

SHINHAN FINANCIAL GROUP CO LTD

Form 6-K

March 31, 2011

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**SECURITIES AND EXCHANGE COMMISSION**

**Washington, DC 20549**

**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER**

**Pursuant to Rule 13a-16 or 15d-16 of  
the Securities Exchange Act of 1934**

**For the Month of March 2011**

**SHINHAN FINANCIAL GROUP CO., LTD.**

(Translation of registrant's name into English)

120, 2-Ga, Taepyung-Ro, Jung-Gu, Seoul 100-102, Korea

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will  
file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in  
paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in  
paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the  
information contained in this form is also thereby furnishing the  
information to the Commission pursuant to Rule 12g3-2(b) under the  
Securities Exchange Act of 1934.

Yes  No

If  Yes  is marked, indicate below the file number assigned to the  
registrant in connection with Rule 12g3-2(b): 82-\_\_\_\_\_.

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### **Summary of FY 2010 Business Report**

On March 31, 2011, Shinhan Financial Group ( SFG ) filed its FY 2010 Business Report (the Business Report ) with the Financial Supervisory Service of the Republic of Korea ( Korea ) pursuant to the Financial Investment Services and Capital Market Act of Korea. This is the summary of the Business Report translated into English. Non-material or previously disclosed information are omitted or abridged.

The financial information in this report has been prepared in accordance with accounting principles generally accepted in Korea.

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#### **Exhibit 99-1**

Independent Accountant s Audit Report (Non-consolidated Financial Statements) of Shinhan Financial Group as of December 31, 2010

#### **Exhibit 99-2**

Independent Accountant s Audit Report (Consolidated Financial Statements) of Shinhan Financial Group as of December 31, 2010

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**1. Introduction of the Group**

**Company History in 2008 through 2011**

March 2008 : JSC Shinhan Bank Kazakhstan, a subsidiary of Shinhan Bank, joins SFG as an indirect subsidiary

April 2008 : SFG and Shinhan Bank obtain the Federal Reserve Bank's approval to become Financial Holding Companies

April 2008 : Shinhan Bank China Limited, a subsidiary of Shinhan Bank, joins SFG as an indirect subsidiary

May 2008 : Shinhan AITAS, a fund administration and accounting subsidiary of Shinhan Bank, joins SFG as an indirect subsidiary

June 2008 : Shinhan-KTF Mobile Card, a joint-venture company with KT Freetel, joins SFG as an indirect subsidiary

August 2008 : Shinhan Private Equity Fund II joins SFG as an indirect subsidiary

September 2008 : Shinhan Bank Canada joins SFG as an indirect subsidiary

January 2009: Shinhan BNP Paribas Asset Management launched through the merger of Shinhan BNP Paribas ITMC and SH Asset Management

June 2009 : SH&C separated from SFG after SFG consummated share transfers of SH&C

Sep. 2009 : SBJ became an indirect subsidiary of SFG

Oct. 2009 : Shinhan Vietnam Bank became an indirect subsidiary of SFG

Nov. 2009 : Liquidated Shinhan Finance Ltd. , an indirect subsidiary of SFG

Dec. 2009 : Shinhan Capital Petra PEF became an indirect subsidiary of SFG

Jan. 2010 : Shinhan Data System became a subsidiary of SFG

June 2010 : CHB Valuemeet 2001 First SPC was disaffiliated from SFG

June 2010 : CHB Valuemeet 2001 Second SPC and CHB Valuemeet 2002 First SPC were disaffiliated from SFG

Aug. 2010 : Shinhan Macquarie Financial Advisory was disaffiliated from SFG

Oct. 2010 : Shinhan Maritime Private Equity Fund I became a subsidiary of SFG

Dec. 2010 : KOFC Shinhan Frontier Champ 2010-4 PEF Investment Corp. became an indirect subsidiary of SFG

Feb. 2011 : Shinhan BNP Paribas Asset Management (Hong Kong) Limited became an indirect subsidiary of SFG



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**Change in Management**

On March 23, 2011 the Board of Directors of Shinhan Financial Group appointed Mr. Dong Woo Han as Chairman of the Group and Mr. Hoon Namkoong as the Chairman of the Board of Directors.

**Dividend for FY 2010**

- 1) Dividend Amount for Common Stock: KRW 355,650 million
- 2) Dividend Amount for Preferred Stock: KRW 230,586 million
- 3) Total Dividend Amount: KRW 586,236 million

**Principal Subsidiaries under Korean Law (as of March 31, 2011)**

*Direct Subsidiaries*

| Subsidiaries                         | Ownership by<br>SFG |
|--------------------------------------|---------------------|
| Shinhan Bank                         | 100.0%              |
| Shinhan Card                         | 100.0%              |
| Shinhan Investment Corp.             | 100.0%              |
| Shinhan Life Insurance               | 100.0%              |
| Shinhan Capital                      | 100.0%              |
| Jeju Bank <sup>1)</sup>              | 68.9%               |
| Shinhan BNP Paribas Asset Management | 65.0%               |
| Shinhan Data System <sup>2)</sup>    | 100.0%              |
| Shinhan Credit Information           | 100.0%              |
| Shinhan Private Equity               | 100.0%              |
| SHC Management                       | 100.0%              |

- 1) Jeju Bank is currently listed on the Korea Exchange.
- 2) In January 2010, Shinhan Data System, formerly a subsidiary of Shinhan Bank became a direct subsidiary of the Group.

**Table of Contents*****Indirect subsidiaries held through direct subsidiaries***

| Direct Subsidiaries                  | Indirect Subsidiaries  | Ownership<br>by<br>the Parent |
|--------------------------------------|--|-------------------------------|
| Shinhan Bank                         | Shinhan Asia Limited   | 100.0%                        |
|                                      | Shinhan Bank America   | 100.0%                        |
|                                      | Shinhan Bank Europe  | 100.0%                        |
|                                      | Shinhan Vina Bank  | 50.0%                         |
|                                      | Shinhan Khmer Bank Limited   | 90.0%                         |
|                                      | Shinhan Bank Kazakhstan  | 100.0%                        |
|                                      | Shinhan Bank China Limited   | 100.0%                        |
|                                      | Shinhan AITAS  | 89.6%                         |
|                                      | Shinhan Bank Canada  | 100.0%                        |
|                                      | Shinhan Bank Japan   | 100.0%                        |
|                                      | Shinhan Vietnam Bank   | 100.0%                        |
|                                      | Shinhan Card   | Shinhan-KT Mobile Card        |
| Shinhan Investment Corp.             | Shinhan Investment Corporation Europe Ltd.                           | 100.0%                        |
|                                      | Shinhan Investment Corporation USA Inc.                              | 100.0%                        |
|                                      | Shinhan Investment Corporation Asia Ltd.                             | 100.0%                        |
|                                      | Shinhan Maritime Private Equity Fund I                               | 7.1%                          |
|                                      | KOFC Shinhan Frontier Champ 2010-4 PEF Investment Corp <sup>3)</sup> | 8.5%                          |
| Shinhan Capital                      | PETRA PEF  | 23.8%                         |
| Shinhan BNP Paribas Asset Management | Shinhan BNP Paribas Asset Management (Hong Kong) Limited             | 100.0%                        |
| Shinhan Private Equity               | Shinhan NPS Private Equity Fund 1st                                  | 5.0% <sup>1)</sup>            |
|                                      | Shinhan Private Equity Fund II                                       | 2.2% <sup>2)</sup>            |

1) Shinhan Financial Group and its subsidiaries currently own 36.7% of Shinhan NPS Private Equity Fund 1<sup>st</sup>.

2) Shinhan Financial Group and its subsidiaries currently own 32.6% of Shinhan Private Equity Fund II.

3) Shinhan Capital currently also owns 6.5% of KOFC Shinhan Frontier Champ 2010-4 PEF Investment Corp.

***Number of Shares***

| Types of Shares                         | Number of Shares      |                       |
|---|-----------------------|-----------------------|
|   | As of Dec 31,<br>2010 | As of Dec 31,<br>2009 |
| Common Shares                           | 474,199,587           | 474,199,587           |
| Redeemable Preferred Shares             | 28,990,000            | 38,373,459            |
| Redeemable Convertible Preferred Shares | 14,721,000            | 14,721,000            |

Total

517,910,587

527,294,046

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**Operation Results**

|  | 2010           | 2009           | (KRW billion)          |
|--|----------------|----------------|------------------------|
|  | (Jan.1~Dec.31) | (Jan.1~Dec.31) | 2008<br>(Jan.1~Dec.31) |
| Operating income                       | 3,235.2        | 2,097.9        | 3,039.3                |
| Non-operating income                   | 122.4          | 126.2          | 223.6                  |
| Non-operating expense                  | 268.9          | 244.7          | 261.9                  |
| Earnings before income tax             | 3,088.7        | 1,979.4        | 3,001.0                |
| Income taxes                           | 717.6          | 666.7          | 971.2                  |
| Pre-acquisition income in subsidiaries | 0.0            | 0.0            | (0.4)                  |
| Consolidated net income                | 2,371.1        | 1,328.2        | 2,025.7                |
| Net income in majority interest        | 2,383.9        | 1,305.3        | 2,018.7                |
| Net income in minority interest        | (12.8)         | 22.9           | 7.0                    |

F Some of the totals may not sum due to rounding.

**Table of Contents****Source and Use of Funds****Source of Funds**

|                                  | 2010<br>(Jan.1~Dec.31) |               |                |             | 2009<br>(Jan.1~Dec.31) |               |                |              | 2008<br>(Jan.1~Dec.31) |               |                |
|----------------------------------|------------------------|---------------|----------------|-------------|------------------------|---------------|----------------|--------------|------------------------|---------------|----------------|
|                                  | Average                | Interest      | Interest       | Average     | Interest               | Interest      | Average        | Average      | Interest               |               |                |
|                                  | Balance                | Ratio<br>(%)  | Rate<br>(%)    | Balance     | Ratio<br>(%)           | Rate<br>(%)   | Balance        | Ratio<br>(%) | Interest<br>Paid       |               |                |
| (in KRW billion, %)              |                        |               |                |             |                        |               |                |              |                        |               |                |
| Equity                           | 136,841.6              | 51.81         | 3,931.0        | 2.87        | 117,649.1              | 45.05         | 3,643.5        | 3.10         | 95,834.7               | 38.71         | 3,911.6        |
| - Issued                         | 4,643.0                | 1.76          | 211.5          | 4.56        | 11,462.6               | 4.39          | 644.7          | 5.62         | 15,737.2               | 6.36          | 960.0          |
| - Retained                       | 6,244.4                | 2.36          | 188.1          | 3.01        | 7,409.0                | 2.84          | 251.9          | 3.40         | 6,727.7                | 2.72          | 333.2          |
| - Loan                           | 1,977.2                | 0.75          | 39.7           | 2.01        | 1,328.4                | 0.51          | 33.3           | 2.51         | 2,191.2                | 0.89          | 104.3          |
| - Reserve                        | 34,371.3               | 13.01         | 1,847.9        | 5.38        | 38,241.6               | 14.64         | 2,084.0        | 5.45         | 41,853.2               | 16.91         | 2,497.0        |
| - Other                          | 3,490.2                | 1.32          | 127.5          | 3.65        | 6,461.1                | 2.47          | 248.8          | 3.85         | 7,624.3                | 3.08          | 425.9          |
| - Total                          | 187,567.7              | 71.02         | 6,345.7        | 3.38        | 182,551.8              | 69.91         | 6,906.2        | 3.78         | 169,968.3              | 68.66         | 8,232.0        |
| Debt                             |                        |               |                |             |                        |               |                |              |                        |               |                |
| - Foreign Currency               |                        |               |                |             |                        |               |                |              |                        |               |                |
| - Issued                         | 11,530.8               | 4.37          | 140.3          | 1.22        | 10,550.7               | 4.04          | 218.7          | 2.07         | 6,743.1                | 2.72          | 179.1          |
| - Retained                       | 6,545.6                | 2.48          | 85.1           | 1.30        | 7,776.1                | 2.98          | 183.3          | 2.36         | 9,794.5                | 3.96          | 308.3          |
| - Loan                           | 605.4                  | 0.23          | 3.1            | 0.51        | 1,188.4                | 0.46          | 36.7           | 3.09         | 1,091.3                | 0.44          | 46.6           |
| - Reserve                        | 5,095.7                | 1.93          | 82.4           | 1.62        | 5,292.0                | 2.03          | 97.0           | 1.83         | 4,931.6                | 1.99          | 189.7          |
| - Other                          | 344.9                  | 0.13          | 16.7           | 4.84        | 201.4                  | 0.08          | 5.7            | 2.83         | 1,093.8                | 0.44          | 44.5           |
| - Total                          | 24,122.4               | 9.13          | 327.6          | 1.36        | 25,008.6               | 9.58          | 541.4          | 2.16         | 23,654.3               | 9.56          | 768.2          |
| - Local currency bearing funding | 211,690.1              | 80.15         | 6,673.3        | 3.15        | 207,560.4              | 79.49         | 7,447.6        | 3.59         | 193,622.6              | 78.22         | 9,000.2        |
| - Total                          |                        |               |                |             |                        |               |                |              |                        |               |                |
| - Issued                         | 22,081.8               | 8.36          | 0.0            | 0.00        | 19,719.7               | 7.55          | 0.0            | 0.00         | 18,184.7               | 7.35          | 0.0            |
| - Reserve                        | 1,502.2                | 0.57          | 0.0            | 0.00        | 1,548.8                | 0.59          | 0.0            | 0.00         | 1,570.7                | 0.63          | 0.0            |
| - Other                          | 28,846.4               | 10.92         | 0.0            | 0.00        | 32,297.8               | 12.37         | 0.0            | 0.00         | 34,171.0               | 13.80         | 0.0            |
| - Total                          | 52,430.4               | 19.85         | 0.0            | 0.00        | 53,566.3               | 20.51         | 0.0            | 0.00         | 53,926.4               | 21.78         | 0.0            |
| <b>Total Funding</b>             | <b>264,120.5</b>       | <b>100.00</b> | <b>6,673.3</b> | <b>2.53</b> | <b>261,126.7</b>       | <b>100.00</b> | <b>7,447.6</b> | <b>2.85</b>  | <b>247,549.0</b>       | <b>100.00</b> | <b>9,000.2</b> |

1) The Average Balance is the arithmetic mean of the ending balance of each quarter.

**Table of Contents****Use of Funds**

|                    | 2010<br>(Jan.1~Dec.31) |               |                  |                         | 2009<br>(Jan.1~Dec.31) |               |                  |                         | 2008<br>(Jan.1~Dec.31) |               |                  |
|--------------------|------------------------|---------------|------------------|-------------------------|------------------------|---------------|------------------|-------------------------|------------------------|---------------|------------------|
|                    | Average<br>Balance     | Ratio<br>(%)  | Interest<br>Paid | Interest<br>Rate<br>(%) | Average<br>Balance     | Ratio<br>(%)  | Interest<br>Paid | Interest<br>Rate<br>(%) | Average<br>Balance     | Ratio<br>(%)  | Interest<br>Paid |
| (in billion, %)    |                        |               |                  |                         |                        |               |                  |                         |                        |               |                  |
| RW                 | 12,413.4               | 4.70          | 118.4            | 0.95                    | 11,055.7               | 4.23          | 174.8            | 1.58                    | 7,376.0                | 2.98          | 258              |
|                    | 52,018.2               | 19.69         | 2,062.8          | 3.97                    | 48,785.8               | 18.68         | 2,044.4          | 4.19                    | 42,543.3               | 17.19         | 2,049            |
|                    | 133,555.6              | 50.57         | 7,641.0          | 5.72                    | 60,544.2               | 23.19         | 3,295.5          | 5.44                    | 122,447.1              | 49.46         | 8,960            |
| d)                 | 62,998.4               | 23.85         | 3,403.7          | 5.40                    | 60,544.2               | 23.19         | 3,295.5          | 5.44                    | 57,406.1               | 23.19         | 4,092            |
| )                  | 70,557.2               | 26.71         | 4,237.3          | 6.01                    | 70,344.1               | 26.94         | 4,184.6          | 5.95                    | 65,041.0               | 26.27         | 4,867            |
| or customers       | 35.2                   | 0.01          | 0.3              | 0.85                    | 81.9                   | 0.03          | 1.1              | 1.34                    | 39.7                   | 0.02          | 1                |
|                    | 2,970.0                | 1.12          | 65.0             | 2.19                    | 1,464.8                | 0.56          | 38.8             | 2.65                    | 1,066.7                | 0.43          | 49               |
|                    | 2,371.0                | 0.90          | 145.9            | 6.15                    | 2,825.5                | 1.08          | 164.9            | 5.84                    | 3,245.7                | 1.31          | 204              |
| d Receivable       | 14,923.5               | 5.65          | 3,453.8          | 23.14                   | 11,823.6               | 4.53          | 3,148.8          | 26.63                   | 10,055.1               | 4.06          | 2,783            |
| d)                 | 3,127.2                | 1.18          | 522.4            | 16.71                   | 2,530.1                | 0.97          | 392.6            | 15.52                   | 2,968.1                | 1.20          | 535              |
|                    | 1,708.2                | 0.65          | 366.2            | 21.44                   | 6,219.0                | 2.38          | 401.7            | 6.46                    | 6,579.6                | 2.66          | 471              |
| eserve             | -3,446.2               | (1.30)        | 0.0              | 0.00                    | -3,519.2               | (1.35)        | 0.0              | 0.00                    | -3,050.2               | (1.23)        | 0                |
|                    | 216,548.9              | 81.99         | 13,853.4         | 6.40                    | 209,625.4              | 80.28         | 13,454.6         | 6.42                    | 190,303.0              | 76.87         | 14,778           |
| oreign Currency    | 2,879.8                | 1.09          | 40.2             | 1.40                    | 2,883.5                | 1.10          | 21.4             | 0.74                    | 1,657.3                | 0.67          | 39               |
|                    | 2,230.4                | 0.84          | 29.5             | 1.32                    | 2,331.8                | 0.89          | 53.3             | 2.29                    | 2,011.7                | 0.81          | 89               |
|                    | 13,508.8               | 5.11          | 460.7            | 3.41                    | 13,368.1               | 5.12          | 518.5            | 3.88                    | 14,175.9               | 5.73          | 687              |
|                    | 1,241.0                | 0.47          | 6.3              | 0.51                    | 1,154.1                | 0.44          | 9.4              | 0.81                    | 864.0                  | 0.35          | 23               |
| t                  | 3,777.4                | 1.43          | 93.0             | 2.46                    | 3,076.0                | 1.18          | 152.1            | 4.94                    | 3,962.1                | 1.60          | 179              |
|                    | 313.1                  | 0.12          | 11.6             | 3.70                    | 379.9                  | 0.15          | 14.7             | 3.87                    | 549.3                  | 0.22          | 46               |
| eserve             | -386.1                 | (0.15)        | 0.0              | 0.00                    | -273.3                 | (0.10)        | 0.0              | 0.00                    | -234.2                 | (0.09)        | 0                |
|                    | 23,564.4               | 8.92          | 641.3            | 2.72                    | 22,920.1               | 8.78          | 769.4            | 3.36                    | 22,986.1               | 9.29          | 1,065            |
| ning funding       | 240,113.3              | 90.91         | 14,494.7         | 6.04                    | 232,545.5              | 89.05         | 14,224.0         | 6.12                    | 213,289.0              | 86.16         | 15,843           |
|                    | 2,327.2                | 0.88          | 0.0              | 0.00                    | 2,289.3                | 0.88          | 0.0              | 0.00                    | 2,374.6                | 0.96          | 0                |
|                    | 2,362.3                | 0.89          | 0.0              | 0.00                    | 2,370.0                | 0.91          | 0.0              | 0.00                    | 2,419.4                | 0.98          | 0                |
|                    | 19,317.7               | 7.31          | 0.0              | 0.00                    | 23,921.9               | 9.16          | 0.0              | 0.00                    | 29,466.0               | 11.90         | 0                |
| st earning funding | 24,007.2               | 9.09          | 0.0              | 0.00                    | 28,581.2               | 10.95         | 0.0              | 0.00                    | 34,260.0               | 13.84         | 0                |
| <b>of funds</b>    | <b>264,120.5</b>       | <b>100.00</b> | <b>14,494.7</b>  | <b>5.49</b>             | <b>261,126.7</b>       | <b>100.00</b> | <b>14,224.0</b>  | <b>5.45</b>             | <b>247,549.0</b>       | <b>100.00</b> | <b>15,843</b>    |

1) The Average Balance is the arithmetic mean of the ending balance of each quarter.

**Table of Contents****Other Financial Information****Group BIS Ratio**

|  | Dec. 31, 2010 | Dec. 31, 2009 | (KRW million)<br>Dec. 31, 2008 |
|--|---------------|---------------|--------------------------------|
| Aggregate Amount of Equity Capital (A) | 23,711,758    | 22,572,130    | 18,723,461                     |
| Risk-Weighted Assets (B)               | 185,694,642   | 179,083,070   | 183,741,412                    |
| BIS Ratio (A/B) <sup>1)</sup>          | 12.77%        | 12.60%        | 10.19%                         |

- 1) In accordance with the amendments in the Financial Holding Company Guidelines of the Financial Service Commission ( FSC ), the Group BIS Ratio, rather than the Requisite Capital Ratio, is used as an index for measuring capital adequacy, beginning FY2007.

**Won Liquidity Ratio**

|   | Dec. 31, 2010 | Dec. 31, 2009 | (KRW million)<br>Dec. 31, 2008 |
|---|---------------|---------------|--------------------------------|
| Won Assets due within 1 months (A)      | 972,593       | 470,681       | 920,661                        |
| Won Liabilities due within 1 months (B) | 246,035       | 376,446       | 690,397                        |
| Won Liquidity Ratio (A/B)               | 395.31%       | 125.03%       | 133.35%                        |

- 1) 2008 figures are assets and liabilities due within 3 month.

**Liabilities to Equity Ratio**

|                                   | Dec. 31, 2010 | Dec. 31, 2009 | (KRW million)<br>Dec. 31, 2008 |
|-----------------------------------|---------------|---------------|--------------------------------|
| Liabilities (A)                   | 6,886,449     | 6,392,346     | 8,307,683                      |
| Equity (B)                        | 22,724,753    | 20,728,361    | 17,605,883                     |
| Liabilities to Equity Ratio (A/B) | 30.30%        | 30.84%        | 47.19%                         |

**Capital Adequacy Ratio and Other Ratios of Certain Subsidiaries**

- (1) BIS Capital Adequacy Ratio (%) <sup>1)</sup>

|                            | Dec. 31,<br>2010 | Dec. 31,<br>2009 | Dec. 31,<br>2008 |
|----------------------------|------------------|------------------|------------------|
| Shinhan Bank <sup>2)</sup> | 15.93            | 15.13            | 13.44            |

- 1) The BIS Capital Adequacy Ratio is computed in accordance with the guidelines issued by the FSC for commercial banks. Under these guidelines, commercial banks are required to maintain a minimum capital adequacy ratio of 8%.

- 2) Basel II FIRB Approach was applied in calculating BIS Capital Adequacy Ratios

- (2) Adjusted Equity Capital Ratio (%)

|              | Dec. 31,<br>2010 | Dec. 31,<br>2009 | Dec. 31,<br>2008 |
|--------------|------------------|------------------|------------------|
| Shinhan Card | 24.99            | 26.73            | 20.32            |

- \* The Adjusted Equity Capital Ratio represents the ratio of total adjusted shareholder's equity to total adjusted assets and is computed in accordance with the guidelines issued by FSC for credit card companies. Under these guidelines, Shinhan Card is required to maintain a minimum adjusted equity capital ratio of 8%.



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## (3) Net Capital Ratio (%)

|                          | Dec. 31,<br>2010 | Dec. 31,<br>2009 | Dec. 31,<br>2008 |
|--------------------------|------------------|------------------|------------------|
| Shinhan Investment Corp. | 658.31           | 608.78           | 575.44           |

\* Net Capital Ratio is computed in accordance with the guidelines issued by the FSC for securities brokerage businesses. Under these guidelines, Shinhan Investment Corporation is required to maintain a minimum net capital ratio of 100%.

## (4) Solvency Margin Ratio (%)

|                        | Dec. 31,<br>2010 | Dec. 31,<br>2009 | Dec. 31,<br>2008 |
|------------------------|------------------|------------------|------------------|
| Shinhan Life Insurance | 397.93           | 262.67           | 209.47           |

\* Under the guidelines issued by the FSC, Shinhan Life Insurance is required to maintain a minimum solvency margin ratio of 100%.

**Non-Performing Loans of Certain Subsidiaries <sup>1)</sup>**

## (1) Non-Performing Loans

|                                  | Dec. 31, 2010     |                                 | Dec. 31, 2009     |                                 | (KRW million)<br>Dec.31, 2008 |                                 |
|----------------------------------|-------------------|---------------------------------|-------------------|---------------------------------|-------------------------------|---------------------------------|
|                                  | Balance of<br>NPL | NPL to<br>total<br>Loans<br>(%) | Balance of<br>NPL | NPL to<br>total<br>Loans<br>(%) | Balance of<br>NPL             | NPL to<br>total<br>Loans<br>(%) |
| Shinhan Bank <sup>1)</sup>       | 1,410,031         | 0.91                            | 1,158,985         | 0.77                            | 1,306,316                     | 0.85                            |
| Shinhan Card <sup>2)</sup>       | 237,395           | 1.44                            | 435,083           | 3.08                            | 339,101                       | 2.91                            |
| Shinhan Investment <sup>2)</sup> | 142,772           | 12.29                           | 253,995           | 19.45                           | 46,833                        | 4.82                            |
| Shinhan Life<br>Insurance        | 38,000            | 1.48                            | 38,800            | 1.53                            | 31,600                        | 1.31                            |

1) Non-performing loans of banks are defined as those loans are past due more than 90 days or those are placed on non-accrual status according to the guidelines of the FSC.

2) Under the guidelines of the FSC, every securities brokerage company and credit card company shall classify its loans into five categories: normal, precautionary, substandard, doubtful and estimated loss. Under the Group internal measures, non-performing loans of Shinhan Investment, and Shinhan Card includes loans classified as substandard, doubtful, and estimated loss.

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## (2) Loan Loss Allowances &amp; Write-offs for the period

|                        |  | (KRW million)                      |                                |                                |
|------------------------|--|------------------------------------|--------------------------------|--------------------------------|
|                        |  | Jan. 1, 2010~<br>Dec. 31, 2010     | Jan. 1, 2009~<br>Dec. 31, 2009 | Jan. 1, 2008~<br>Dec. 31, 2008 |
| Shinhan Bank           | Allowance for Possible Loan Losses                           | 2,835,768                          | 2,641,918                      | 2,661,427                      |
|                        | Allowance for doubtful accounts on Acceptance and Guarantees | 138,236                            | 105,629                        | 113,669                        |
|                        | Allowances for Losses Related to Unused Ceiling              | 287,224                            | 267,859                        | 249,442                        |
|                        | Other Allowances   | 111,757                            | 88,337                         | 69,557                         |
|                        | Allowance for Valuation of Bonds                             | 984                                | 7,609                          | 8,152                          |
|                        | Total  | 3,373,968                          | 3,111,352                      | 3,102,247                      |
|                        | Write-offs   | 709,844                            | 1,006,941                      | 340,942                        |
| Shinhan Card           | Allowance for Possible Loan Losses                           | 607,105                            | 793,469                        | 773,960                        |
|                        | Allowance for reward on credit card use                      | 287,196                            | 273,233                        | 246,429                        |
|                        | Allowances for Losses Related to Unused Ceiling              | 504,692                            | 488,559                        | 485,738                        |
|                        | Other Allowances   | 4,946                              | 12,619                         | 22,325                         |
|                        | Total  | 1,403,939                          | 1,567,880                      | 1,528,452                      |
|                        | Write-offs   | 479,231                            | 469,087                        | 603,883                        |
|                        | Shinhan Investment Corp.                                     | Allowance for Possible Loan Losses | 117,768                        | 182,278                        |
| Other Allowances       |  | 21,942                             | 21,942                         | 0                              |
| Total                  |  | 139,710                            | 204,220                        | 62,217                         |
| Write-offs             |  | 8,004                              | 4,682                          | 502                            |
|                        |  |                                    |                                |                                |
| Shinhan Life Insurance | Allowance for Possible Loan Losses                           | 38,859                             | 38,410                         | 30,635                         |
|                        | Total  | 38,859                             | 38,410                         | 30,635                         |
|                        | Write-offs   | 5,144                              | 4,540                          | 0                              |

**Table of Contents****Twenty Largest Exposures by Borrower**

| (KRW billion)                                |                 |                                 |                      |                    |                                  |                    |
|--|-----------------|---------------------------------|----------------------|--------------------|----------------------------------|--------------------|
| As of Dec. 31, 2010<br>Consolidated basis    | Loans in<br>Won | Loans in<br>Foreign<br>Currency | Equity<br>Securities | Debt<br>Securities | Guarantees<br>and<br>Acceptances | Total<br>Exposures |
| Ministry of Strategy &<br>Finance            | 0               | 0                               | 0                    | 10,085             | 0                                | 10,085             |
| Bank of Korea                                | 1,200           | 0                               | 0                    | 3,348              | 0                                | 4,548              |
| Korea Deposit Insurance<br>Corporation       | 0               | 0                               | 0                    | 2,311              | 0                                | 2,311              |
| Hyundai Heavy Industries<br>Co., Ltd.        | 3               | 136                             | 8                    | 10                 | 1,879                            | 2,036              |
| Industrial Bank of Korea                     | 498             | 17                              | 2                    | 1,068              | 0                                | 1,585              |
| Korea Land & Housing<br>Corporation          | 0               | 0                               | 0                    | 1,281              | 0                                | 1,281              |
| Korea Development Bank                       | 18              | 0                               | 42                   | 1,186              | 0                                | 1,246              |
| Hyundai Samho Heavy<br>Industries Co., Ltd.  | 0               | 57                              | 0                    | 30                 | 1,093                            | 1,180              |
| Woori Bank                                   | 55              | 0                               | 19                   | 1,042              | 0                                | 1,116              |
| POSCO  | 29              | 59                              | 851                  | 99                 | 70                               | 1,108              |
| I-CLOVER CO., LTD.                           | 29              | 0                               | 0                    | 1,076              | 0                                | 1,105              |
| Samsung Electronics Co.,<br>Ltd.             | 0               | 1,033                           | 32                   | 0                  | 0                                | 1,065              |
| Samsung Heavy Industries<br>Co., LTD.        | 0               | 194                             | 0                    | 0                  | 801                              | 995                |
| Songdo Cosmopolitan City<br>Development Inc. | 978             | 0                               | 0                    | 0                  | 0                                | 978                |
| Kookmin Bank                                 | 37              | 0                               | 1                    | 829                | 0                                | 867                |
| Hyundai Mipo Dockyard<br>Co., Ltd.           | 0               | 0                               | 3                    | 0                  | 812                              | 815                |
| SK Energy                                    | 7               | 206                             | 1                    | 106                | 403                              | 723                |
| Korea Securities Finance<br>Corporation      | 350             | 0                               | 25                   | 281                | 0                                | 656                |
| STX Offshore &<br>Shipbuilding Co., Ltd.     | 20              | 0                               | 0                    | 0                  | 615                              | 635                |
| Samsung C&T                                  | 1               | 65                              | 523                  | 10                 | 28                               | 627                |
| <b>Total</b>                                 | <b>3,225</b>    | <b>1,767</b>                    | <b>1,507</b>         | <b>22,762</b>      | <b>5,701</b>                     | <b>34,962</b>      |



**Table of Contents****Exposure to Main Debtor Groups**

(KRW billion)

| As of Dec. 31, 2010       | Loans in<br>Won | Loans in<br>Foreign<br>Currency | Equity<br>Securities | Debt<br>Securities | Guarantees<br>and<br>Acceptances | Total<br>Exposures |
|---------------------------|-----------------|---------------------------------|----------------------|--------------------|----------------------------------|--------------------|
| <b>Consolidated basis</b> |                 |                                 |                      |                    |                                  |                    |
| Hyundai Heavy Industries  | 68              | 293                             | 13                   | 41                 | 3,813                            | 4,228              |
| Samsung                   | 133             | 1,550                           | 543                  | 256                | 1,204                            | 3,686              |
| Hyundai Motors            | 1,017           | 1,186                           | 24                   | 170                | 410                              | 2,807              |
| SK                        | 309             | 254                             | 432                  | 221                | 600                              | 1,815              |
| POSCO                     | 159             | 230                             | 857                  | 122                | 394                              | 1,762              |
| LG                        | 623             | 663                             | 0                    | 6                  | 182                              | 1,474              |
| Lotte                     | 487             | 50                              | 2                    | 313                | 102                              | 955                |
| STX                       | 114             | 48                              | 49                   | 0                  | 623                              | 834                |
| LS                        | 125             | 259                             | 1                    | 71                 | 292                              | 748                |
| Hynix                     | 0               | 118                             | 342                  | 0                  | 98                               | 559                |
| Total                     | 3,035           | 4,651                           | 2,263                | 1,200              | 7,718                            | 18,868             |

**Loan Concentration by Industry**

(KRW million)

| As of Dec. 31, 2010                 | Loans in Won |            | Loans in Foreign<br>Currency |            | Others     |            | Total Exposures |            |
|-------------------------------------|--------------|------------|------------------------------|------------|------------|------------|-----------------|------------|
|                                     | Amount       | Weight (%) | Amount                       | Weight (%) | Amount     | Weight (%) | Amount          | Weight (%) |
| <b>Consolidated basis</b>           |              |            |                              |            |            |            |                 |            |
| Manufacturing                       | 21,787,018   | 16.01      | 3,368,816                    | 33.39      | 7,589,477  | 21.97      | 32,745,311      | 18.12      |
| Retail and wholesale                | 12,216,603   | 8.98       | 814,288                      | 8.07       | 1,861,594  | 5.39       | 14,892,485      | 8.24       |
| Real Estate, leasing<br>and service | 16,742,638   | 12.30      | 1,357,500                    | 13.46      | 318,291    | 0.92       | 18,418,429      | 10.19      |
| Construction                        | 5,555,513    | 4.08       | 45,451                       | 0.45       | 554,345    | 1.61       | 6,155,309       | 3.41       |
| Hotel and leisure                   | 4,308,646    | 3.17       | 271,096                      | 2.69       | 104,507    | 0.30       | 4,684,249       | 2.59       |
| Finance and<br>insurance            | 3,419,713    | 2.51       | 442,407                      | 4.39       | 3,673,620  | 10.64      | 7,535,740       | 4.17       |
| Others                              | 7,662,856    | 5.63       | 3,586,516                    | 35.55      | 1,465,153  | 4.24       | 12,714,525      | 7.04       |
| Consumers                           | 64,375,959   | 47.32      | 202,097                      | 2.00       | 18,969,993 | 54.93      | 83,548,049      | 46.24      |
| Total                               | 136,068,946  | 100.00     | 10,088,171                   | 100.00     | 34,536,980 | 100.00     | 180,694,097     | 100.00     |

**Table of Contents****Top Twenty Non-Performing Loans**

(KRW billion)

| <b>Borrower</b> | <b>Industry</b>                  | <b>Gross<br/>Principal<br/>Outstanding</b> | <b>Allowance for Loan<br/>Losses</b> |
|-----------------|----------------------------------|--|--------------------------------------|
| A               | Finance and insurance            | 64   | 32                                   |
| B               | Others                           | 51   | 51                                   |
| C               | Real estate, leasing and service | 50   | 25                                   |
| D               | Others                           | 39   | 14                                   |
| E               | Manufacturing                    | 22   | 2                                    |
| F               | Construction                     | 18   | 10                                   |
| G               | Manufacturing                    | 18   | 11                                   |
| H               | Manufacturing                    | 13   | 3                                    |
| I               | Manufacturing                    | 13   | 12                                   |
| J               | Transportation                   | 12   | 3                                    |
| K               | Manufacturing                    | 11   | 11                                   |
| L               | Transportation                   | 10   | 0                                    |
| M               | Transportation                   | 10   | 10                                   |
| N               | Real estate, leasing and service | 9  | 2                                    |
| O               | Manufacturing                    | 9  | 2                                    |
| P               | Real estate, leasing and service | 8  | 2                                    |
| Q               | Others                           | 8  | 2                                    |
| R               | Manufacturing                    | 7  | 3                                    |
| S               | Real estate, leasing and service | 7  | 1                                    |
| T               | Manufacturing                    | 6  | 2                                    |
|                 | <b>Total</b>                     | <b>385</b>                                 | <b>198</b>                           |

- 1) Consolidated basis as of December 31, 2010
- 2) Non-Performing Loans are defined as loans past due longer than 90 days

**Table of Contents****3. Independent Auditor*****Audit Opinion for the last 3 years***

|               |                               |                               |                               |
|---------------|-------------------------------|-------------------------------|-------------------------------|
| Audit Opinion | <b>FY 2010</b><br>Unqualified | <b>FY 2009</b><br>Unqualified | <b>FY 2008</b><br>Unqualified |
|---------------|-------------------------------|-------------------------------|-------------------------------|

***Compensation to the Independent Auditor for Audit and Review Services***

The following is a description of the fees for audit and review services performed by our independent auditor for the last three years in connection with our financial statements prepared in accordance with generally accepted accounting principles in Korea.

| <b>Year</b> | <b>Auditor</b>                | <b>Payment<br/>(KRW<br/>mil.)</b> | <b>Details</b>                          | <b>Working hours</b> |
|-------------|-------------------------------|-----------------------------------|---|----------------------|
| 2010        | KPMG Samjong Accounting Corp. | 366                               | Review/Audit of Financial<br>Statements | 4,650 hours          |
| 2009        | KPMG Samjong Accounting Corp. | 355                               | Review/Audit of Financial<br>Statements | 4,595 hours          |
| 2008        | KPMG Samjong Accounting Corp. | 355                               | Review/Audit of Financial<br>Statements | 5,106 hours          |

**Table of Contents****4. Directors, Executive Officers and Employees****Directors and Executive Officers**

## 1) Executive Directors

| <b>Name</b>  | <b>Date of Birth</b> | <b>Position</b>  | <b>Service Term</b>                     |
|--------------|----------------------|--|---|
| Dong Woo Han | Nov. 10, 1948        | Chairman of Shinhan Financial Group<br>Board Steering Committee Member | 3 years starting from March 23,<br>2011 |

## 2) Non-Executive Directors

Currently, 11 non-executive directors are in office, 10 of which outside directors who are nominated by our Outside Director Recommendation Committee and appointed pursuant to the approval of general shareholders meeting on March 23, 2011.

Our non-executive directors are as follows:

| <b>Name</b>           | <b>Date of Birth</b>  | <b>Outside Director</b> | <b>Sub-Committees</b>   | <b>Service Term</b>                     |
|-----------------------|-----------------------|-------------------------|---|---|
| Jin Won Suh           | April 20, 1951        | X                       |   | 1 years starting from March 23,<br>2011 |
| Taeun Kwon            | January 29, 1941      | O                       | Audit Committee member  | 2 years starting from March 23,<br>2011 |
| Kee Young Kim         | October 7, 1937       | O                       | Risk Management Committee<br>member<br>Compensation Committee<br>member                                     | 2 years starting from March 23,<br>2011 |
| Seok Won Kim          | April 29, 1947        | O                       | Audit Committee member<br>Compensation Committee<br>member  | 2 years starting from March 23,<br>2011 |
| Hoon Namkoong         | June 26, 1947         | O                       | Chairman of Board of Directors<br>Board Steering Committee<br>member<br>Risk Management Committee<br>member | 2 years starting from March 23,<br>2011 |
| Jaekun Yoo            | August 24, 1941       | O                       |   | 2 years starting from March 23,<br>2011 |
| Ke Sop Yun            | May 20, 1945          | O                       | Audit Committee member<br>Board Steering Committee<br>member  | 1 years starting from March 23,<br>2011 |
| Jung Il Lee           | August 28, 1952       | O                       | Board Steering Committee<br>member  | 1 years starting from March 23,<br>2011 |
| Sun Tae Hwang         | October 11, 1948      | O                       | Audit Committee member<br>Compensation Committee<br>member  | 2 years starting from March 23,<br>2011 |
| Haruki Hirakawa       | November 7,<br>1964   | O                       |   | 1 years starting from March 23,<br>2011 |
| Philippe<br>Aguignier | September 26,<br>1957 | O                       | Risk Management Committee<br>member   | 1 years starting from March 23,<br>2011 |

For personal profiles of the outside directors, please refer to our Form 6-K filed on February 22, 2011.

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## 3) Executive Officers

In addition to the executive directors, we currently have the following executive officers:

| <b>Name</b>    | <b>Date of Birth</b> | <b>Position</b>                               | <b>In charge of</b>  |
|----------------|----------------------|---|--|
| Buhmsoo Choi   | Aug. 8, 1956         | Deputy President &<br>Chief Financial Officer | Finance Management Team<br>Investor Relations Team<br>Strategic Planning Team<br>Global Business Strategy Team<br>Shinhan FSB Research Institute |
| Sung Ho Wi     | Jun. 12, 1958        | Deputy President                              | General Affairs Team<br>Business Management Team<br>Public Relations Team<br>CSR & Culture Management<br>Team                                    |
| Jung Kee Min   | March 13, 1959       | Executive<br>Vice-President                   | Synergy Management Team<br>Information & Technology<br>Planning Team<br>Audit Team   |
| Yee Yong Jo    | Feb. 13, 1957        | Managing Director                             | Compliance Team  |
| Sam Yong Lee   | June 11, 1953        | Managing Director                             | Risk Management Team   |
| Jeong Bae Park | May 6, 1960          | Managing Director                             | General Affairs Team   |

**Stock Options**

(as of Feb 28, 2011)

|                 | <b>No. of<br/>Granted<br/>Options</b> | <b>No. of Exercised<br/>Options</b> | <b>No. of Cancelled<br/>Options</b> | <b>No. of<br/>Exercisable<br/>Options</b> | <b>Exercise<br/>Price</b> |
|-----------------|---------------------------------------|-------------------------------------|-------------------------------------|---|---------------------------|
|                 | <b>(A)</b>                            | <b>(B)</b>                          | <b>(C)</b>                          | <b>(D = A - B - C)</b>                    |                           |
| Granted in 2005 | 2,620,331                             | 983,298                             | 251,300                             | 1,385,733                                 | 28,006                    |
| Granted in 2006 | 3,206,173                             | 388,980                             | 480,300                             | 2,336,893                                 | 38,829                    |
| Granted in 2007 | 1,231,169                             | 0                                   | 205,313                             | 1,025,856                                 | 54,560                    |
| Granted in 2008 | 808,700                               | 0                                   | 185,396                             | 623,304                                   | 49,053                    |
| Granted in 2009 | 614,735                               | 0                                   | 614,735                             | 0   | 23,405                    |
| Total           | 8,481,108                             | 1,372,278                           | 1,737,044                           | 5,371,786                                 |                           |

Note) The weighted-average exercise price of outstanding exercisable options as of Feb. 28, 2011 is KRW 40,228.

**Employees**

(As of Dec 31, 2010)

| <b>Gender</b> | <b>Number of<br/>Employees</b> | <b>Average length of Service</b> | <b>Total Salaries and wages paid</b> | <b>Average Payment</b>              |
|---------------|--------------------------------|----------------------------------|--------------------------------------|-------------------------------------|
|               |                                |                                  | <b>in<br/>2010<br/>(KRW million)</b> | <b>per person<br/>(KRW million)</b> |
| Male          | 121                            | 2 yrs 2 mths                     | 12,856                               | 106                                 |
| Female        | 24                             | 3 yrs 3 mths                     | 1,422                                | 59                                  |
| Total         | 145                            | 2 yrs 4 mths                     | 14,278                               | 98                                  |



**Table of Contents****5. Major Shareholders and Market Price Information of our Common Shares and ADRs*****Major Shareholders<sup>1)</sup> of Shinhan Financial Group as of Dec. 31, 2010***

| Name                     | No. of Common Shares<br>owned | Ownership% |
|--------------------------|-------------------------------|------------|
| BNP Paribas Group        | 30,106,276                    | 6.35       |
| National Pension Service | 28,957,592                    | 6.11       |

1) Shareholders who own beneficial ownership of 5% or more.

***Shareholders holding ownership of more than 1% as of Dec. 31, 2010***

| Name  | No. of Common<br>Shares owned | Ownership% |
|---|-------------------------------|------------|
| 1 BNP Paribas Group   | 30,106,276                    | 6.35%      |
| 2 National Pension Service  | 28,957,592                    | 6.11%      |
| 3 Citibank N.A. (ADR Dept)  | 19,346,872                    | 4.08%      |
| 4 Shinhan Financial Group<br>Employee Stock Ownership Association | 17,005,029                    | 3.59%      |
| 5 Saudi Arabian Monetary Agency                                   | 13,300,931                    | 2.80%      |
| 6 The Lazard Funds Inc.   | 12,002,550                    | 2.53%      |
| 7 Mirae Asset Investments Co., Ltd.                               | 8,161,005                     | 1.72%      |
| 8 The Government of Singapore                                     | 6,401,780                     | 1.35%      |
| 9 Mizuho  | 5,955,000                     | 1.26%      |
| 10 Samsung Life Insurance   | 5,386,699                     | 1.14%      |
| 11 Daekyo Co., Ltd.   | 5,076,687                     | 1.07%      |
| Others  | 322,499,166                   | 68.00%     |
| Total   | 474,199,587                   | 100.00%    |



**Table of Contents*****Common Share Traded on the Korea Exchange***

|                              |      | (KRW, number of shares) |            |            |            |            |            |
|------------------------------|------|-------------------------|------------|------------|------------|------------|------------|
|                              |      | July. 2010              | Aug. 2010  | Sep. 2010  | Oct. 2010  | Nov. 2010  | Dec. 2010  |
| Price per share              | High | 49,200                  | 49,100     | 46,200     | 47,850     | 44,700     | 53,600     |
|                              | Low  | 44,300                  | 45,100     | 42,300     | 43,550     | 41,950     | 44,750     |
|                              | Avg. | 47,264                  | 47,000     | 43,747     | 45,338     | 43,618     | 49,859     |
| Trading Volume               |      | 30,636,767              | 24,140,249 | 54,422,382 | 52,563,124 | 42,003,206 | 46,027,719 |
| Highest Daily Trading Volume |      | 2,479,092               | 1,675,582  | 8,441,035  | 5,909,348  | 4,612,237  | 3,958,956  |
| Lowest Daily Trading Volume  |      | 680,553                 | 731,963    | 1,157,371  | 1,368,202  | 1,028,379  | 881,250    |

***American Depositary Shares traded on the New York Stock Exchange***

|                              |      | (USD, number of shares) |           |           |           |           |           |
|------------------------------|------|-------------------------|-----------|-----------|-----------|-----------|-----------|
|                              |      | July. 2010              | Aug. 2010 | Sep. 2010 | Oct. 2010 | Nov. 2010 | Dec. 2010 |
| Price per share              | High | 83.36                   | 84.91     | 79.40     | 86.76     | 81.19     | 93.82     |
|                              | Low  | 73.09                   | 75.42     | 72.77     | 77.55     | 73.38     | 79.30     |
|                              | Avg. | 79.50                   | 79.70     | 75.91     | 81.19     | 77.43     | 86.86     |
| Trading Volume               |      | 1,010,625               | 804,623   | 849,639   | 1,305,987 | 699,240   | 1,042,042 |
| Highest Daily Trading Volume |      | 96,979                  | 72,180    | 86,709    | 165,478   | 86,105    | 93,024    |
| Lowest Daily Trading Volume  |      | 17,688                  | 11,592    | 11,067    | 13,811    | 11,694    | 10,738    |

\*1 ADR = 2 Common Shares

**Table of Contents****6. Related Party Transactions***Loans to Subsidiaries*

|                          |              |                  |               |              |                   |          |          | (KRW billion)  |
|--------------------------|--------------|------------------|---------------|--------------|-------------------|----------|----------|----------------|
| Subsidiary               | Loan Type    | Origination Date | Maturity Date | Lending Rate | Beginning Balance | Increase | Decrease | Ending Balance |
| Shinhan Investment Corp. | Loans in KRW | 2005-01-31       | 2010-07-31    | 5.25%        | 70.0              | 70.0     | 0.0      | 0.0            |
| Shinhan Investment Corp. | Loans in KRW | 2006-07-31       | 2012-01-31    | 5.64%        | 100.0             | 0.0      | 0.0      | 100.0          |
| Shinhan Capital          | Loans in KRW | 2006-09-26       | 2011-09-26    | 4.99%        | 50.0              | 0.0      | 0.0      | 50.0           |
| Shinhan Capital          | Loans in KRW | 2007-04-13       | 2010-04-13    | 5.38%        | 50.0              | 50.0     | 0.0      | 0.0            |
| Shinhan Capital          | Loans in KRW | 2007-03-23       | 2012-03-23    | 5.48%        | 50.0              | 0.0      | 0.0      | 50.0           |
| Shinhan Capital          | Loans in KRW | 2007-06-08       | 2012-06-08    | 5.95%        | 50.0              | 0.0      | 0.0      | 50.0           |
| Shinhan Capital          | Loans in KRW | 2007-09-27       | 2010-09-27    | 6.05%        | 100.0             | 100.0    | 0.0      | 0.0            |
| Shinhan Capital          | Loans in KRW | 2007-11-27       | 2010-11-27    | 6.37%        | 50.0              | 50.0     | 0.0      | 0.0            |
| Shinhan Card             | Loans in KRW | 2007-11-27       | 2012-11-27    | 6.41%        | 100.0             | 0.0      | 0.0      | 100.0          |
| Shinhan Capital          | Loans in KRW | 2007-12-18       | 2010-12-18    | 6.83%        | 50.0              | 50.0     | 0.0      | 0.0            |
| Shinhan Card             | Loans in KRW | 2007-12-18       | 2012-12-18    | 6.86%        | 50.0              | 0.0      | 0.0      | 50.0           |
| Shinhan Capital          | Loans in KRW | 2008-01-23       | 2011-01-23    | 6.60%        | 50.0              | 0.0      | 0.0      | 50.0           |
| Shinhan Capital          | Loans in KRW | 2008-01-23       | 2013-01-23    | 6.60%        | 50.0              | 0.0      | 0.0      | 50.0           |
| Shinhan Card             | Loans in KRW | 2008-02-21       | 2011-02-21    | 5.66%        | 150.0             | 0.0      | 0.0      | 150.0          |
| Shinhan Card             | Loans in KRW | 2008-03-12       | 2011-03-12    | 5.84%        | 200.0             | 0.0      | 0.0      | 200.0          |
| Shinhan Capital          | Loans in KRW | 2008-03-12       | 2011-03-12    | 5.84%        | 50.0              | 0.0      | 0.0      | 50.0           |
| Shinhan Card             | Loans in KRW | 2008-06-27       | 2011-06-27    | 6.53%        | 200.0             | 0.0      | 0.0      | 200.0          |
| Shinhan Card             | Loans in KRW | 2008-07-31       | 2011-07-31    | 6.90%        | 100.0             | 0.0      | 0.0      | 100.0          |
| Shinhan Capital          | Loans in KRW | 2008-07-31       | 2011-07-31    | 6.90%        | 50.0              | 0.0      | 0.0      | 50.0           |
| Shinhan Capital          | Loans in KRW | 2010-09-28       | 2013-09-28    | 4.12%        | 0.0               | 0.0      | 100.0    | 100.0          |
| Shinhan Card             | Loans in KRW | 2010-10-29       | 2015-10-29    | 4.37%        | 0.0               | 0.0      | 100.0    | 100.0          |
| Shinhan PE               | Loans in KRW | 2010-08-13       | 2011-08-12    | 3.64%        | 0.0               | 0.0      | 5.0      | 5.0            |
| Shinhan PE               | Loans in KRW | 2009-08-13       | 2010-08-13    | 3.99%        | 5.0               | 5.0      | 0.0      | 0.0            |
| Total                    |              |                  |               |              | 1,575.0           | 325.0    | 205.0    | 1,455.0        |

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**Exhibit 99-1**

Independent Accountant's Audit Report (Non-consolidated Financial Statements) of Shinhan Financial Group as of Dec 31, 2010

**Exhibit 99-2**

Independent Accountant's Audit Report (Consolidated Financial Statements) of Shinhan Financial Group as of December 31, 2010

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SHINHAN FINANCIAL GROUP CO., LTD.

By /s/ Buhmsoo Choi

Name: Buhmsoo Choi

Title: Chief Financial Officer

Date : March 31, 2011