



BUSINESS RESULTS

2015 1Q

Spring

Disclaimer Statement

The financial information contained herein has neither been reviewed or audited by independent auditors.

Therefore, no assurance is given that the financial information contained herein is accurate or complete, and such financial information may differ from the financial information to be contained in our financial statements audited by independent auditors. The information contained herein is subject to change without further notice.

We also note the following:

- 1) Financial information for periods on or following January 1, 2010 has been prepared in accordance with the Korean IFRS, whereas financial information for periods on or prior to December 31, 2009 has been prepared in accordance with Korean GAAP.
- 2) Financial information for the years ended December 31, 2011, 2012 and 2013 have been retroactively restated to reflect changes in accounting policies.

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



Contents

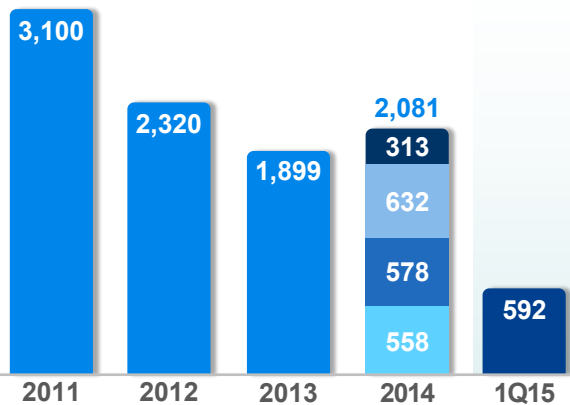
- I . 2015 1Q Business Results Highlights
- II . Income
- III . Assets & Liabilities
- IV . Asset Quality
- V . Capital Adequacy
- VI . Appendix



2015 1Q Business Results Highlights (1)

Group Net Income (KRW bil.)

1Q14 2Q14
3Q14 4Q14

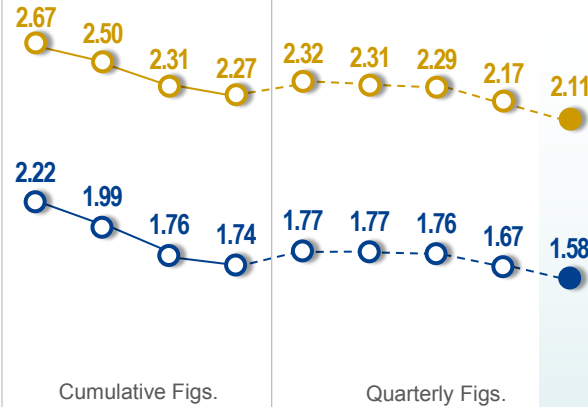


**2015 1Q Net Income : 592.1bil.
(6.0% YoY improvement)**

- Group net income improved by 6.0% YoY, attributed to recovery in earnings from non-bank subsidiaries. (NI Contribution from non-bank 1Q14 : 33% → 1Q15 : 40%)
- Interest Income decreased by 1.5% YoY due to margin contraction, whereas non-interest income increased by 59.3% YoY, attributed to increased security sales gains along with decrease in impairment losses from securities holdings.
- SG&A tamed at 1.0% YoY, through tightened cost control, while decreased by 21.4% QoQ due to absence of seasonal pick-up in general expenses during previous quarter.

NIM (%)

SHB + SHC SHB



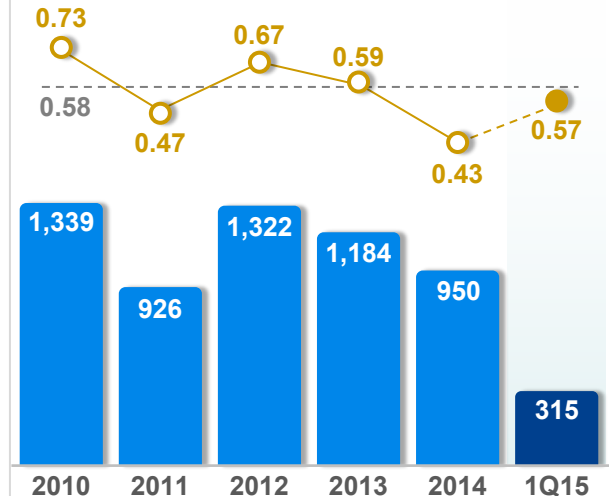
2011 2012 2013 2014 1Q14 2Q14 3Q14 4Q14 1Q15

**2015 1Q Bank NIM 1.58%,
Group NIM 2.11%**

- Group NIM marked 2.11% dropping by 6bp QoQ.
- SHB's quarterly margin compressed by 9bp QoQ to 1.58%, due to pressures on lending yields in tandem with falling interest rates ahead of policy rate cut in March along with recognition of deferred acquisition costs related to loan-transfer of mortgages into relief loans.
- SHC's NIM excluding credit card merchant fee marked 7.71%, 45bp improvement QoQ, attributed to reduced funding cost.

Credit Cost Ratio (% , KRW bil.)

Credit Cost Ratio Provision for Credit Losses
----2010~2014 Average

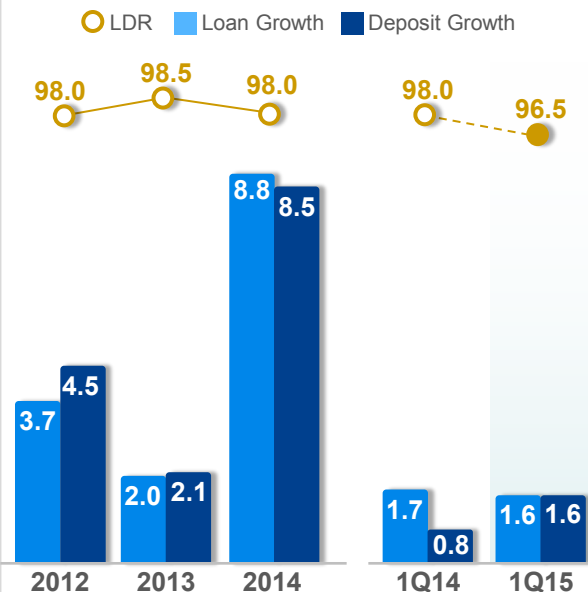


**2015 1Q Credit Cost Ratio at 0.57%
(slightly lower than 5-year average)**

- Group credit costs increased by 14bp to 0.57% compare to 0.43% in FY2014.
- SHB's provision for credit losses increased by 155.5 bil. YoY and 128.7 bil. QoQ respectively, due to absence of one-off write-back in the same period last year and previous quarter along with one-off provisions related to restructuring companies during 1Q15.
- SHC's 1Q provision for credit losses decreased by 10.8% YoY and 18.5% QoQ respectively, attributed to improving asset quality despite slight decrease in recovery from written-off assets.

2015 1Q Business Results Highlights (2)

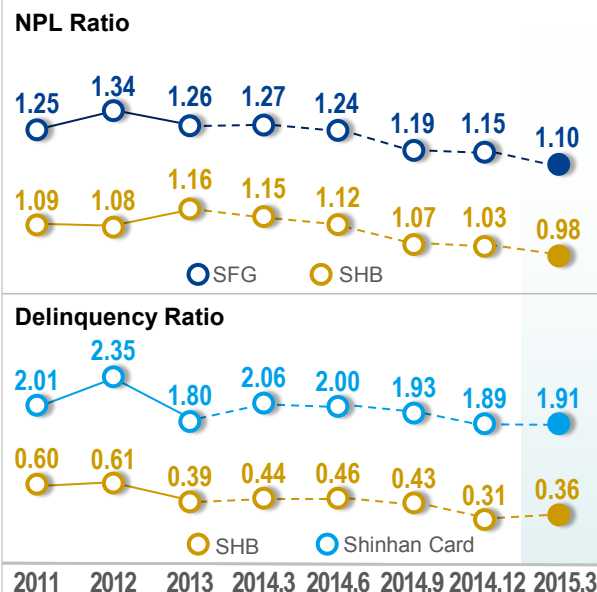
Loans & Deposits (%)



**1Q15 Loan&Deposit growth at 1.6% each
LDR stood at 96.5%**

- KRW loan balance as end of 1Q15 marked 162.7 tril. up by 1.6% YTD. Corporate: Large Corporate loans and SME loans increased by 0.5% and 0.4% respectively. Retail: Mortgage loans expanded by 3.5% YTD backed by record-high housing transaction volume, bringing up retail loan growth by 2.9% YTD.
- Deposit increased by 1.6% YTD to reach 166.0 tril., attributed to stable increase in low costs deposits.
- LDR stood at 96.5% remaining at a stable level.

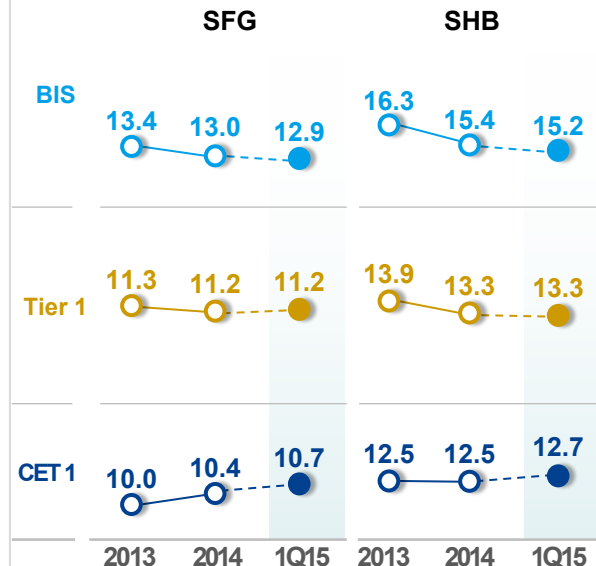
NPL / Delinquency Ratio (%)



**2015 1Q Group NPL Ratio 1.10%,
SHB Delinquency Ratio 0.36%**

- NPL ratio for the Group and SHB recorded 1.10% and 0.98%, improvement of 0.05%p respectively.
- NPL coverage ratio for the Group and SHB each marked 171% and 160%, increased by 3%p and 6%p respectively.
- Delinquency ratio for the Bank and Credit Card marked 0.36% and 1.91%, increased by 0.05%p and 0.02%p respectively. However, the level of delinquency has improved YoY and remains in tact.

Capital Adequacy (%)



**2015 1Q Group CET1 Ratio 10.7%
SHB CET1 Ratio 12.7%**

Note) Based on Basel 3

- Based on BASEL3, Group's Common Equity Tier1 and BIS ratio each marked 10.7% and 12.9% 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 15.2%, maintaining sufficient capital base.

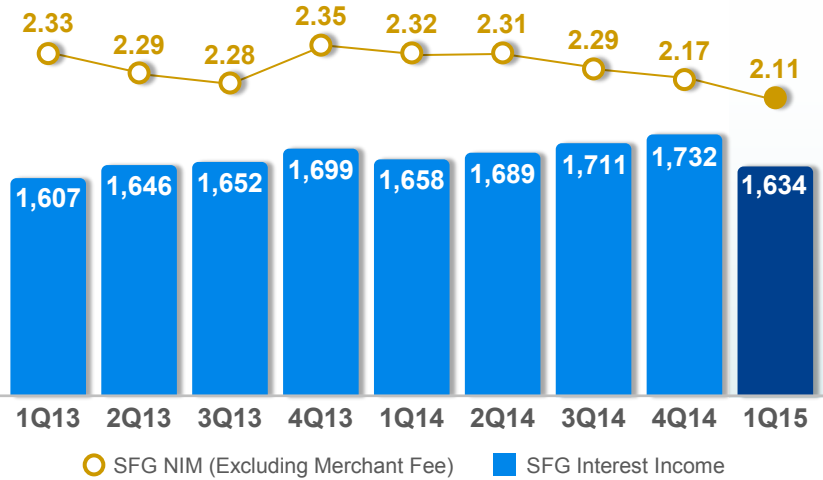
II. Income

- 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**

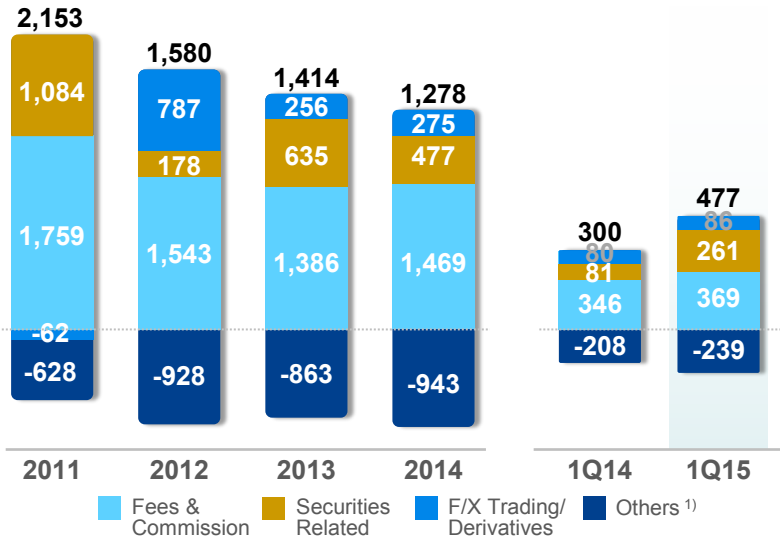


SFG Income

SFG Interest Income & NIM(Quarterly) (% , KRW bil.)



SFG Non-Interest Income (KRW bil.)



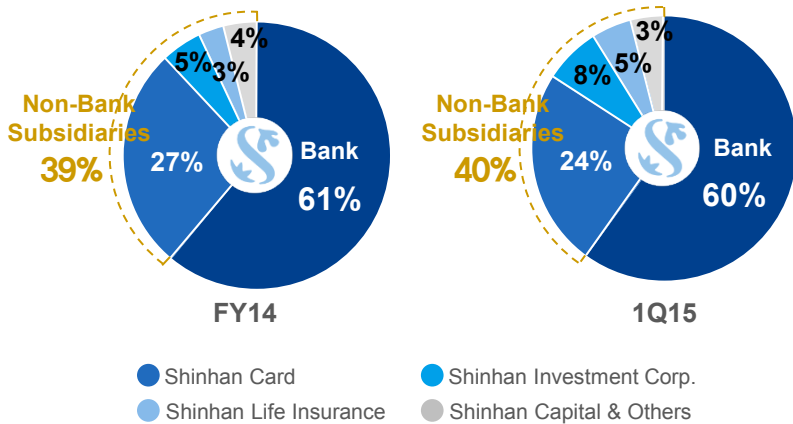
| (KRW bil.) | 1Q15 | 1Q14 | YoY% | 4Q14 | QoQ% |
|---------------------------------------|---------|---------|------|---------|-------|
| Operating Income (a=b+c) | 2,110.8 | 1,957.5 | 7.8 | 1,848.1 | 14.2 |
| Interest Income (b) | 1,633.7 | 1,658.0 | -1.5 | 1,731.9 | -5.7 |
| Non-Interest Income (c) | 477.1 | 299.6 | 59.3 | 116.2 | 310.5 |
| G&A Expenses (d) | 1,043.1 | 1,032.7 | 1.0 | 1,327.4 | -21.4 |
| Pre-Provision Oper. Income (e=a-d) | 1,067.7 | 924.9 | 15.4 | 520.7 | 105.1 |
| Non-Operating Income (f) | 35.7 | 18.0 | 98.2 | 127.4 | -72.0 |
| Pre-Provision Income (g=e+f) | 1,103.4 | 942.9 | 17.0 | 648.1 | 70.2 |
| Provision for Credit Losses (h) | 314.7 | 167.0 | 88.4 | 210.3 | 49.6 |
| Earnings before Income Tax (i=g-h) | 788.7 | 775.8 | 1.7 | 437.8 | 80.1 |
| Income Tax | 174.9 | 180.3 | -3.0 | 97.3 | 79.9 |
| Consolidated Net Income ¹⁾ | 592.1 | 558.4 | 6.0 | 313.1 | 89.1 |

Note 1) Net Income in Controlling Interest

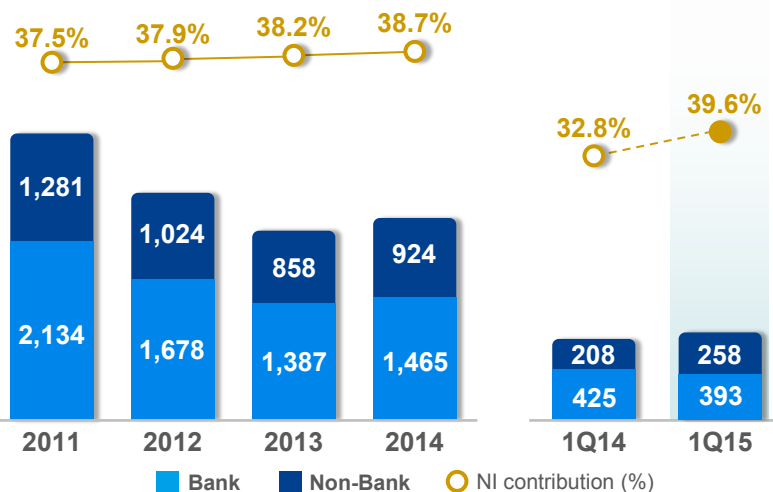
Note 1) Including Insurance Fees on Deposits, Contribution Expenses etc.

Subsidiaries Income (1)

Net Income Contribution by Subsidiaries



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



Note) After reflecting ownership by SFG

| (KRW bil.) | Net Income [A] | Ownership [B] | Net Income (A x Ownership) [C=A x B] | Adjustment [D] | Net Income (Consolidated) [E=C+D] |
|-------------------------------|-------------------|------------------|--|---------------------|---|
| Bank (a) | 394.6 | | 393.2 | -22.4 | 370.8 |
| Shinhan Bank | 389.9 | 100.0% | 389.9 | -22.4 | 367.5 |
| Jeju Bank | 4.7 | 68.9% | 3.2 | 0.0 | 3.3 |
| Non-Bank (b) | 259.7 | | 257.7 | 5.7 | 263.4 |
| Shinhan Card | 154.5 | 100.0% | 154.5 | 1.4 | 156.0 |
| Shinhan Investment Corp. | 48.8 | 100.0% | 48.8 | 1.0 | 49.9 |
| Shinhan Life Insurance | 32.3 | 100.0% | 32.3 | 3.0 | 35.3 |
| Shinhan BNPP AM | 5.8 | 65.0% | 3.8 | 0.1 | 3.9 |
| Shinhan Capital | 13.1 | 100.0% | 13.1 | 0.8 | 13.9 |
| Shinhan Savings Bank | 3.5 | 100.0% | 3.5 | 0.0 | 3.5 |
| Shinhan Data System | -0.1 | 100.0% | -0.1 | -0.6 | -0.8 |
| Shinhan AITAS | 1.4 | 99.8% | 1.4 | - | 1.4 |
| Shinhan Credit Information | 0.2 | 100.0% | 0.2 | 0.0 | 0.2 |
| Shinhan Private Equity | 0.1 | 100.0% | 0.1 | - | 0.1 |
| SFG (c) | | | | -42.1 ²⁾ | -42.1 |
| Total (d=a+b+c) ¹⁾ | 654.3 | | 650.8 | -58.8 | 592.1 |

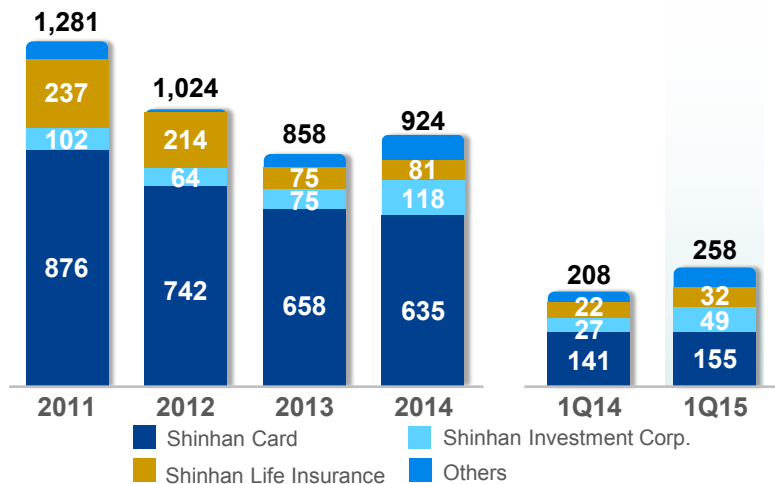
Note) 1) Net Income in Controlling Interest

2) SFG (Separate): Brand Fee Income KRW 17.5bil., Interest Expense KRW -48.1bil., G&A etc. KRW -15.2bil.

Subsidiaries Income (2)

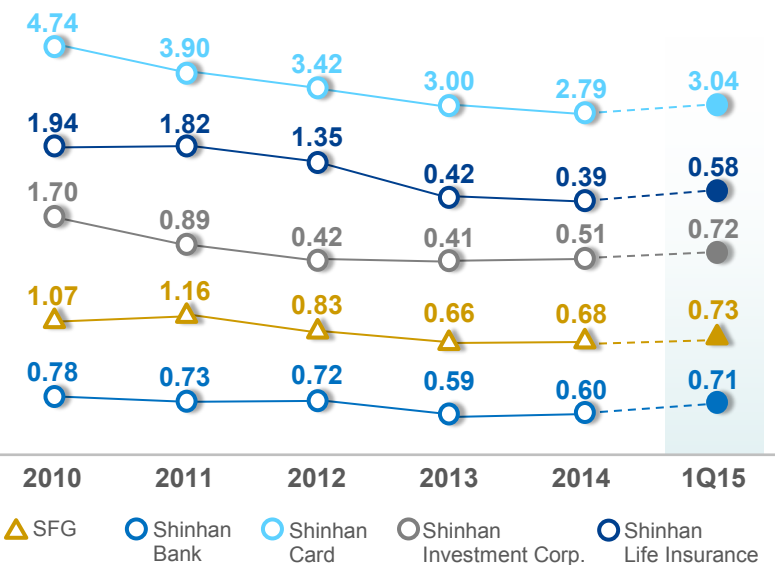
Non-Bank Net Income

(KRW bil.)



ROA

(%)

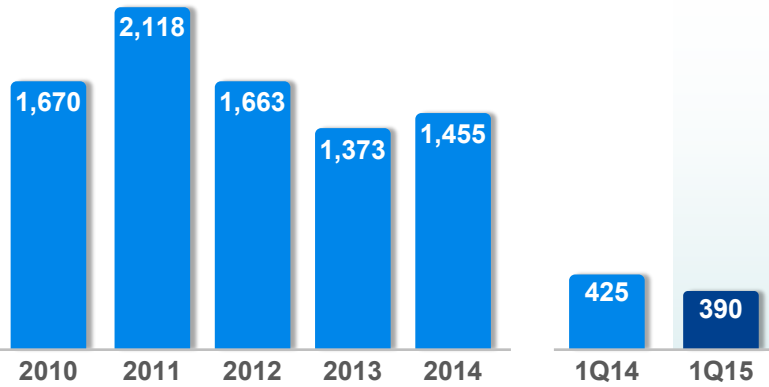


| (Reflecting SFG Ownership, KRW bil.) | 1Q15 | 1Q14 | YoY% | 4Q14 | QoQ% |
|--|--------------|-------|-------|-------|-------|
| Bank (a) | 393.2 | 425.0 | -7.5 | 190.8 | 106.0 |
| Shinhan Bank | 389.9 | 425.1 | -8.3 | 183.3 | 112.8 |
| Jeju Bank | 3.2 | -0.0 | n.a. | 7.6 | -57.3 |
| Non-Bank (b) | 257.7 | 207.8 | 24.0 | 192.6 | 33.8 |
| Shinhan Card | 154.5 | 141.2 | 9.5 | 127.4 | 21.3 |
| Shinhan Investment Corp. | 48.8 | 26.7 | 82.8 | 26.9 | 81.6 |
| Shinhan Life Insurance | 32.3 | 21.8 | 48.0 | 12.5 | 157.2 |
| Shinhan BNPP AM | 3.8 | 4.7 | -20.6 | 4.4 | -14.7 |
| Shinhan Capital | 13.1 | 11.7 | 12.3 | 14.8 | -11.6 |
| Shinhan Savings Bank | 3.5 | -0.1 | n.a. | 5.3 | -33.0 |
| Shinhan Data System | -0.1 | 0.6 | n.a. | 0.9 | n.a. |
| Shinhan AITAS | 1.4 | 1.3 | 14.0 | 0.7 | 117.6 |
| Shinhan Credit Information | 0.2 | -0.0 | n.a. | 0.1 | 29.9 |
| Shinhan Private Equity | 0.1 | -0.0 | n.a. | -0.4 | n.a. |
| Total (a+b) | 650.8 | 632.8 | 2.8 | 383.5 | 69.7 |
| Consolidate Net Income¹⁾ | 592.1 | 558.4 | 6.0 | 313.1 | 89.1 |

1) Net Income in Controlling Interest

Net Income

(KRW bil.)



Interest Income/NIM(Quarterly)

(%, KRW bil.)



| (KRW bil.) | 1Q15 | 1Q14 | YoY% | 4Q14 | QoQ% |
|------------------------------------|---------|---------|-------|---------|-------|
| Operating Income (a=b+c) | 1,335.2 | 1,255.4 | 6.4 | 1,192.7 | 11.9 |
| Interest Income (b) | 1,016.7 | 1,083.1 | -6.1 | 1,096.0 | -7.2 |
| Non-Interest Income (c) | 318.4 | 172.3 | 84.8 | 96.7 | 229.3 |
| G&A Expenses (d) | 653.9 | 664.5 | -1.6 | 902.7 | -27.6 |
| Pre-Provision Oper.Income (e=a-d) | 681.3 | 590.9 | 15.3 | 290.0 | 135.0 |
| Non-Operating Income (f) | 32.4 | 7.1 | 358.1 | 9.0 | 260.8 |
| Pre-Provision Income (g=e+f) | 713.7 | 597.9 | 19.4 | 299.0 | 138.7 |
| Provision for Credit Losses (h) | 212.7 | 57.2 | 271.9 | 84.0 | 153.3 |
| Earnings before Income Tax (i=g-h) | 501.1 | 540.8 | -7.3 | 215.0 | 133.1 |
| Income Tax | 111.0 | 115.6 | -4.0 | 31.6 | 250.9 |
| Net Income ¹⁾ | 389.9 | 425.1 | -8.3 | 183.3 | 112.8 |

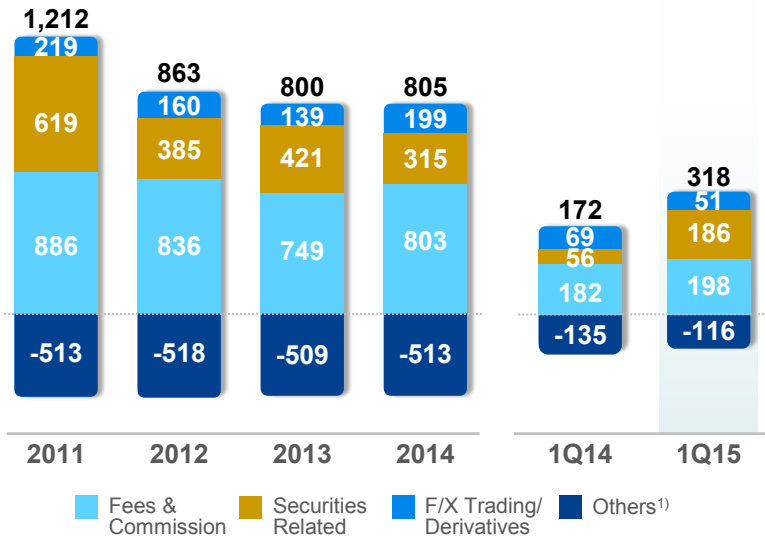
1) Net Income in Controlling Interest

| (%) | 1Q13 | 2Q13 | 3Q13 | 4Q13 | 1Q14 | 2Q14 | 3Q14 | 4Q14 | 1Q15 |
|---------------------------|------|------|------|------|------|------|------|------|------|
| NIS (a-b) (quarterly) | 1.87 | 1.87 | 1.83 | 1.91 | 1.91 | 1.89 | 1.88 | 1.78 | 1.70 |
| Loan interest rate (a) | 4.69 | 4.52 | 4.36 | 4.30 | 4.20 | 4.13 | 4.05 | 3.83 | 3.62 |
| Deposit interest rate (b) | 2.81 | 2.65 | 2.52 | 2.39 | 2.29 | 2.24 | 2.17 | 2.05 | 1.92 |
| NIM(quarterly) | 1.78 | 1.74 | 1.73 | 1.79 | 1.77 | 1.77 | 1.76 | 1.67 | 1.58 |
| NIM(cumulative figures) | 1.78 | 1.76 | 1.75 | 1.76 | 1.77 | 1.77 | 1.77 | 1.74 | 1.58 |

SHB Non-Interest Income / G&A Expenses

Non-Interest Income

(KRW bil.)

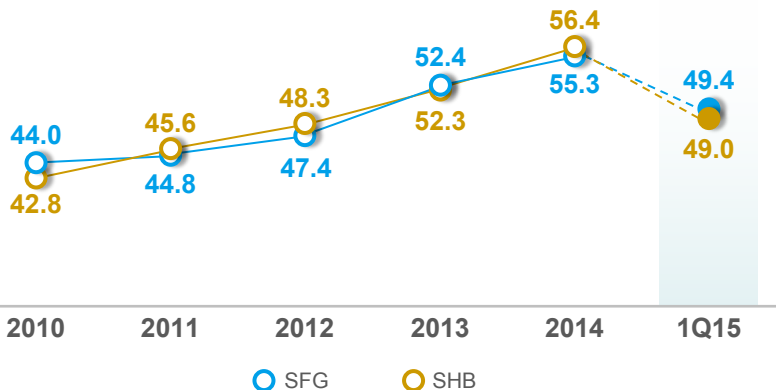


Note 1) Including Insurance Fees on Deposits, Contribution Expenses etc.

| (KRW bil.) | 1Q15 | 1Q14 | YoY% | 4Q14 | QoQ% |
|-------------------------------|---------------|--------|-------|--------|-------|
| Non-Interest Income | 318.4 | 172.3 | 84.8 | 96.7 | 229.3 |
| Fees & Commission | 197.8 | 182.0 | 8.7 | 211.1 | -6.3 |
| (Fund) | 28.2 | 25.5 | 10.9 | 27.3 | 3.5 |
| (Bancassurance) | 22.6 | 19.6 | 15.5 | 23.8 | -4.8 |
| (Trust Fees) | 14.5 | 11.1 | 30.7 | 13.7 | 5.2 |
| Securities Related | 185.7 | 55.9 | 231.9 | -49.0 | n.a. |
| FX Trading/Derivatives | 51.3 | 69.1 | -25.8 | 57.7 | -11.1 |
| Others | -116.3 | -134.7 | n.a. | -123.1 | n.a. |
| (Contribution Expenses) | -68.6 | -59.1 | n.a. | -62.9 | n.a. |
| (Insurance Fees on Deposits) | -61.1 | -61.0 | n.a. | -60.6 | n.a. |

Cost-Income Ratio

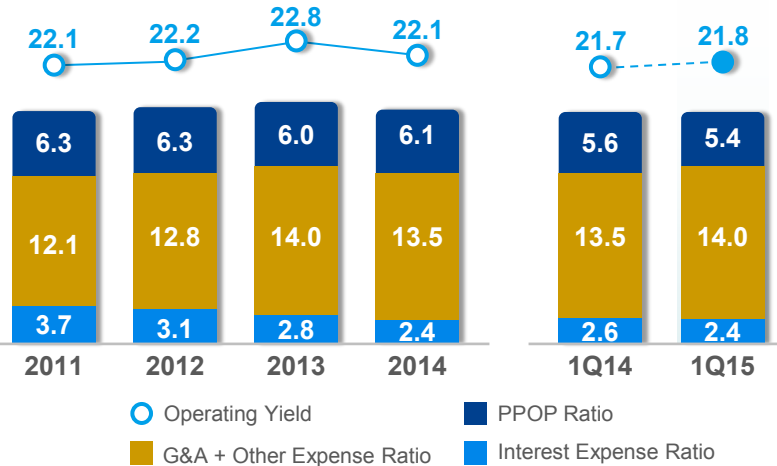
(%)



Note) Cumulative Figures

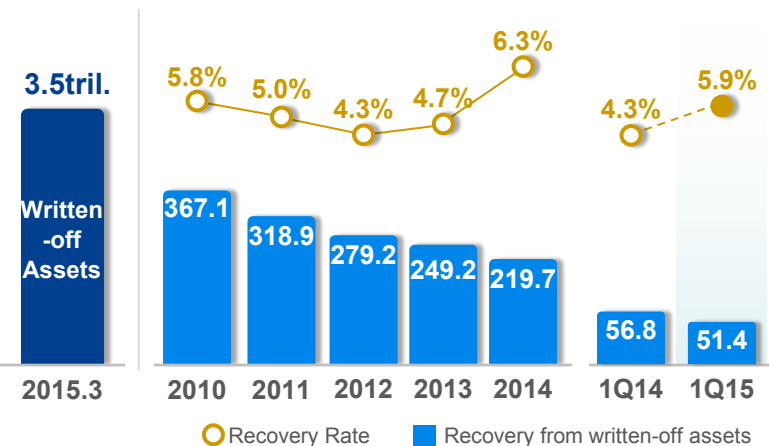
| (KRW bil.) | 1Q15 | 1Q14 | YoY% | 4Q14 | QoQ% |
|---------------------------------------|--------------|-------|-------|-------|-------|
| G&A Expenses | 653.9 | 664.5 | -1.6 | 902.7 | -27.6 |
| Salary & Employee Benefits | 415.1 | 397.3 | 4.5 | 571.9 | -27.4 |
| D & A | 40.6 | 52.2 | -22.3 | 49.0 | -17.1 |
| Other Expenses | 198.1 | 215.0 | -7.8 | 281.9 | -29.7 |

Operating Yield and PPOP Ratio (%)



Note) Net of Derivatives & F/X

Recovery from Written-off Assets (KRW bil.)



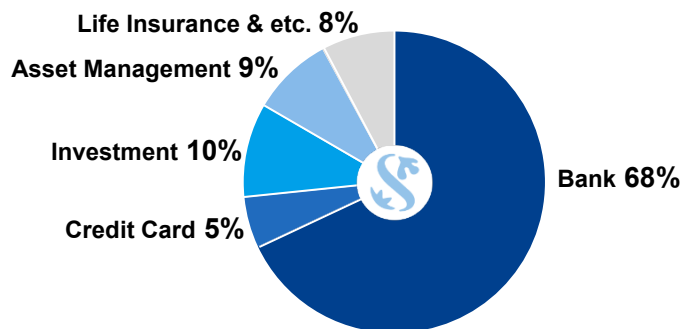
| (KRW bil.) | 1Q15 | 1Q14 | YoY% | 4Q14 | QoQ% |
|---|----------------|---------|-------|---------|-------|
| Operating Revenue (a) | 1,093.7 | 1,094.7 | -0.1 | 1,221.7 | -10.5 |
| Card Business | 937.6 | 920.0 | 1.9 | 963.5 | -2.7 |
| Installment Finance | 23.2 | 20.9 | 10.9 | 23.2 | 0.1 |
| Lease | 9.6 | 9.4 | 2.0 | 9.0 | 6.3 |
| Others | 123.3 | 144.4 | -14.6 | 226.0 | -45.4 |
| (Derivatives & FX) | 17.8 | 28.0 | -36.6 | 86.0 | -79.3 |
| Interest Expense (b) | 116.3 | 126.1 | -7.8 | 120.9 | -3.8 |
| G&A Expenses (c) | 173.6 | 160.5 | 8.1 | 205.4 | -15.5 |
| Commissions & Other Expenses (d) | 535.6 | 532.1 | 0.7 | 628.3 | -14.7 |
| (Derivatives & FX) | 11.8 | 23.3 | -49.2 | 79.3 | -85.1 |
| Pre-Provision Income (e=a-b-c-d) | 268.2 | 275.9 | -2.8 | 267.1 | 0.4 |
| Provision for Credit Losses (f) | 81.5 | 91.4 | -10.8 | 100.0 | -18.5 |
| Earnings before Income Tax (g=e-f) | 186.7 | 184.5 | 1.2 | 167.0 | 11.7 |
| Income Tax | 32.1 | 43.3 | -25.9 | 39.6 | -19.0 |
| Net Income | 154.5 | 141.2 | 9.5 | 127.4 | 21.3 |

III. Assets & Liabilities

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

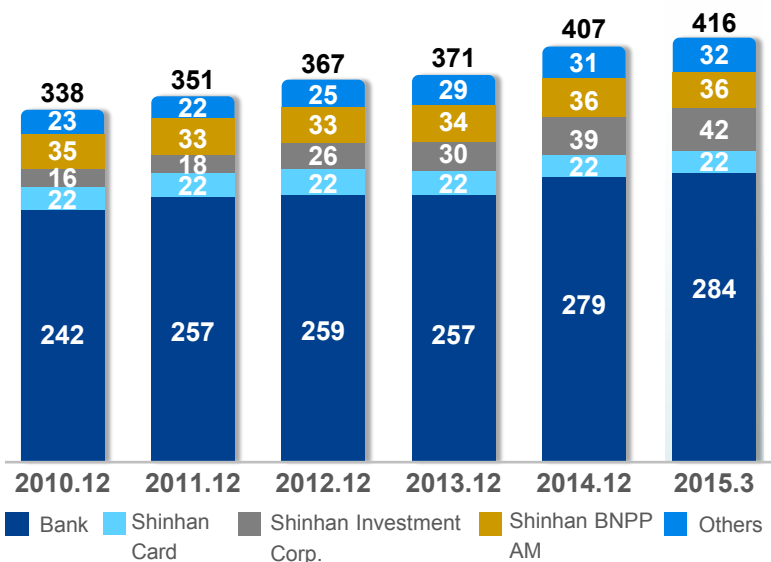


Asset Contribution by Subsidiary



SFG Total Assets

(KRW tril.)

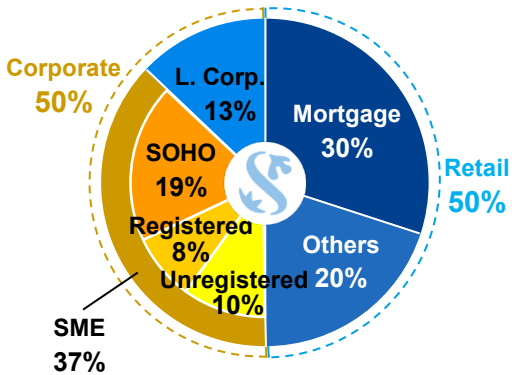


| (KRW bil.) | 2015.3 | 2014.12 | YTD% | 2014.3 | YoY% |
|----------------------------|-----------|-----------|-------|-----------|-------|
| Bank (a) | 283,629.0 | 279,232.2 | 1.6 | 261,938.2 | 8.3 |
| Shinhan Bank | 280,000.6 | 275,756.6 | 1.5 | 258,736.5 | 8.2 |
| Jeju Bank | 3,628.3 | 3,475.7 | 4.4 | 3,201.7 | 13.3 |
| Non-Bank (b) | 128,452.7 | 124,654.0 | 3.0 | 116,543.5 | 10.2 |
| Shinhan Card | 22,066.3 | 22,259.5 | -0.9 | 21,648.7 | 1.9 |
| Shinhan Investment Corp. | 42,050.6 | 39,039.8 | 7.7 | 33,837.3 | 24.3 |
| Shinhan Life Insurance | 22,703.4 | 21,939.7 | 3.5 | 19,997.7 | 13.5 |
| Shinhan BNPP AM | 35,851.7 | 35,601.0 | 0.7 | 34,659.2 | 3.4 |
| Shinhan Capital | 4,018.5 | 3,939.5 | 2.0 | 3,797.7 | 5.8 |
| Shinhan Savings Bank | 793.7 | 804.0 | -1.3 | 789.3 | 0.6 |
| Shinhan Data System | 24.3 | 25.8 | -5.8 | 21.2 | 14.7 |
| Shinhan AITAS | 39.0 | 37.7 | 3.6 | 32.1 | 21.7 |
| Shinhan Credit Information | 22.2 | 23.0 | -3.8 | 20.0 | 11.0 |
| Shinhan Private Equity | 479.8 | 461.3 | 4.0 | 561.9 | -14.6 |
| Others | 403.1 | 522.6 | -22.9 | 1,178.5 | -65.8 |
| Total ¹⁾ | 416,062.2 | 406,655.6 | 2.3 | 382,093.7 | 8.9 |
| Consolidate Total Assets | 347,408.2 | 338,021.8 | 2.8 | 318,808.1 | 9.0 |

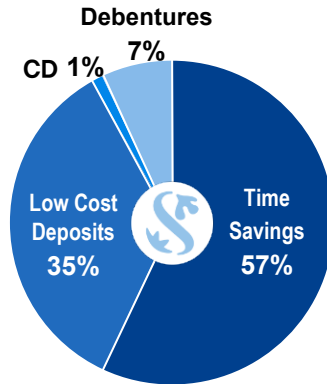
(Note) Trust A/C of Shinhan Investment Corp. and AUM(Including discretionary assets) of Shinhan BNPP AM are included

SHB Loan / Deposit Growth

Loan Composition



Funding Composition



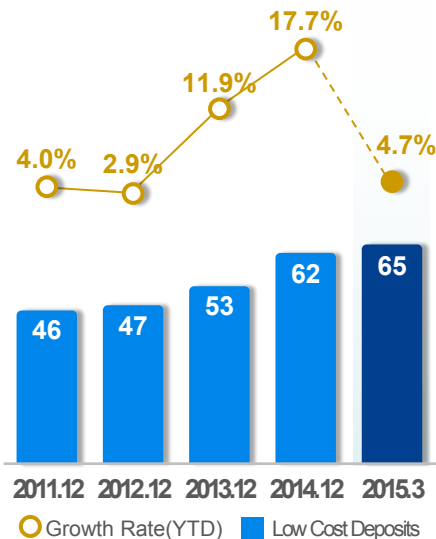
| (KRW bil.) | 2015.3 | 2014.12 | YTD% | 2014.3 | YoY% |
|----------------------|---------|---------|------|---------|------|
| Loan in KRW | 162,663 | 160,025 | 1.6 | 149,586 | 8.2 |
| Retail | 80,839 | 78,577 | 2.9 | 72,349 | 10.8 |
| Mortgage | 49,232 | 47,556 | 3.5 | 44,245 | 10.5 |
| Others ¹⁾ | 31,607 | 31,021 | 1.9 | 28,104 | 11.3 |
| Corporate | 81,824 | 81,447 | 0.5 | 77,237 | 5.6 |
| SME | 60,159 | 59,889 | 0.4 | 55,942 | 7.0 |
| SOHO | 30,619 | 30,469 | 0.5 | 28,085 | 8.3 |
| Large Corporate etc. | 21,665 | 21,558 | 0.5 | 21,295 | 1.7 |
| Loan in FX | 7,544 | 6,956 | 8.5 | 5,728 | 26.1 |

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

KRW Loan Growth (KRW tril.)



Low Cost Deposits (KRW tril.)

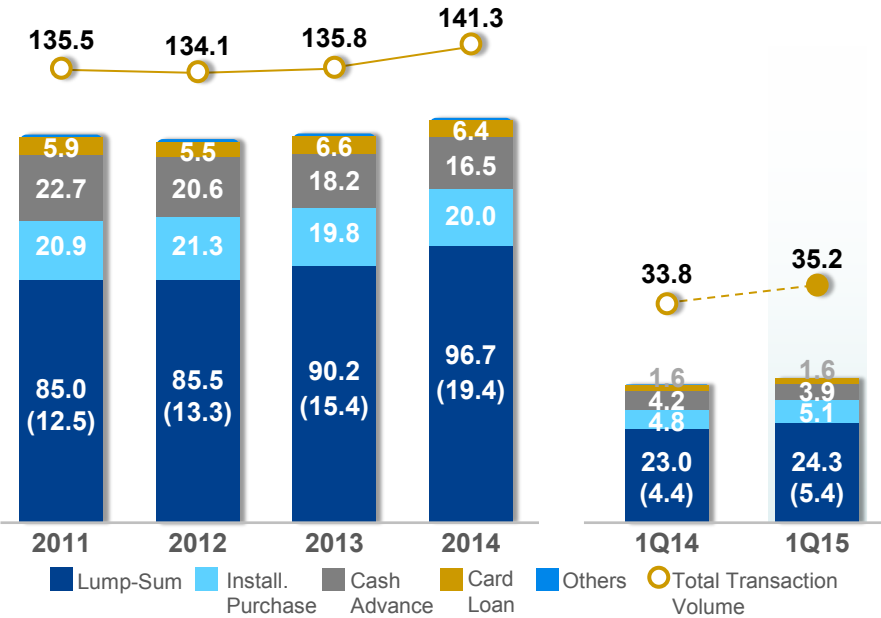


| (KRW bil.) | 2015.3 | 2014.12 | YTD% | 2014.3 | YoY% |
|-------------------------|---------|---------|------|---------|------|
| Total Deposits in KRW | 166,009 | 163,322 | 1.6 | 151,709 | 8.8 |
| Low Cost Deposits | 64,924 | 62,013 | 4.7 | 54,581 | 16.7 |
| Demand | 20,481 | 18,755 | 9.2 | 18,636 | 9.8 |
| Savings | 44,443 | 43,258 | 2.7 | 35,945 | 19.6 |
| Time Savings | 101,085 | 101,309 | -0.2 | 97,129 | 3.9 |
| Time Deposits | 92,231 | 92,519 | -0.3 | 89,376 | 3.1 |
| Accumulative etc. | 8,853 | 8,790 | 0.7 | 7,753 | 12.5 |
| Certificate of Deposits | 2,072 | 1,873 | 10.6 | 1,812 | 13.9 |
| Debtentures in KRW | 13,181 | 12,566 | 4.9 | 12,990 | 1.5 |

Shinhan Card Asset Growth

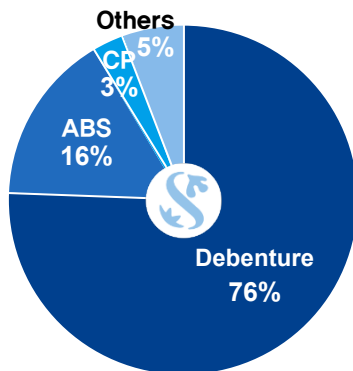
Transaction Volume

(KRW tril.)



Note) Figs. in parenthesis represent debit card transaction volume

Funding Composition



| (KRW bil.) | 2015.3 | 2014.12 | YTD% | 2014.3 | YoY% |
|---|---------------|---------|------|--------|------|
| Earning Assets | 19,955 | 20,550 | -2.9 | 19,371 | 3.0 |
| Credit Purchase | 10,889 | 11,374 | -4.3 | 10,582 | 2.9 |
| Cash Advances | 2,111 | 2,223 | -5.1 | 2,332 | -9.5 |
| Card Loan | 4,443 | 4,473 | -0.7 | 4,346 | 2.2 |
| (Re-aged Loan) | 238 | 237 | 0.6 | 231 | 2.9 |
| Installment Finance | 1,619 | 1,599 | 1.2 | 1,267 | 27.8 |
| Lease etc. | 894 | 880 | 1.6 | 844 | 5.9 |
| Effective Cardholders (in thousands) | 12,303 | 12,468 | -1.3 | 13,071 | -5.9 |
| Merchants (in thousands) | 2,515 | 2,491 | 1.0 | 2,409 | 4.4 |

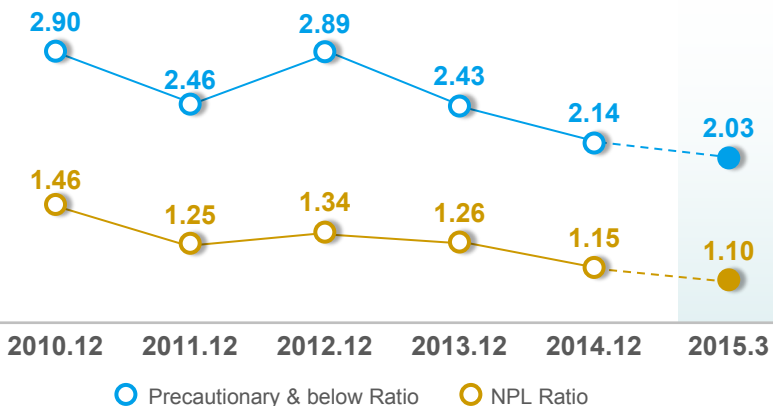
| (KRW bil.) | 2015.3 | 2014.12 | YTD% | 2014.3 | YoY% |
|----------------------|---------------|---------|-------|--------|-------|
| Total Funding | 12,621 | 12,529 | 0.7 | 11,911 | 6.0 |
| Debentures | 9,550 | 9,360 | 2.0 | 8,936 | 6.9 |
| ABS | 1,989 | 1,979 | 0.5 | 1,176 | 69.2 |
| CP | 382 | 440 | -13.2 | 1,043 | -63.4 |
| Others | 700 | 750 | -6.6 | 756 | -7.3 |

IV. Asset Quality

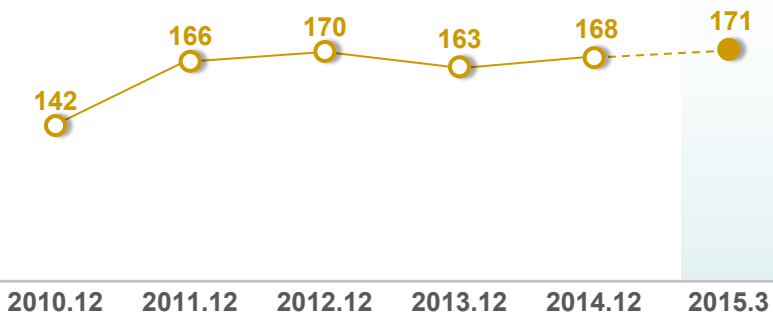
- 1. SFG Asset Quality**
- 2. SHB Asset Quality**
- 3. Shinhan Card Asset Quality**
- 4. Provision for Credit Losses / Write-offs**



Precautionary & below Ratio/NPL Ratio (%)



NPL Coverage Ratio (%)



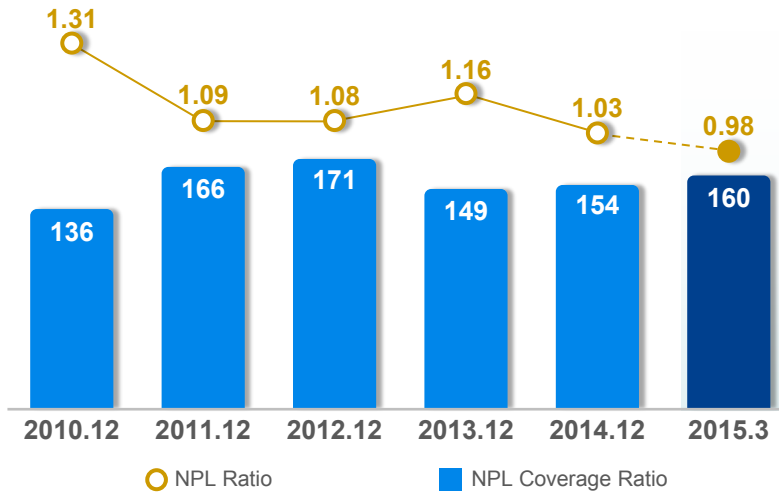
| (KRW bil.) | 2015.3 | 2014.12 | YTD% | 2014.3 | YoY% |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|
| Total Loans | 222,273 | 220,090 | 1.0 | 206,288 | 7.7 |
| Normal | 217,750 | 215,378 | 1.1 | 201,297 | 8.2 |
| Precautionary | 2,080 | 2,187 | -4.9 | 2,380 | -12.6 |
| Substandard | 1,122 | 1,134 | -1.0 | 1,126 | -0.4 |
| Doubtful | 417 | 373 | 11.9 | 401 | 4.0 |
| Estimated Loss | 903 | 1,017 | -11.2 | 1,083 | -16.6 |
| Substandard & Below | 2,442 | 2,524 | -3.2 | 2,611 | -6.4 |
| NPL Ratio | 1.10% | 1.15% | -0.05%p | 1.27% | -0.17%p |
| Loan Loss Allowance | 4,189 | 4,241 | -1.2 | 4,208 | -0.5 |
| NPL Coverage Ratio | 171% | 168% | 3%p | 161% | 10%p |
| Reserve for credit losses | 1,783 | 1,871 | -4.7 | 1,908 | -6.6 |

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

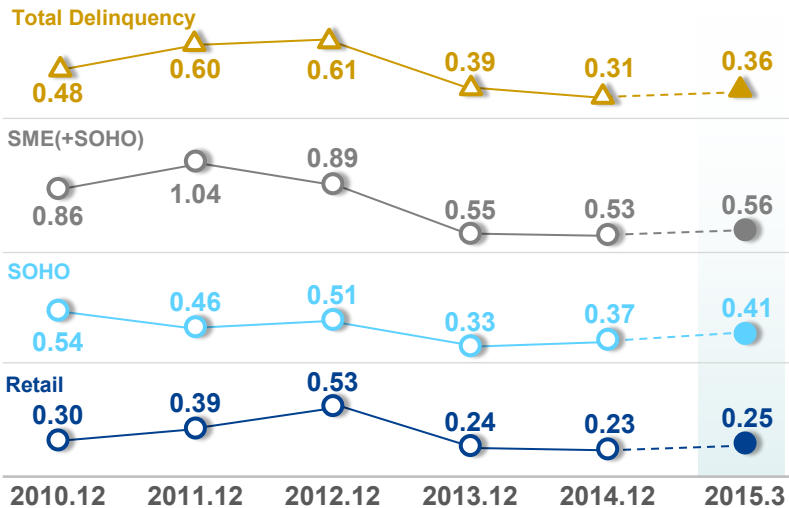
2) Loan Loss Allowance : Sum of IFRS standard LLA and reserves for credit losses

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

NPL Ratio & NPL Coverage Ratio (%)



Delinquency Ratio (%)



Note) 1 month overdue

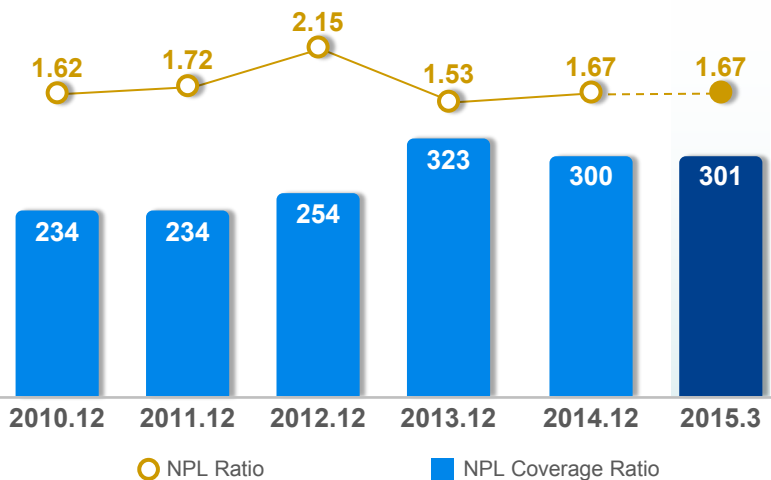
| (KRW bil.) | 2015.3 | 2014.12 | YTD% | 2014.3 | YoY% |
|----------------------------------|----------------|---------|---------|---------|---------|
| Total Loans | 188,426 | 185,966 | 1.3 | 174,635 | 7.9 |
| Normal | 185,447 | 182,863 | 1.4 | 171,197 | 8.3 |
| Precautionary | 1,137 | 1,181 | -3.7 | 1,431 | -20.5 |
| Substandard | 977 | 995 | -1.8 | 957 | 2.2 |
| Doubtful | 259 | 215 | 20.4 | 298 | -13.1 |
| Estimated Loss | 606 | 712 | -14.9 | 753 | -19.6 |
| Substandard & Below | 1,842 | 1,922 | -4.2 | 2,008 | -8.3 |
| NPL Ratio | 0.98% | 1.03% | -0.05%p | 1.15% | -0.17%p |
| Loan Loss Allowance | 2,952 | 2,963 | -0.4 | 2,957 | -0.2 |
| NPL Coverage Ratio | 160% | 154% | 6%p | 147% | 13%p |
| Reserve for credit losses | 1,441 | 1,521 | -5.3 | 1,542 | -6.6 |

Note 1) Loan Loss Allowance : Sum of IFRS standard LLA and reserves for credit losses

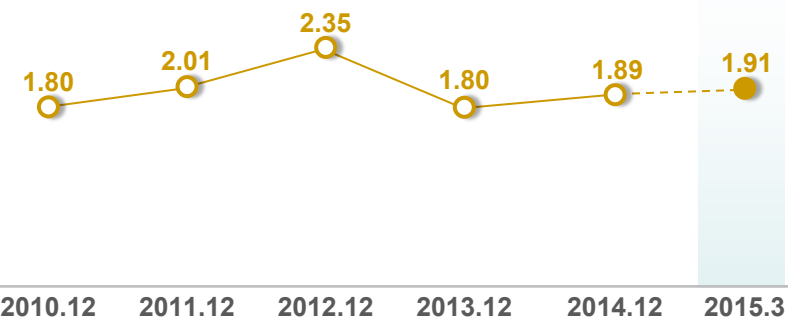
2) Excluding reserve for contingent acceptances & guarantees and unused credit lines

Shinhan Card Asset Quality

NPL Ratio & NPL Coverage Ratio (%)



Delinquency Ratio (%)



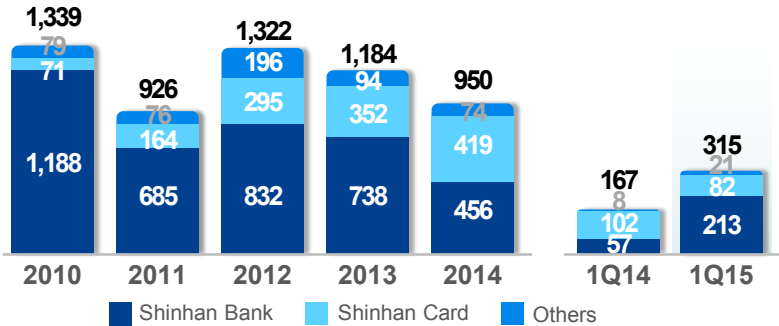
Note) 1 month overdue from total credit

| (KRW bil.) | 2015.3 | 2014.12 | YTD% | 2014.3 | YoY% |
|----------------------------------|---------------|---------|--------|--------|---------|
| Total Loans | 19,955 | 20,550 | -2.9 | 19,371 | 3.0 |
| Normal | 18,900 | 19,475 | -3.0 | 18,307 | 3.2 |
| Precautionary | 722 | 732 | -1.4 | 722 | -0.0 |
| Substandard | - | - | - | - | - |
| Doubtful | 79 | 82 | -3.0 | 82 | -2.5 |
| Estimated Loss | 253 | 261 | -3.0 | 259 | -2.4 |
| Substandard & Below | 333 | 343 | -3.0 | 341 | -2.4 |
| NPL Ratio | 1.67% | 1.67% | 0.00%p | 1.76% | -0.09%p |
| Loan Loss Allowance | 1,001 | 1,030 | -2.9 | 1,005 | -0.4 |
| NPL Coverage Ratio | 301% | 300% | 1%p | 295% | 6%p |
| Reserve for credit losses | 283 | 293 | -3.2 | 311 | -8.9 |

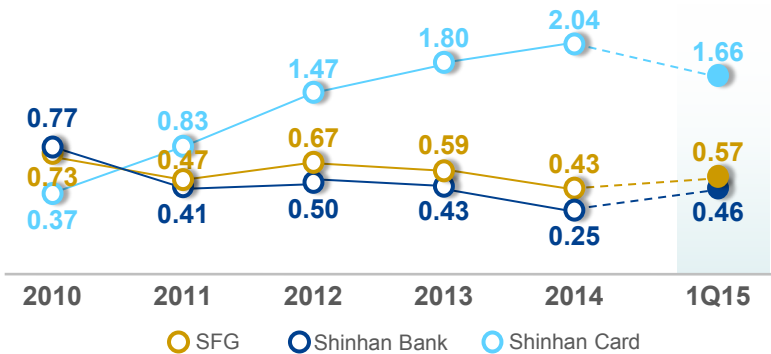
Note 1) Excluding reserve for contingent acceptances & guarantees and unused credit lines

Provision for Credit Losses / Write-Offs

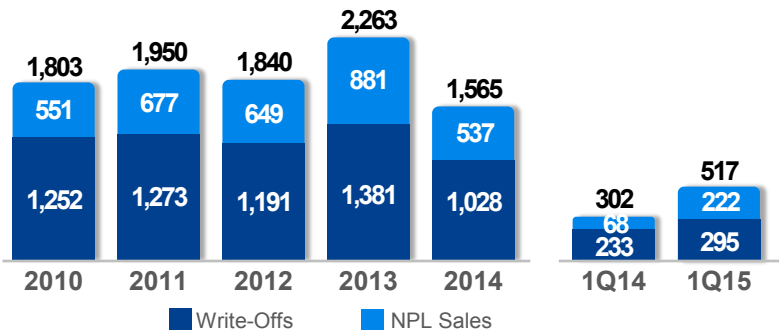
Provision for Credit Losses (KRW bil.)



Credit Cost Ratio (%)



Write-Offs & NPL Sales (KRW bil.)



Credit Costs

| (KRW bil.) | FY15 | 1Q | FY14 | 1Q | 2Q | 3Q | 4Q |
|----------------------------|------|-----|------|-----|-----|-----|-----|
| Shinhan Bank ¹⁾ | 232 | 232 | 409 | 50 | 189 | 109 | 62 |
| Retail | 32 | 32 | 161 | 37 | 30 | 53 | 42 |
| Corporate | 199 | 199 | 248 | 13 | 159 | 56 | 20 |
| Shinhan Card | 82 | 82 | 419 | 91 | 124 | 104 | 100 |
| Total | 313 | 313 | 829 | 141 | 313 | 213 | 162 |

Note 1) SHB figures are separate basis

Write-Offs & NPL Sales

| (KRW bil.) | FY15 | 1Q | FY14 | 1Q | 2Q | 3Q | 4Q |
|--------------|------|-----|-------|-----|-----|-----|-----|
| Shinhan Bank | 371 | 371 | 1,057 | 198 | 253 | 267 | 339 |
| (Sale) | 222 | 222 | 537 | 68 | 159 | 144 | 166 |
| Retail | 43 | 43 | 319 | 31 | 75 | 98 | 115 |
| (Sale) | 29 | 29 | 176 | 25 | 67 | 38 | 47 |
| Corporate | 327 | 327 | 738 | 167 | 178 | 169 | 224 |
| (Sale) | 193 | 193 | 360 | 44 | 92 | 106 | 119 |
| Shinhan Card | 147 | 147 | 508 | 104 | 148 | 131 | 125 |
| Total | 517 | 517 | 1,565 | 302 | 402 | 398 | 464 |

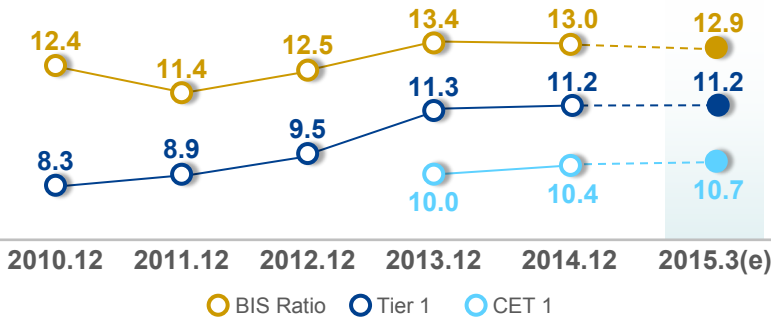
V . Capital Adequacy & Key Financial Indices

- 1. Capital Adequacy**
- 2. Key Financial Indices**

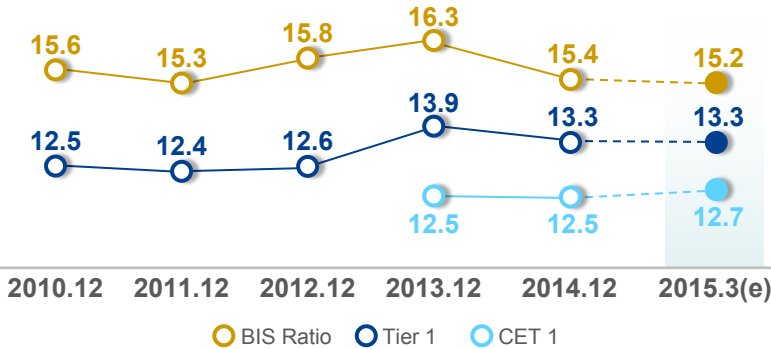


Capital Adequacy

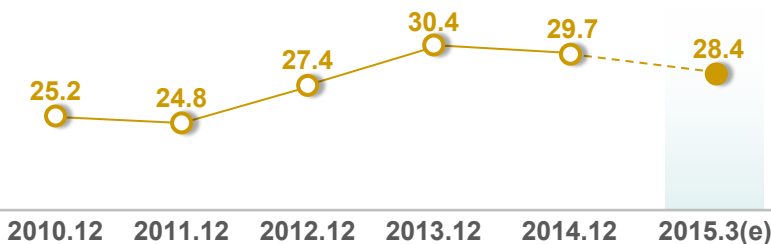
Group BIS Ratio (%)



Shinhan Bank BIS Ratio (%)



Shinhan Card Capital Adequacy Ratio (%)



Note) Figs. from 2013.12 Group/Bank based on Basel3, Figs. up to 2012.12, Group based on Basel1, Bank based on Basel2

Group BIS Ratio

| (KRW bil.) | 2015.3(e) | 2014.12 | YTD% | 2014.3 | YoY% |
|----------------------|-----------|---------|--------|---------|--------|
| Risk-Weighted Assets | 199,178 | 198,833 | 0.2 | 189,934 | 4.9 |
| Capital | 25,744 | 25,938 | -0.7 | 25,243 | 2.0 |
| CET 1 | 21,266 | 20,679 | 2.8 | 19,588 | 8.6 |
| Tier 1 | 22,359 | 22,174 | 0.8 | 21,603 | 3.5 |
| BIS Ratio | 12.9% | 13.0% | -0.1%p | 13.3% | -0.4%p |
| CET 1 | 10.7% | 10.4% | 0.3%p | 10.3% | 0.4%p |
| Tier 1 | 11.2% | 11.2% | 0.0%p | 11.4% | -0.2%p |

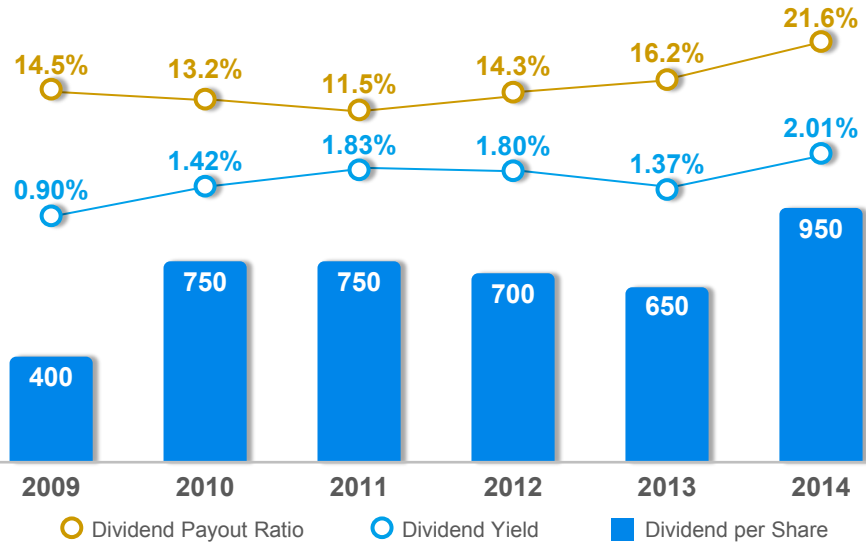
Shinhan Bank BIS Ratio

| (KRW bil.) | 2015.3(e) | 2014.12 | YTD% | 2014.3 | YoY% |
|----------------------|-----------|---------|--------|---------|--------|
| Risk-Weighted Assets | 136,384 | 135,715 | 0.5 | 128,408 | 6.2 |
| Capital | 20,735 | 20,947 | -1.0 | 20,927 | -0.9 |
| CET 1 | 17,327 | 17,000 | 1.9 | 16,460 | 5.3 |
| Tier 1 | 18,130 | 18,102 | 0.2 | 18,141 | -0.1 |
| BIS Ratio | 15.2% | 15.4% | -0.2%p | 16.3% | -1.1%p |
| CET 1 | 12.7% | 12.5% | 0.2%p | 12.8% | -0.1%p |
| Tier 1 | 13.3% | 13.3% | 0.0%p | 14.1% | -0.8%p |

Key Financial Indices

Dividend

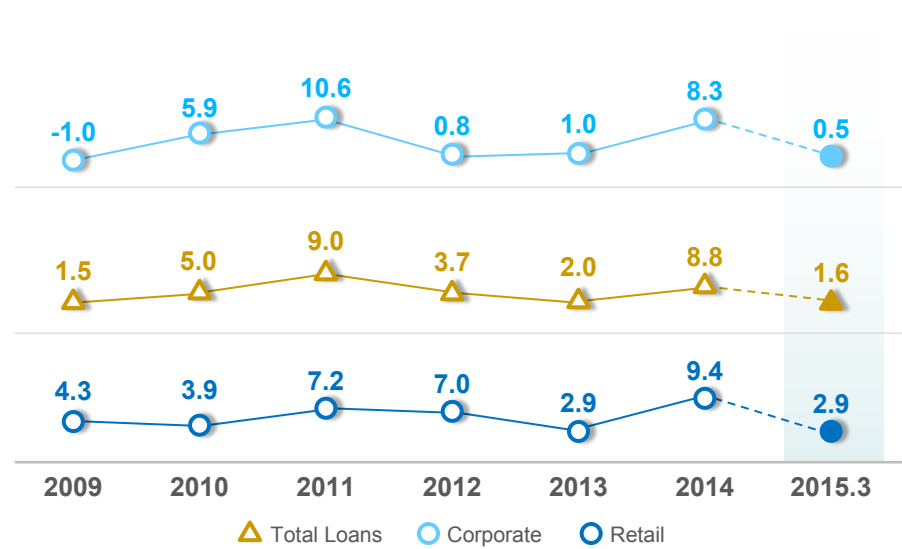
(KRW bil.)



Note) In March, 2009, Rights Offering of KRW 1.3tril. to Shareholders

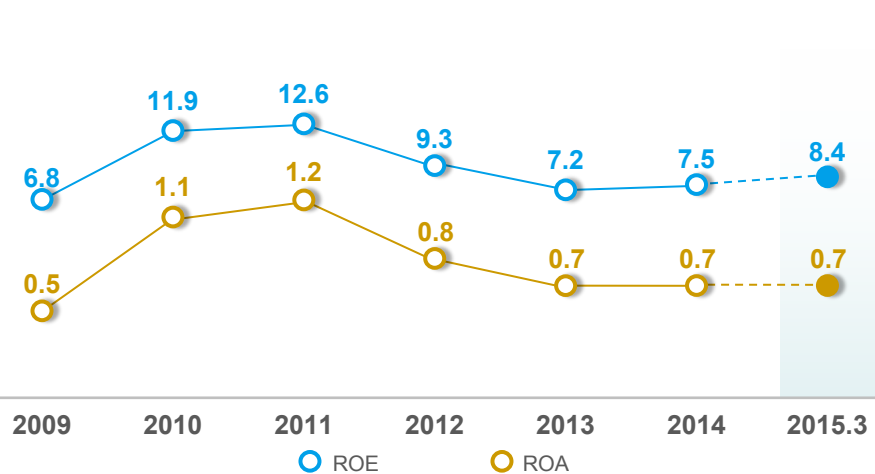
SHB Loan Growth Rate

(%)



ROA / ROE

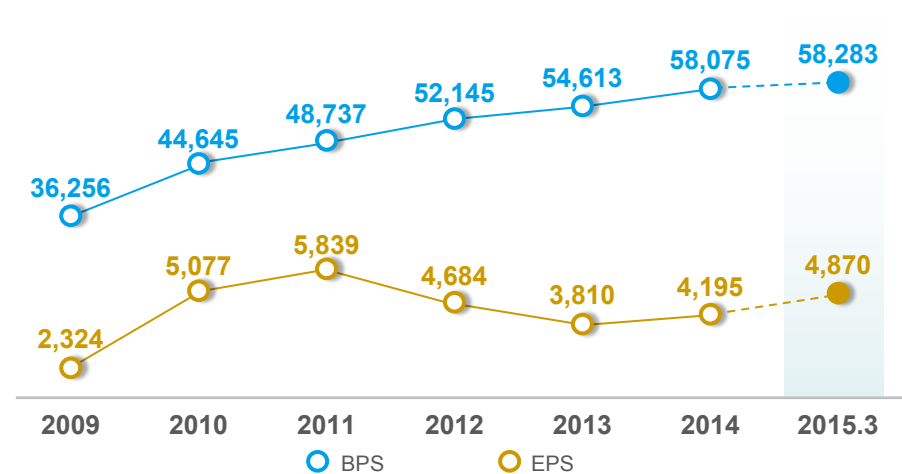
(%)



Note) ROE based on common stock

BPS / EPS

(KRW)



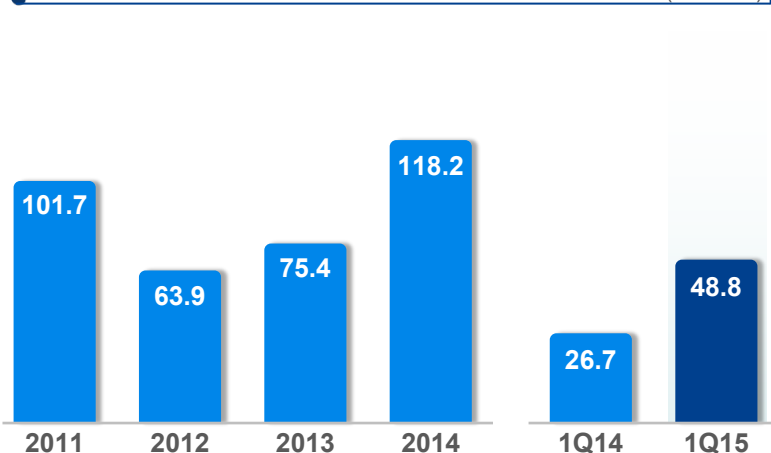
Note) Based on common stock

VI. Appendix

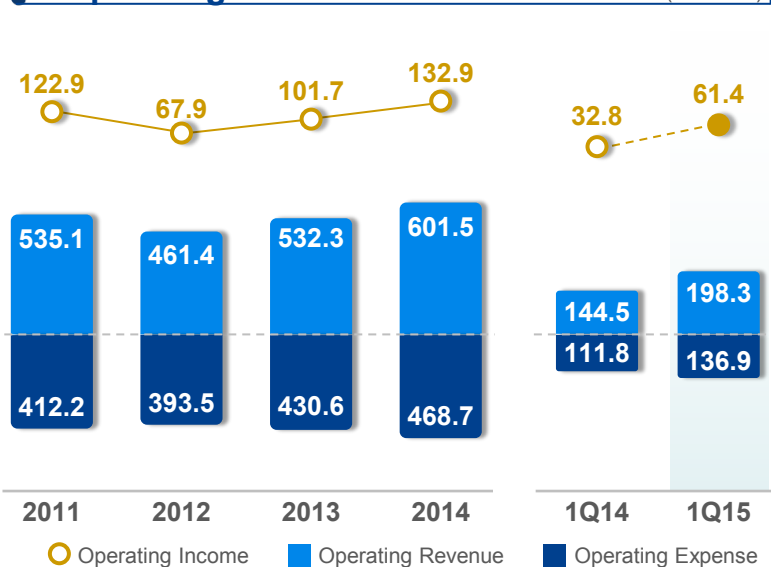
1. SFG Subsidiaries
2. SHB SME Loans
3. SHB Retail Loans



Net Income (KRW bil.)



Operating Income (KRW bil.)



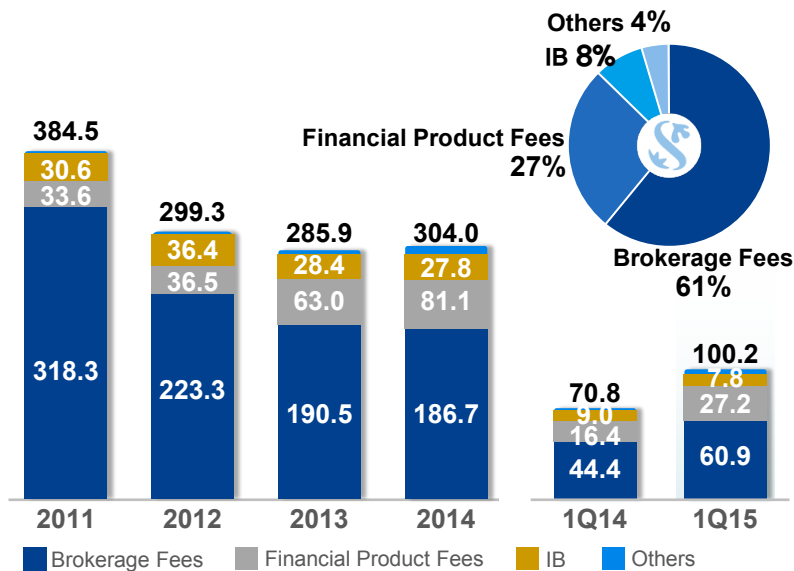
Condensed I/S & Key Financial Indices

| (KRW bil.) | 1Q15 | 1Q14 | YoY% | 4Q14 | QoQ% |
|------------------------------------|---------------|--------|---------|--------|-------|
| Operating Revenue | 198.3 | 144.5 | 37.2 | 156.4 | 26.8 |
| Fees & Commission | 100.2 | 70.8 | 41.5 | 78.5 | 27.7 |
| Proprietary Trading | 78.6 | 58.8 | 33.7 | 51.2 | 53.4 |
| Others | 19.5 | 14.9 | 31.1 | 26.7 | -26.8 |
| Operating Expense | 136.9 | 111.8 | 22.5 | 121.6 | 12.6 |
| G&A Expenses | 108.6 | 98.2 | 10.6 | 103.5 | 5.0 |
| Commission Expense | 28.9 | 14.3 | 101.8 | 19.1 | 51.2 |
| Provision for Credit Losses | -0.6 | -0.8 | n.a. | -0.9 | n.a. |
| Operating Income | 61.4 | 32.8 | 87.4 | 34.8 | 76.7 |
| Net Income | 48.8 | 26.7 | 82.8 | 26.9 | 81.6 |
| Net Capital Ratio(%) | 468.4% | 481.4% | -13.0%p | 461.8% | 6.6%p |
| ROE | 8.3% | 4.8% | 3.5%p | 5.2% | 3.1%p |
| ROA | 0.7% | 0.5% | 0.2%p | 0.5% | 0.2%p |

Note) ROE, ROA are calculated on a cumulative basis

Fees & Commission

(KRW bil.)

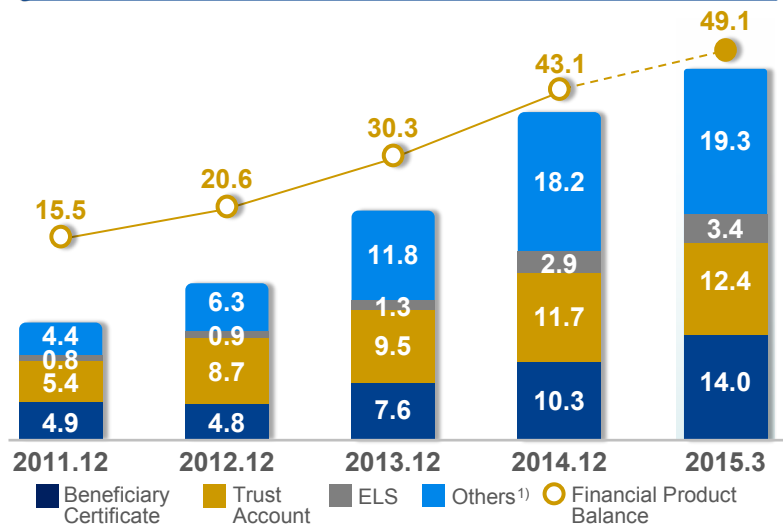


Fees & Commission

| (KRW bil.) | 1Q15 | 1Q14 | YoY% | 4Q14 | QoQ% |
|-------------------------------|--------------|------|-------|------|------|
| Fees & Commission | 100.2 | 70.8 | 41.5 | 78.5 | 27.7 |
| Brokerage Fees | 60.9 | 44.4 | 37.1 | 47.8 | 27.3 |
| Financial Product Fees | 27.2 | 16.4 | 65.6 | 20.7 | 31.5 |
| IB | 7.8 | 9.0 | -13.6 | 6.5 | 18.9 |
| Others | 4.4 | 1.0 | 320.0 | 3.5 | 26.3 |

Financial Products

(KRW tril.)



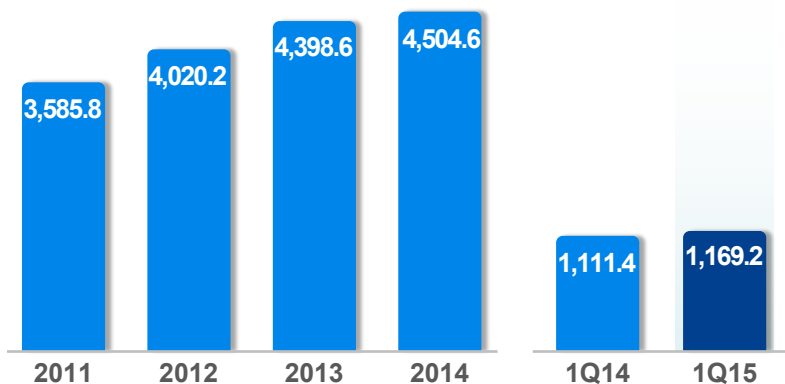
Balance of Financial Products

| (KRW tril.) | 2015.3 | 2014.12 | YTD% | 2014.3 | YoY% |
|--------------------------------|-------------|---------|------|--------|------|
| Financial Products | 49.1 | 43.1 | 14.0 | 35.9 | 36.8 |
| Beneficiary Certificate | 14.0 | 10.3 | 36.0 | 8.1 | 72.4 |
| Trust Account | 12.4 | 11.7 | 6.2 | 11.1 | 11.8 |
| ELS | 3.4 | 2.9 | 18.0 | 1.7 | 98.9 |
| Others | 19.3 | 18.2 | 6.0 | 15.0 | 28.9 |

Note 1) Sum of Wrap, RP and Micro Debentures

SFG Subsidiaries_Shinhan Life Insurance (1)

Premium Income (KRW bil.)



Note) Excluding non-monthly premium and Retirement Pension

Premium Breakdown

| (KRW bil.) | 1Q15 | 1Q14 | YoY% | 4Q14 | QoQ% |
|---------------------|---------|---------|------|---------|------|
| Prem. Received | 1,204.9 | 1,144.5 | 5.3 | 1,175.0 | 2.5 |
| New Premium | 55.6 | 50.2 | 10.8 | 50.4 | 10.3 |
| Monthly Premium | 19.9 | 17.1 | 16.4 | 20.3 | -2.2 |
| Non-Monthly Premium | 35.7 | 33.1 | 7.9 | 30.1 | 18.8 |
| Recurring Premium | 1,149.3 | 1,094.3 | 5.0 | 1,124.6 | 2.2 |

Note) Excluding Retirement Pension

Net Income (KRW bil.)



Profitability & Key Financial Indices

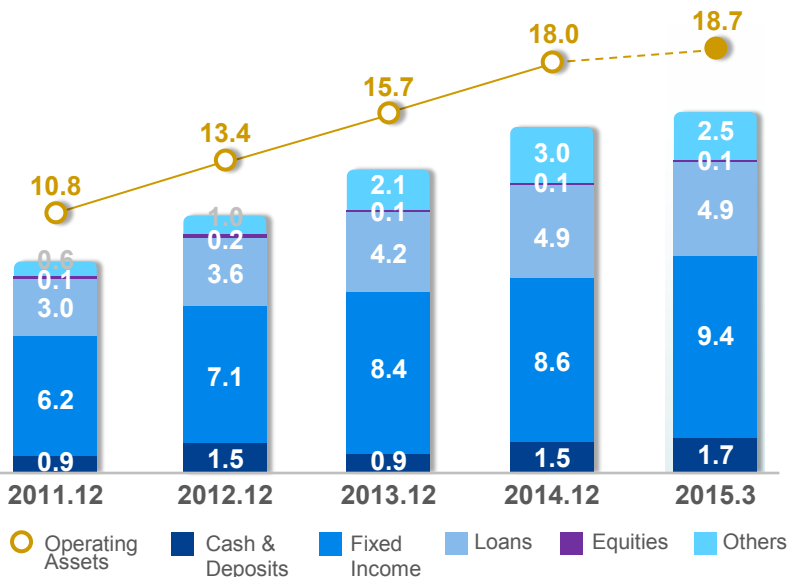
| (KRW bil.) | 1Q15 | 1Q14 | YoY% | 4Q14 | QoQ% |
|------------------|------|------|-------|------|-------|
| Operating Income | 43.5 | 27.7 | 56.8 | 16.0 | 172.2 |
| Net Income | 32.3 | 21.8 | 48.0 | 12.5 | 157.2 |
| ROE | 8.6% | 6.6% | 2.0%p | 5.8% | 2.8%p |
| ROA | 0.6% | 0.4% | 0.2%p | 0.4% | 0.2%p |

Note) ROE, ROA are calculated on a cumulative basis.

SFG Subsidiaries_Shinhan Life Insurance (2)

Operating Assets

(KRW tril.)

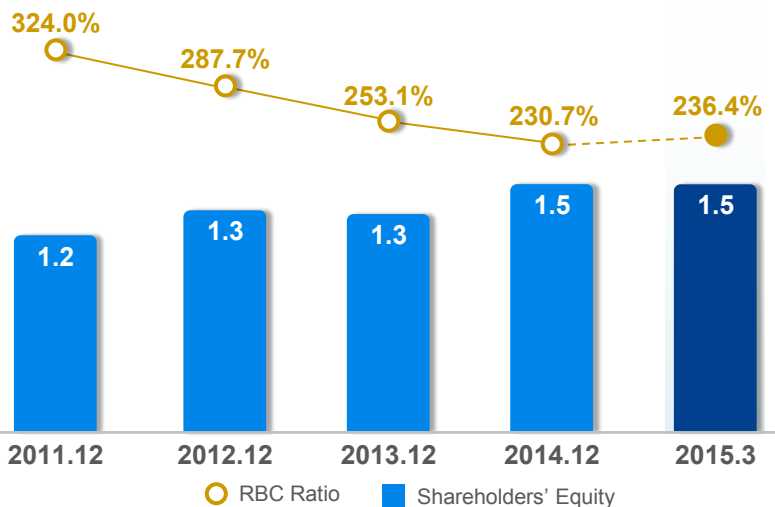


Operating Assets

| (KRW bil.) | 2015.3 | 2014.12 | YTD% | 2014.3 | YoY% |
|------------------|----------|----------|-------|----------|-------|
| Operating Assets | 18,681.0 | 18,011.4 | 3.7 | 16,192.4 | 15.4 |
| Cash & Deposits | 1,733.4 | 1,485.7 | 16.7 | 1,092.5 | 58.7 |
| Fixed Income | 9,448.2 | 8,558.9 | 10.4 | 8,098.5 | 16.7 |
| Loans | 4,944.5 | 4,919.4 | 0.5 | 4,534.2 | 9.0 |
| Equities | 83.4 | 94.7 | -11.8 | 98.0 | -14.9 |
| Others | 2,471.6 | 2,952.8 | -16.3 | 2,369.3 | 4.3 |

Equity & Capital Adequacy Ratio

(%, KRW tril.)

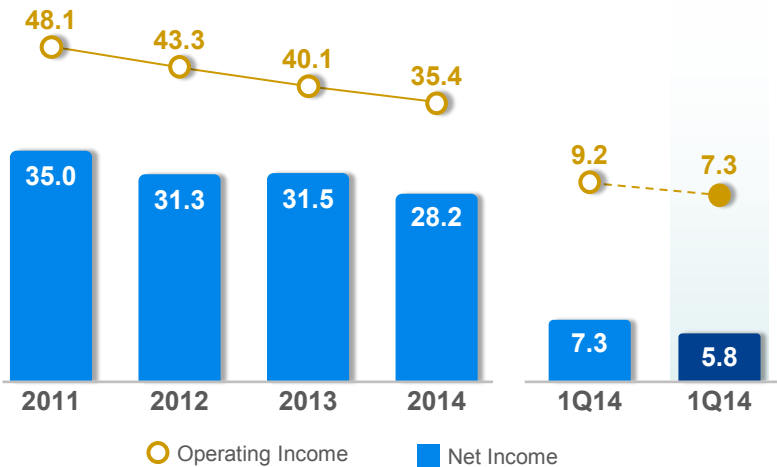


Equity & Capital Adequacy Ratio

| (KRW bil.) | 2015.3 | 2014.12 | YTD% | 2014.3 | YoY% |
|--|---------|---------|-------|---------|--------|
| Shareholders' Equity | 1,547.8 | 1,475.9 | 4.9 | 1,332.7 | 16.1 |
| Capital & Retained Earnings | 1,434.5 | 1,411.5 | 1.6 | 1,358.3 | 5.6 |
| Accumulated Other Comprehensive Income | 113.3 | 64.4 | 75.8 | -25.6 | n.a. |
| RBC Ratio | 236.4% | 230.7% | 5.7%p | 241.8% | -5.4%p |

Net Income

(KRW bil.)



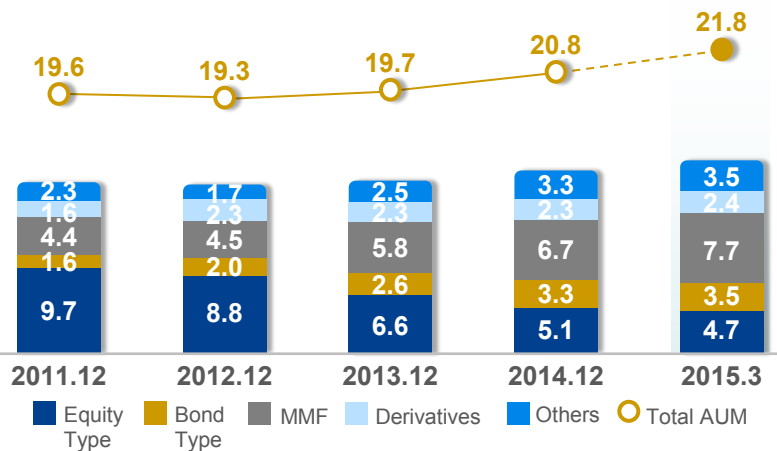
Condensed I/S & Key Financial Indices

| (KRW bil.) | 1Q15 | 1Q14 | YoY% | 4Q14 | QoQ% |
|-------------------|-------|-------|--------|-------|--------|
| Operating Revenue | 20.1 | 22.4 | -10.4 | 21.7 | -7.2 |
| Operating Expense | 12.9 | 13.2 | -2.6 | 13.8 | -6.6 |
| (G&A Expenses) | 10.0 | 9.3 | 8.2 | 10.4 | -3.6 |
| Operating Income | 7.3 | 9.2 | -21.5 | 7.9 | -8.1 |
| Net Income | 5.8 | 7.3 | -20.6 | 6.8 | -14.7 |
| ROE | 16.1% | 20.5% | -4.4%p | 18.9% | -2.8%p |

Note) ROE is calculated on a cumulative basis

Assets Under Management

(KRW tril.)



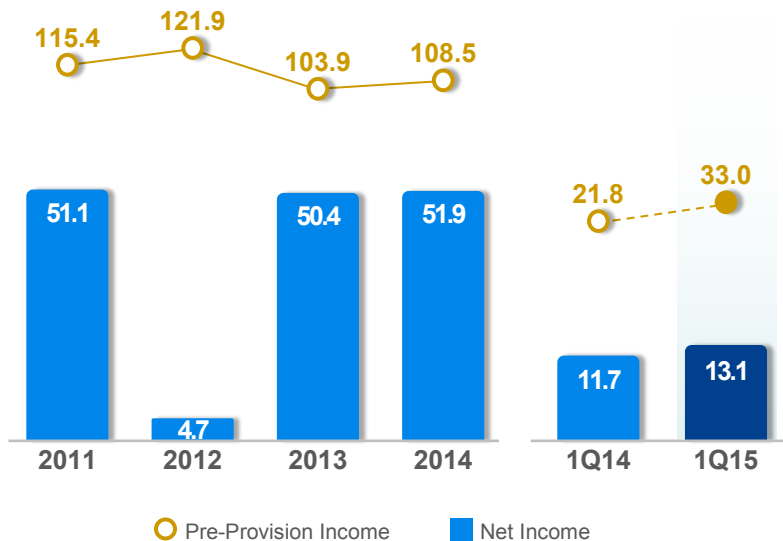
Assets Under Management

| (KRW tril.) | 2015.3 | 2014.12 | YTD% | 2014.3 | YoY% |
|-------------|--------|---------|------|--------|-------|
| Total AUM | 21.8 | 20.8 | 5.1 | 20.7 | 5.3 |
| Equity Type | 4.7 | 5.1 | -7.9 | 6.6 | -29.6 |
| Bond Type | 3.5 | 3.3 | 5.3 | 2.8 | 23.0 |
| MMF | 7.7 | 6.7 | 14.3 | 6.0 | 28.7 |
| Derivatives | 2.4 | 2.3 | 6.1 | 2.4 | 2.6 |
| Others | 3.5 | 3.3 | 5.2 | 2.9 | 21.5 |

Note) Excluding discretionary accounts

Net Income

(KRW bil.)



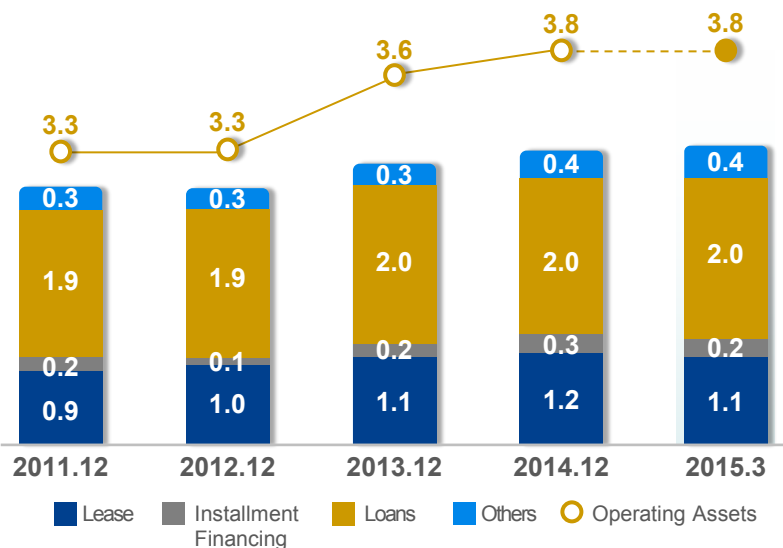
Condensed I/S & Key Financial Indices

| (KRW bil.) | 1Q15 | 1Q14 | YoY% | 4Q14 | QoQ% |
|-----------------------------|------|------|-------|-------|--------|
| Operating Revenue | 78.9 | 73.1 | 7.8 | 106.8 | -26.2 |
| Operating Expense | 45.9 | 51.4 | -10.6 | 69.2 | -33.6 |
| (Interest Expense) | 26.3 | 28.2 | -6.8 | 27.0 | -2.8 |
| (G&A Expenses) | 6.6 | 7.5 | -11.6 | 7.3 | -9.2 |
| Pre-Provision Income | 33.0 | 21.8 | 51.4 | 37.7 | -12.5 |
| Provision for Credit Losses | 16.0 | 7.4 | 117.6 | 18.8 | -14.5 |
| Net Income | 13.1 | 11.7 | 12.3 | 14.8 | -11.6 |
| ROE | 9.2% | 8.9% | 0.3%p | 9.6% | -0.4%p |
| ROA | 1.3% | 1.2% | 0.1%p | 1.4% | -0.1%p |

Note) ROE, ROA are calculated on a cumulative basis

Operating Assets

(KRW tril.)



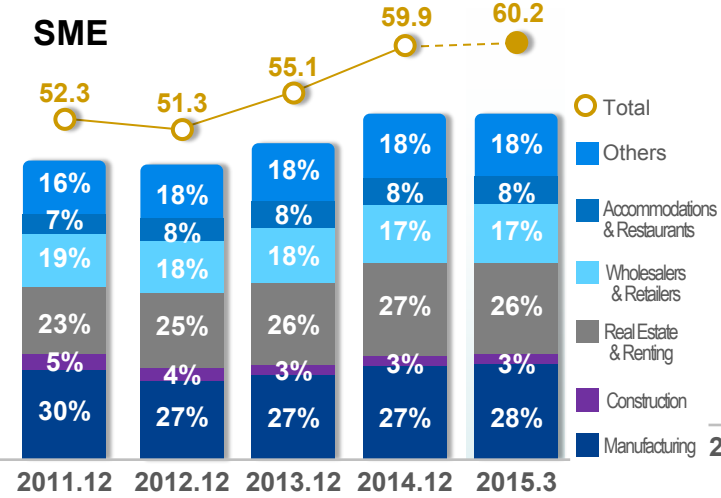
Operating Assets

| (KRW tril.) | 2015.3 | 2014.12 | YTD% | 2014.3 | YoY% |
|-----------------------|--------|---------|-------|--------|------|
| Operating Assets | 3.8 | 3.8 | 1.4 | 3.7 | 4.8 |
| Lease | 1.1 | 1.2 | -1.8 | 1.1 | 1.7 |
| Installment Financing | 0.2 | 0.3 | -10.7 | 0.2 | 2.4 |
| Loans | 2.0 | 2.0 | 1.4 | 2.0 | 2.4 |
| Others | 0.4 | 0.4 | 20.1 | 0.3 | 31.4 |

SHB SME Loans

Loans

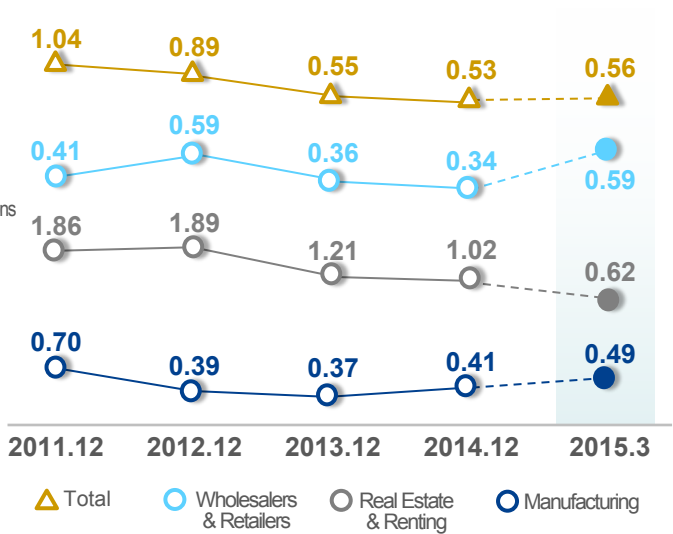
(KRW tril.)



Note) SOHO 51%, Registered 22%, Unregistered 27%

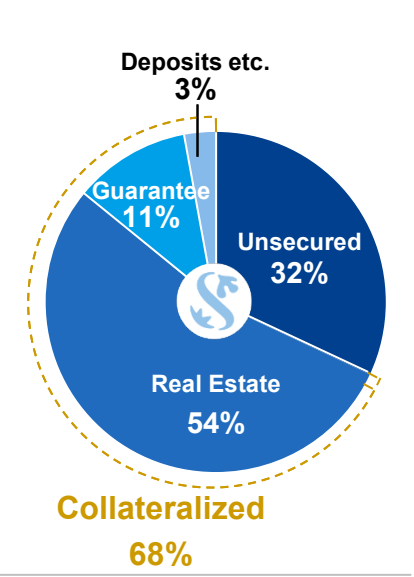
Delinquency

(%)

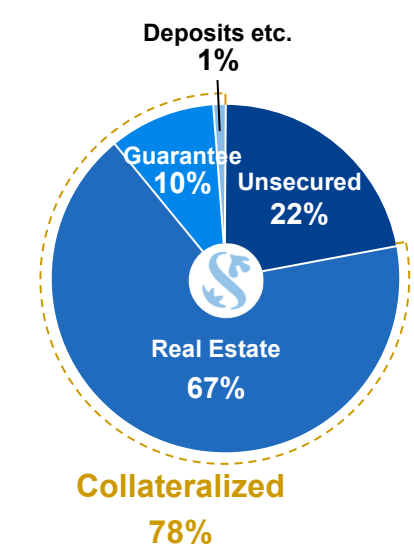
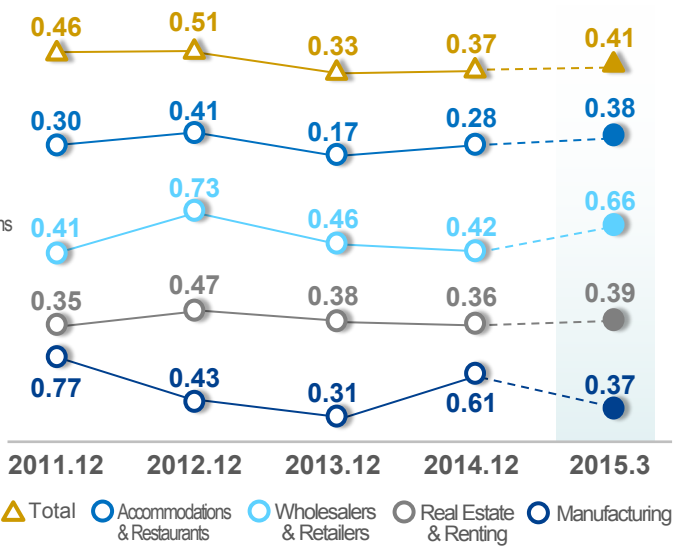
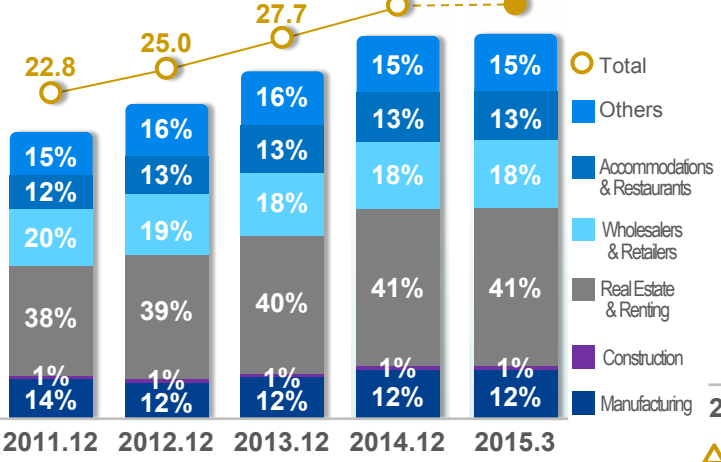


Collateral

(%)

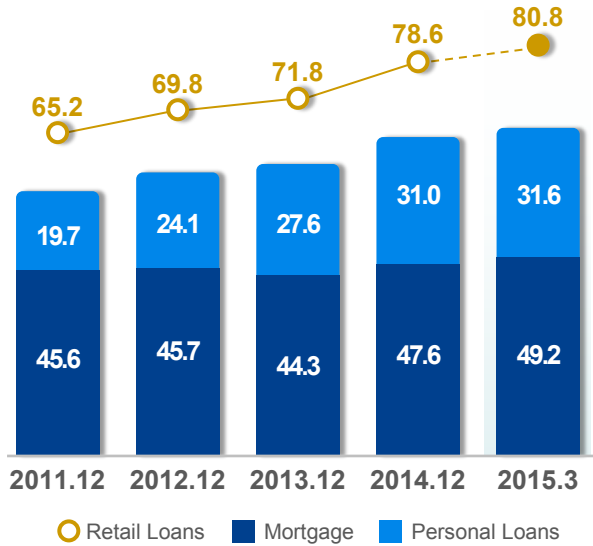


SOHO



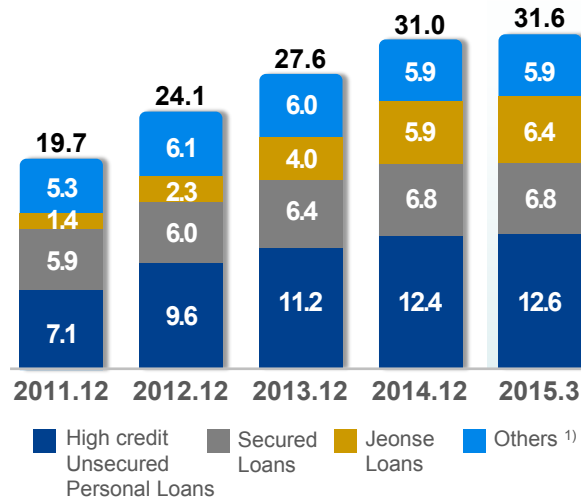
SHB Retail Loans

Loans (KRW tril.)

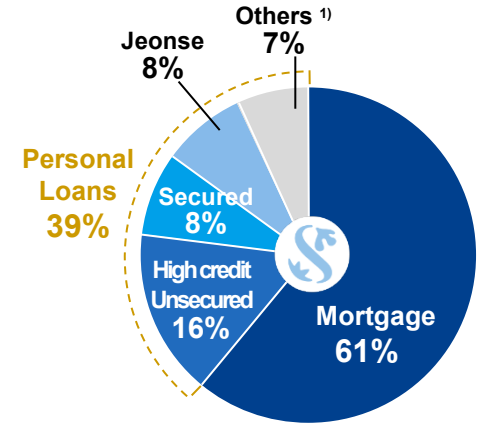


Retail Personal Loans (KRW tril.)

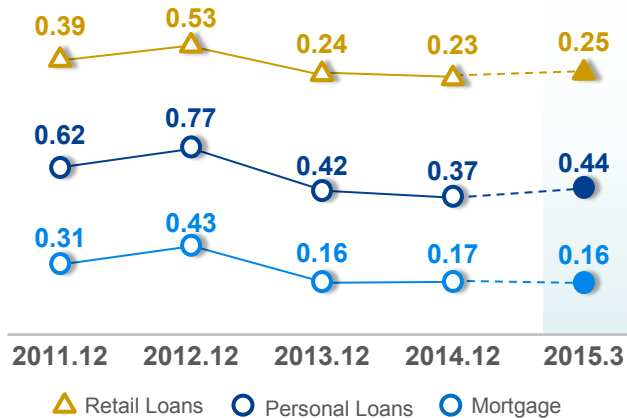
Note 1) Including unsecured personal loans, collective loans, home equity loans etc.



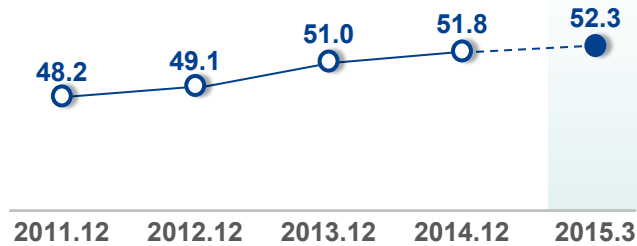
Loan Composition



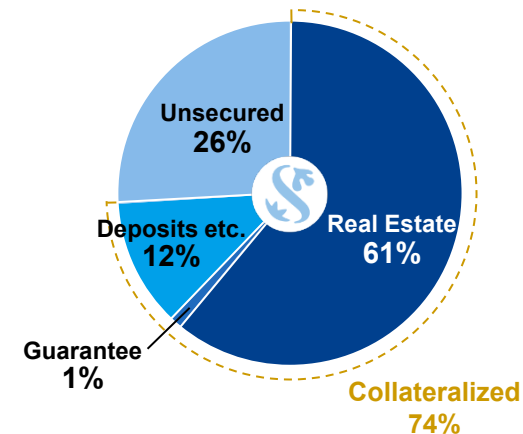
Delinquency (%)



LTV (%)



Collateral (%)



 SHINHAN FINANCIAL GROUP
www.shinhangroup.com



Shinhan Mobile IR Application **1** ir.shinhangroup.com or **2**

