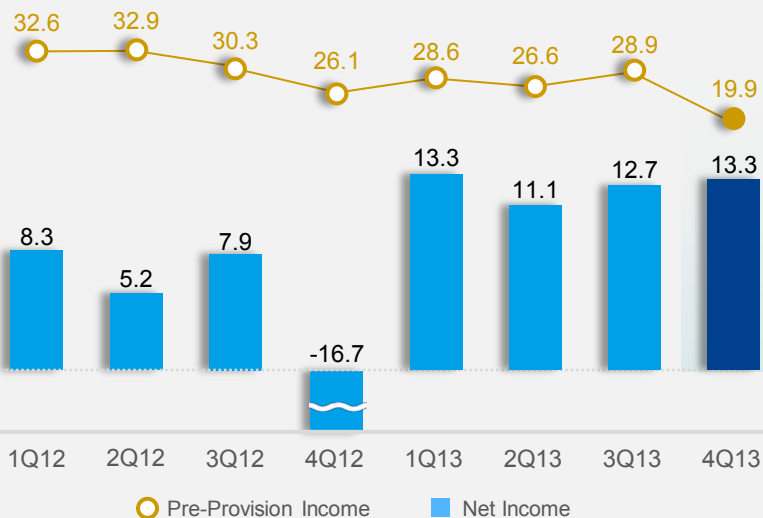
Assets Under Management

(KRW tril.)	2013.12	2012.12	YTD%	2013.9	QoQ%
Total AUM	19.7	19.3	2.3	21.2	-6.8
Equity Type	6.6	8.8	-25.7	7.2	-9.0
Bond Type	2.6	2.0	27.2	2.6	-1.2
MMF	5.8	4.5	28.1	6.2	-6.8
Derivatives	2.3	2.3	3.2	2.7	-13.6
Others	2.5	1.7	47.9	2.5	0.6



Net Income

(KRW bil.)



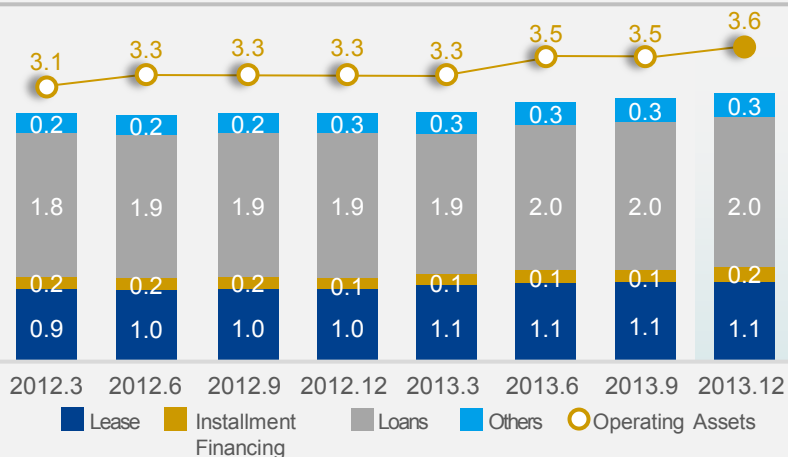
Condensed I/S & Key Financial Indices

(KRW bil.)	FY13 (Acc.)	FY12 (Acc.)	YoY%	4Q13	3Q13	QoQ%
Operating Revenue	319.7	373.0	-14.3	75.7	50.5	49.9
Operating Expense	215.8	251.1	-14.1	55.8	21.7	157.7
(Interest Expense)	117.7	132.6	-11.3	29.3	29.1	0.8
(G&A Expenses)	25.2	19.8	27.5	7.3	6.0	21.3
Pre-Provision Income	103.9	121.9	-14.8	19.9	28.9	-31.1
Provision for Credit Losses	38.5	120.1	-67.9	2.5	14.0	-81.9
Net Income	50.4	4.7	961.4	13.3	12.7	5.3
ROE	10.2%	1.0%	9.2%p	10.2%	10.1%	0.1%p
ROA	1.4%	0.1%	1.3%p	1.4%	1.4%	0.0%p

Note) ROE, ROA are calculated on a cumulative basis

Operating Assets

(KRW tril.)



Operating Assets

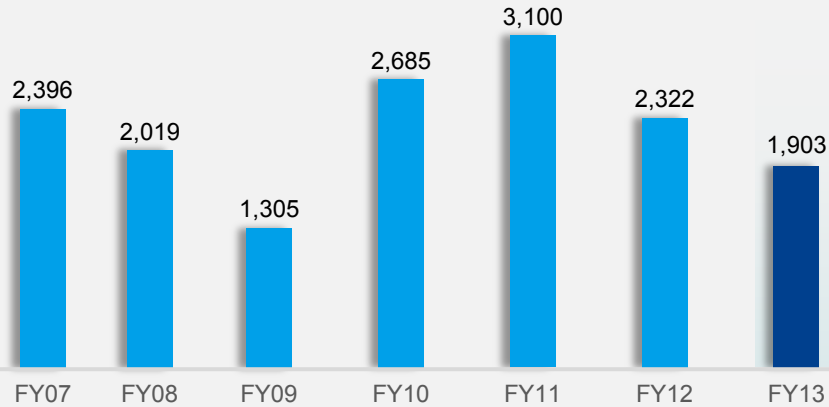
(KRW tril.)	2013.12	2012.12	YTD%	2013.9	QoQ%
Operating Assets	3.6	3.3	9.6	3.5	2.0
Lease	1.1	1.0	9.4	1.1	1.6
Installment Financing	0.2	0.1	36.0	0.1	43.2
Loans	2.0	1.9	6.0	2.0	-1.9
Others	0.3	0.3	21.1	0.3	11.1



Key Financial Indices

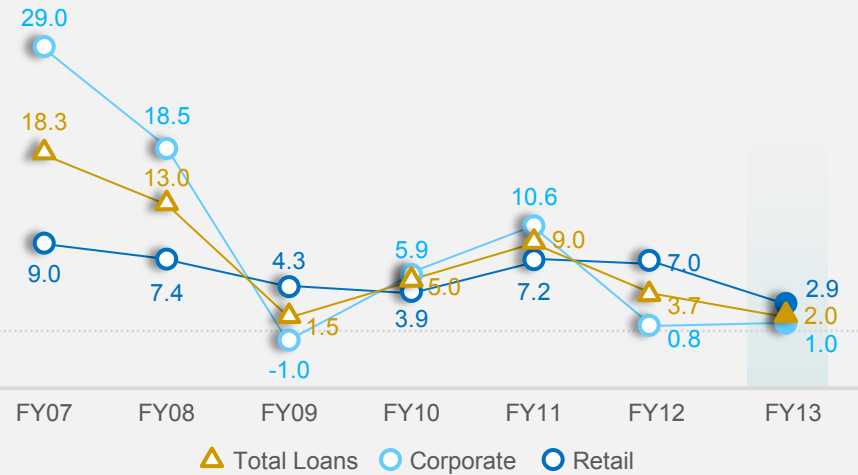
Group Net Income

(KRW bil.)



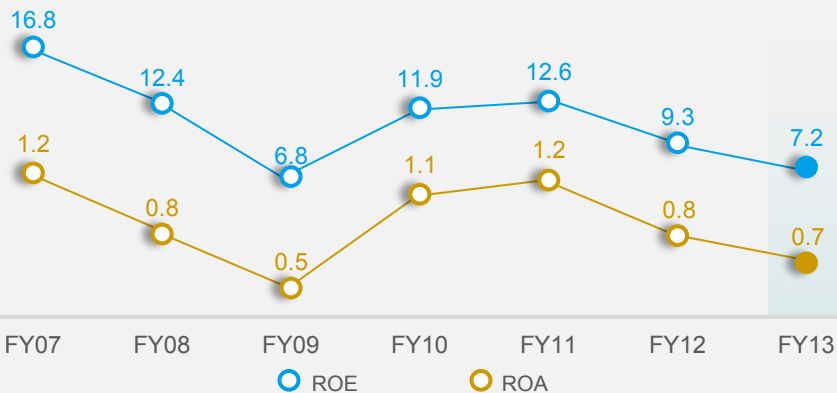
SHB Loan Growth Rate

(%)



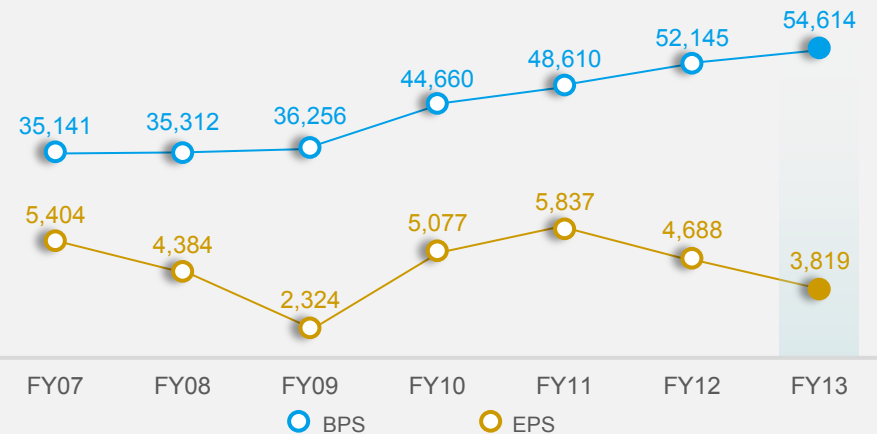
ROA / ROE

(%)



BPS / EPS

(KRW)



Note) ROE based on common stock

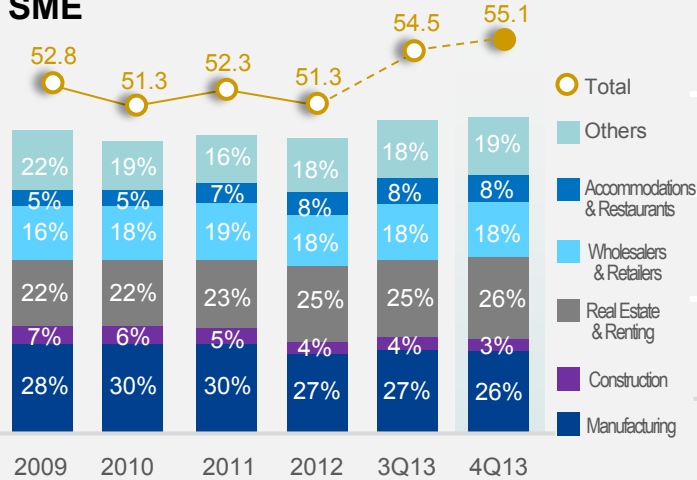
Note) Based on common stock



Shinhan Bank SME Loans

Loans

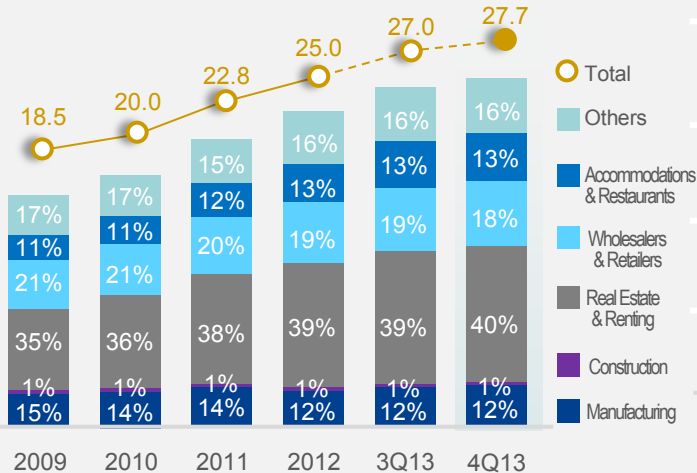
SME



Note) SME Loan by Borrowers as of Dec. 31, 2013

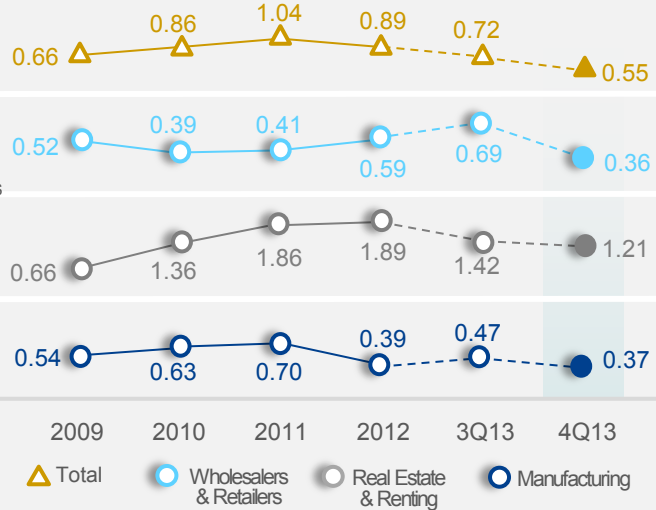
: SOHO 49%, Registered 26%, Unregistered 26%

SOHO



(KRW tril.)

Delinquency



(%)

Collateral

