

SHINHAN FINANCIAL GROUP CO LTD

Form 6-K

May 15, 2013

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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 May 2013

# 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)

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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 2013 1Q Business Report**

On May 15, 2013, Shinhan Financial Group ( SFG ) filed its 2013 1Q 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 Korean International Financial Reporting Standards.

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**1. Introduction of the Group**

**Company History in 2009 through 2013**

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

Jun. 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 Bank Vietnam 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

Jun. 2010 : CHB Valuemeet 2001 First SPC was disaffiliated from SFG

Jun. 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 an indirect 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

Nov. 2011 : Shinhan Bank Vietnam was merged with Shinhan Vina Bank.

Dec. 2011 : Shinhan Savings Bank became a subsidiary of SFG

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Nov. 2012 : Shinhan AITAS Co., Ltd. joined SFG as a direct subsidiary

Jan. 2013 : Yehanbyoul Savings Bank joined SFG as a direct subsidiary.

April. 2013 : Shinhan Savings Bank merged with Yehanbyoul Savings Bank. As a result of the integration, Shinhan Savings Bank has been liquidated and Yehanbyoul Savings Bank now exists under the name of Shinhan Savings Bank as an existing legal entity.

**Table of Contents****Principal Subsidiaries under Korean Law (as of March 31, 2013)***Direct Subsidiaries*

| <b>Subsidiaries</b>                          | <b>Ownership by SFG</b> |
|--|-------------------------|
| Shinhan Bank                                 | 100.0%                  |
| Shinhan Card                                 | 100.0%                  |
| Shinhan Investment Corp.                     | 100.0%                  |
| Shinhan Life Insurance                       | 100.0%                  |
| Shinhan BNP Paribas Asset Management         | 65.0%                   |
| Shinhan Capital                              | 100.0%                  |
| Jeju Bank <sup>1)</sup>                      | 68.9%                   |
| Shinhan Savings Bank <sup>2)</sup>           | 100.0%                  |
| Yehanbyoul Savings Bank                      | 100.0%                  |
| Shinhan Data System                          | 100.0%                  |
| Shinhan AITAS <sup>3)</sup>                  | 99.8%                   |
| Shinhan Credit Information                   | 100.0%                  |
| Shinhan Private Equity Investment Management | 100.0%                  |
| SHC Management <sup>4)</sup>                 | 100.0%                  |

1) Jeju Bank is currently listed on the Korea Exchange.

2) On January 30, 2013, Yehanbyoul Savings Bank joined SFG as a direct subsidiary.

On April 1, 2013, Shinhan Savings Bank merged with Yehanbyoul Savings Bank, both of which were direct subsidiaries of Shinhan Financial Group. As a result of the integration of the two savings banks, the previous Shinhan Savings Bank has been liquidated and is thus no longer a subsidiary of Shinhan Financial Group and instead, Yehanbyoul Savings Bank now exists under the name of Shinhan Savings Bank as an existing legal entity constituting a member of Shinhan Financial Group.

3) On November 30, 2012, Shinhan AITAS Co., Ltd. joined SFG as a direct subsidiary. Prior to November 30, 2012, Shinhan AITAS was an indirect subsidiary of SFG under Shinhan Bank, a wholly-owned bank subsidiary of SFG.

4) Currently in liquidation proceedings.

**Table of Contents***Indirect subsidiaries held through direct subsidiaries (as of March 31, 2013)*

| <b>Direct Subsidiaries</b>                   | <b>Indirect Subsidiaries</b>  | <b>Ownership by the Parent</b> |
|--|---|--------------------------------|
| Shinhan Bank                                 | Shinhan Asia Limited  | 100.0%                         |
|  | Shinhan Bank America  | 100.0%                         |
|  | Shinhan Bank Europe   | 100.0%                         |
|  | Shinhan Khmer Bank Limited  | 90.0%                          |
|  | Shinhan Bank Kazakhstan   | 100.0%                         |
|  | Shinhan Bank China Limited  | 100.0%                         |
|  | Shinhan Bank Canada   | 100.0%                         |
|  | Shinhan Bank Japan  | 100.0%                         |
|  | Shinhan Bank Vietnam  | 100.0%                         |
| Shinhan Investment Corp.                     | Shinhan Investment America Inc.                                       | 100.0%                         |
|  | Shinhan Investment Europe Ltd.  | 100.0%                         |
|  | Shinhan Investment Asia Ltd.  | 100.0%                         |
|  | Shinhan Maritime Private Equity Fund I                                | 7.1%                           |
|  | KOFC Shinhan Frontier Champ 2010-4 PEF Investment Corp. <sup>1)</sup> | 8.5%                           |
| Shinhan BNP Paribas Asset Management         | Shinhan BNP Paribas Asset Management (Hong Kong) Limited              | 100.0%                         |
| Shinhan Private Equity Investment Management | Shinhan NPS Private Equity Fund 1st                                   | 5.0% <sup>2)</sup>             |
|  | Shinhan Private Equity Fund 2nd                                       | 2.2% <sup>3)</sup>             |
|  | Shinhan-Stonebridge Petro Private Equity Fund                         | 0.6% <sup>4)</sup>             |

1) Shinhan Financial Group and its subsidiaries currently own 34.6% of KOFC Shinhan Frontier Champ 2010-4 PEF Investment Corp.

2) Shinhan Financial Group and its subsidiaries currently own 36.7% of Shinhan NPS Private Equity Fund 1st.

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

4) Shinhan Financial Group and its subsidiaries currently own 1.8% of Shinhan-Stonebridge Petro Private Equity Fund.

*Number of Shares (as of March 31, 2013)*

| <b>Types of Shares</b>      | <b>Number of Shares</b> |
|-----------------------------|-------------------------|
| Common Shares               | 474,199,587             |
| Redeemable Preferred Shares | 11,100,000              |
| <b>Total</b>                | <b>485,299,587</b>      |

**Table of Contents****2. Business Results***Operation Results*

(KRW billion)

|                                      | <b>FY2013<br/>(Jan. 1 ~<br/>Mar. 31)</b> | <b>FY2012<br/>(Jan. 1 ~<br/>Dec. 31)</b> | <b>FY2011<br/>(Jan. 1 ~<br/>Dec. 31)</b> |
|--------------------------------------|--|--|--|
| Operating income                     | 667.7                                    | 3,194.0                                  | 4,172.4                                  |
| Equity in income(loss) of associates | 2.1                                      | 27.5                                     | 57.8                                     |
| Non-Operating Income(loss)           | 11.8                                     | 11.5                                     | (37.6)                                   |
| Earnings before income tax           | 681.6                                    | 3,233.0                                  | 4,192.6                                  |
| Income taxes                         | 158.6                                    | 738.9                                    | 920.0                                    |
| Consolidated net income              | 523.0                                    | 2,494.1                                  | 3,272.6                                  |
| Net income in majority interest      | 481.3                                    | 2,322.7                                  | 3,100.0                                  |
| Net income in minority interest      | 41.7                                     | 171.4                                    | 172.6                                    |

Some of the totals may not sum due to rounding.



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

|  | FY2013<br>Jan. 1 ~ Mar. 31 |                    |                  |             | FY2012<br>Jan. 1 ~ Dec. 31 |                    |                  |             | FY2011<br>Jan. 1 ~ Dec. 31 |                    |                  |             |
|--|----------------------------|--------------------|------------------|-------------|----------------------------|--------------------|------------------|-------------|----------------------------|--------------------|------------------|-------------|
|  | Average<br>Balance         | Proportions<br>(%) | Interest         |             | Average<br>Balance         | Proportions<br>(%) | Interest         |             | Average<br>Balance         | Proportions<br>(%) | Interest         |             |
|  |                            |                    | Interest<br>Paid | Rate<br>(%) |                            |                    | Interest<br>Paid | Rate<br>(%) |                            |                    | Interest<br>Paid | Rate<br>(%) |
| <b>Consolidated Basis (KRW Billions)</b> |                            |                    |                  |             |                            |                    |                  |             |                            |                    |                  |             |
| Deposits                                 | 173,465.3                  | 56.46              | 1,054.7          | 2.43        | 168,233.4                  | 56.45              | 4,515.0          | 2.68        | 156,280.5                  | 55.28              | 4,181.0          | 2.68        |
| Borrowings                               | 12,819.8                   | 4.17               | 58.8             | 1.83        | 14,027.8                   | 4.71               | 271.9            | 1.94        | 14,037.4                   | 4.97               | 259.2            | 1.85        |
| Debentures                               | 38,688.9                   | 12.59              | 390.3            | 4.04        | 39,765.1                   | 13.34              | 1,740.2          | 4.38        | 40,017.2                   | 14.16              | 1,942.9          | 4.86        |
| Other Liabilities                        | 53,622.3                   | 17.45              |                  |             | 48,172.5                   | 16.16              |                  |             | 44,174.6                   | 15.63              |                  |             |
| <b>Total Liabilities</b>                 | <b>278,596.3</b>           | <b>90.67</b>       |                  |             | <b>270,198.8</b>           | <b>90.66</b>       |                  |             | <b>254,509.7</b>           | <b>90.03</b>       |                  |             |
| <b>Source</b>                            |                            |                    |                  |             |                            |                    |                  |             |                            |                    |                  |             |
| Total Stockholders Equity                | 28,659.0                   | 9.33               |                  |             | 27,843.7                   | 9.34               |                  |             | 28,184.6                   | 9.97               |                  |             |
| <b>Total Liabilities &amp; SE</b>        | <b>307,255.3</b>           | <b>100.00</b>      |                  |             | <b>298,042.5</b>           | <b>100.00</b>      |                  |             | <b>282,694.3</b>           | <b>100.00</b>      |                  |             |
| <b>Use</b>                               |                            |                    |                  |             |                            |                    |                  |             |                            |                    |                  |             |
| Currency & Due from Banks                | 15,542.8                   | 5.06               | 53.7             | 1.38        | 15,956.9                   | 5.35               | 242.4            | 1.52        | 14,396.1                   | 5.09               | 248.6            | 1.73        |
| Loans                                    | 200,252.6                  | 65.17              | 2,582.5          | 5.16        | 195,495.2                  | 65.59              | 11,273.2         | 5.77        | 186,828.2                  | 66.09              | 11,265.3         | 6.03        |
| Loans in KRW                             | 154,630.5                  | 50.33              | 1,901.2          | 4.92        | 150,164.5                  | 50.38              | 8,298.7          | 5.53        | 143,097.0                  | 50.62              | 8,281.2          | 5.79        |
| Loans in Foreign Currency                | 10,139.1                   | 3.30               | 96.1             | 3.79        | 10,347.1                   | 3.47               | 439.1            | 4.24        | 9,510.8                    | 3.36               | 379.1            | 3.99        |
| Credit Card Accounts                     | 17,525.8                   | 5.70               | 436.4            | 9.96        | 17,507.8                   | 5.87               | 1,834.0          | 10.48       | 17,740.2                   | 6.28               | 1,887.5          | 10.64       |
| Others                                   | 17,957.2                   | 5.84               | 148.7            | 3.31        | 17,475.7                   | 5.86               | 701.5            | 4.01        | 16,480.2                   | 5.83               | 717.5            | 4.35        |
| AFS Financial Assets                     | 30,542.6                   | 9.94               | 260.3            | 3.41        | 30,198.0                   | 10.13              | 1,152.3          | 3.82        | 25,588.5                   | 9.05               | 1,025.9          | 4.01        |
| HTM Financial Assets                     | 11,491.6                   | 3.74               | 135.3            | 4.71        | 11,790.4                   | 3.96               | 594.6            | 5.04        | 12,307.7                   | 4.35               | 642.9            | 5.22        |
| Other Assets                             | 49,425.7                   | 16.09              |                  |             | 44,602.1                   | 14.97              |                  |             | 43,573.8                   | 15.41              |                  |             |
| <b>Total Assets</b>                      | <b>307,255.3</b>           | <b>100.00</b>      |                  |             | <b>298,042.5</b>           | <b>100.00</b>      |                  |             | <b>282,694.3</b>           | <b>100.00</b>      |                  |             |

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

**Table of Contents****Other Financial Information**

The main serial financial figures and indices for Mar. 31, 2013 listed herein may be subject to change.

**1) Capital Adequacy****Consolidated BIS Ratio (Shinhan Financial Group)**

(KRW billion)

|  | Mar. 31, 2013 | Dec. 31, 2012 | Dec. 31, 2011 |
|--|---------------|---------------|---------------|
| Aggregate Amount of Equity Capital (A) | 24,893.2      | 25,075.7      | 22,315.4      |
| Risk-Weighted Assets (B)               | 196,365.5     | 201,184.4     | 195,579.4     |
| BIS Ratio (A/B) <sup>1)</sup>          | 12.68%        | 12.46%        | 11.41%        |

1) Based on Basel I.

**Capital Adequacy Ratios (Subsidiaries)**

(%)

| Subsidiary               | Capital Adequacy Ratio        | Mar. 31, 2013 | Dec. 31, 2012 | Dec. 31, 2011 |
|--------------------------|-------------------------------|---------------|---------------|---------------|
| Shinhan Bank             | BIS Capital Adequacy Ratio    | 15.55         | 15.83         | 15.26         |
| Jeju Bank                | BIS Capital Adequacy Ratio    | 15.55         | 15.89         | 13.27         |
| Shinhan Card             | Adjusted Equity Capital Ratio | 27.83         | 27.43         | 25.81         |
| Shinhan Investment Corp. | Net Capital Ratio             | 589.61        | 666.34        | 700.78        |
| Shinhan Life Insurance   | Risk Based Capital Ratio      | 275.63        | 287.70        | 324.02        |
| Shinhan BNPP AM          | Net Capital Ratio             | 612.69        | 583.21        | 599.73        |
| Shinhan Capital          | Adjusted Equity Capital Ratio | 15.11         | 14.98         | 14.90         |
| Shinhan Savings Bank     | BIS Capital Adequacy Ratio    | 13.79         | 15.20         | n/a           |
| Yehanbyoul Savings Bank  | BIS Capital Adequacy Ratio    | 12.07         | n/a           | n/a           |

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

Basel II FIRB was applied in calculating Shinhan Bank's BIS Capital Adequacy Ratio.

Basel II TSA was applied in calculating Jeju Bank's BIS Capital Adequacy Ratio.

Basel I was applied in calculating Shinhan Savings Bank and Yehanbyoul Savings Bank's BIS Capital Adequacy Ratio.

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 FSS. Under these guidelines, Shinhan Card and Shinhan Capital are required to maintain a minimum adjusted equity capital ratio of 8%.

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Net Capital Ratio is computed in accordance with the guidelines issued by the FSS. Under these guidelines, Shinhan Investment Corporation and Shinhan BNP Paribas Asset Management are required to maintain a minimum net capital ratio of 100%.

Under the guidelines issued by the FSS, Shinhan Life Insurance is required to maintain a minimum RBC ratio of 100%.

**Table of Contents****2) Liquidity****Won Liquidity Ratio**

(KRW billion, %)

| Company                  | Mar. 31, 2013 |                 |                        | Dec. 31, 2012 |                 |                        | Dec. 31, 2011 |                 |                        |
|--------------------------|---------------|-----------------|------------------------|---------------|-----------------|------------------------|---------------|-----------------|------------------------|
|                          | Won Assets    | Won Liabilities | Won Liquidity Ratio(%) | Won Assets    | Won Liabilities | Won Liquidity Ratio(%) | Won Assets    | Won Liabilities | Won Liquidity Ratio(%) |
| Shinhan Financial Group  | 904.1         | 710.1           | 127.3                  | 189.1         | 93.4            | 202.6                  | 4,225.5       | 3,911.2         | 108.0                  |
| Shinhan Bank             | 62,621.4      | 43,649.1        | 143.5                  | 56,506.3      | 41,131.1        | 137.4                  | 56,609.5      | 46,635.4        | 121.4                  |
| Shinhan Card             | 14,657.3      | 3,277.8         | 447.2                  | 15,472.3      | 3,420.9         | 452.3                  | 15,417.2      | 3,417.5         | 451.1                  |
| Shinhan Investment Corp. | 11,482.1      | 7,959.1         | 144.3                  | 9,358.8       | 6,725.4         | 139.2                  | 6,161.4       | 5,036.5         | 122.3                  |
| Shinhan Life Insurance   | 1,822.2       | 392.0           | 464.8                  | 969.1         | 377.2           | 256.9                  | 843.5         | 341.5           | 247.0                  |
| Shinhan Capital          | 565.8         | 259.4           | 218.1                  | 587.5         | 161.3           | 364.1                  | 519.0         | 147.9           | 350.8                  |
| Jeju Bank                | 1,020.1       | 581.4           | 175.5                  | 9,984.0       | 6,511.8         | 153.3                  | 982.2         | 686.2           | 143.1                  |
| Shinhan Savings Bank     | 204.6         | 128.0           | 159.9                  | 299.4         | 151.8           | 197.3                  |               |                 |                        |
| Yehanbyoul Savings Bank  | 657.0         | 336.5           | 195.2                  |               |                 |                        |               |                 |                        |

- 1) Shinhan Financial Group, Shinhan Bank, Jeju Bank: Due within 1 month
- 2) Shinhan Life Insurance: (Won assets due within 3 months /3 months average of Claim payments)\*100
- 3) Shinhan Card, Shinhan Investment Corp., Shinhan Capital, Shinhan Savings Bank, Yehanbyoul Savings Bank: Due within 3 months
- 4) Shinhan Financial Group figures are separate basis.

**Foreign Currency (FC) Liquidity Ratio**

(KRW billion, %)

| Company                  | Mar. 31, 2013 |                |                       | Dec. 31, 2012 |                |                       | Dec. 31, 2011 |                |                       |
|--------------------------|---------------|----------------|-----------------------|---------------|----------------|-----------------------|---------------|----------------|-----------------------|
|                          | FC Assets     | FC Liabilities | FC Liquidity Ratio(%) | FC Assets     | FC Liabilities | FC Liquidity Ratio(%) | FC Assets     | FC Liabilities | FC Liquidity Ratio(%) |
| Shinhan Financial Group  |               |                |                       |               |                |                       |               |                |                       |
| Shinhan Bank             | 26,935.0      | 21,354.7       | 126.1                 | 25,501.1      | 20,005.1       | 127.5                 | 25,887.9      | 22,254.2       | 116.3                 |
| Shinhan Investment Corp. | 644.9         | 610.1          | 105.7                 | 482.9         | 446.8          | 108.1                 | 23.3          | 23.5           | 99.0                  |
| Shinhan Capital          | 70.7          | 16.2           | 437.3                 | 108.1         | 71.4           | 151.4                 | 51.5          | 21.9           | 235.7                 |
| Jeju Bank                | 1.1           | 0.5            | 214.6                 | 11.4          | 6.1            | 186.8                 | 15.4          | 9.4            | 164.3                 |

- 1) Foreign currency liquidity ratios are computed with assets and liabilities due within 3 months
- 2) Shinhan Bank's foreign currency liquidity ratio reflected securitization weight with the guidelines issued by the FSS
- 3) Shinhan Financial Group figures are separate basis.

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**3) Asset Quality**
*SFG Consolidated Basis*

(KRW billion, %)

|                                    | Mar. 31, 2013 | Dec. 31, 2012 | Dec. 31, 2011 |
|------------------------------------|---------------|---------------|---------------|
| Total Loans                        | 203,629.6     | 203,155.4     | 201,245.9     |
| Substandard & Below                | 2,894.6       | 2,718.9       | 2,587.1       |
| Substandard & Below Ratio          | 1.42          | 1.34          | 1.29          |
| Non-Performing Loans               | 2,284.9       | 2,173.3       | 1,903.5       |
| NPL Ratio                          | 1.12          | 1.07          | 0.95          |
| Substandard & Below Coverage Ratio | 169.26        | 169.06        | 162.19        |
| Loan Loss Allowance <sup>1)</sup>  | 4,899.4       | 4,596.5       | 4,196.0       |
| Substandard & Below Loans          | 2,894.6       | 2,718.9       | 2,587.1       |

1) Including reserve for credit losses.

*Separate Basis*

(%)

|                          | Mar. 31, 2013             |           |  | Dec. 31, 2012             |           |  | Dec. 31, 2011             |           |  |
|--------------------------|---------------------------|-----------|--|---------------------------|-----------|--|---------------------------|-----------|--|
|                          | Substandard & Below Ratio | NPL Ratio | Substandard & Below Coverage Ratio <sup>1)</sup> | Substandard & Below Ratio | NPL Ratio | Substandard & Below Coverage Ratio <sup>1)</sup> | Substandard & Below Ratio | NPL Ratio | Substandard & Below Coverage Ratio <sup>1)</sup> |
| Shinhan Financial Group  |                           |           |  |                           |           |  |                           |           |  |
| Shinhan Bank             | 1.18                      | 1.00      | 169.31   | 1.08                      | 0.87      | 170.55   | 1.09                      | 0.82      | 166.11   |
| Shinhan Card             | 2.26                      | 1.70      | 243.80   | 2.14                      | 1.64      | 248.83   | 1.69                      | 1.26      | 236.08   |
| Shinhan Investment Corp. | 14.15                     | 14.15     | 75.55  | 11.17                     | 11.18     | 77.61  | 16.97                     | 16.92     | 71.46  |
| Shinhan Life Insurance   | 0.26                      | 0.25      | 381.74   | 0.50                      | 0.26      | 361.33   | 0.45                      | 0.23      | 280.64   |
| Shinhan Capital          | 2.26                      | 1.60      | 134.51   | 2.98                      | 1.91      | 95.84  | 2.79                      | 1.31      | 82.85  |
| Jeju Bank                | 2.15                      | 2.07      | 83.81  | 1.49                      | 1.47      | 102.90   | 1.62                      | 1.03      | 93.73  |
| Shinhan Savings Bank     | 27.04                     | 27.04     | 49.85  | 31.71                     | 31.71     | 38.30  |                           |           |  |
| Yehanbyoul Savings Bank  | 13.56                     | 13.56     | 87.69  |                           |           |  |                           |           |  |

1) Including reserve for credit losses.

**Table of Contents****4) Write-Offs & Provision for Credit Losses****<SFG Consolidated Basis>**

(KRW billion)

|  | <b>Mar. 31, 2013</b> | <b>Dec. 31, 2012</b> | <b>Dec. 31, 2011</b> |
|--|----------------------|----------------------|----------------------|
| Allowance for loan losses                | 3,088.7              | 2,893.0              | 2,729.1              |
| Allowance for acceptances and guarantees | 77.0                 | 77.8                 | 85.8                 |
| Allowance for unused loan commitments    | 408.9                | 415.4                | 444.8                |
| Other allowance                          | 245.9                | 253.6                | 339.0                |
| <b>Total allowance</b>                   | <b>3,820.5</b>       | <b>3,639.8</b>       | <b>3,598.7</b>       |
| Write-offs                               | 211.5                | 1,417.2              | 1,382.1              |

**<Shinhan Bank>**

(KRW billion)

|  | <b>Mar. 31, 2013</b> | <b>Dec. 31, 2012</b> | <b>Dec. 31, 2011</b> |
|--|----------------------|----------------------|----------------------|
| Allowance for loan losses                | 1,812.6              | 1,649.0              | 1,580.9              |
| Allowance for acceptances and guarantees | 133.7                | 112.8                | 109.5                |
| Allowance for unused loan commitments    | 74.3                 | 78.1                 | 85.2                 |
| Other allowance                          | 166.2                | 168.8                | 256.2                |
| <b>Total allowance</b>                   | <b>2,186.8</b>       | <b>2,008.7</b>       | <b>2,031.8</b>       |
| Write-offs                               | 52.8                 | 695.6                | 811.8                |

**<Shinhan Card>**

(KRW billion)

|  | <b>Mar. 31, 2013</b> | <b>Dec. 31, 2012</b> | <b>Dec. 31, 2011</b> |
|--|----------------------|----------------------|----------------------|
| Allowance for loan losses                | 779.5                | 777.4                | 706.2                |
| Allowance for acceptances and guarantees |                      |                      |                      |
| Allowance for unused loan commitments    | 326.0                | 328.5                | 345.3                |
| Other allowance                          | 60.8                 | 46.7                 | 50.6                 |
| <b>Total allowance</b>                   | <b>1,166.3</b>       | <b>1,152.6</b>       | <b>1,102.1</b>       |
| Write-offs                               | 146.5                | 511.6                | 451.5                |

**Table of Contents****5) Debt to Equity Ratios***Shinhan Financial Group (Separate Basis)*

(KRW billion)

|                      | <b>Mar. 31, 2013</b> | <b>Dec. 31, 2012</b> | <b>Dec. 31, 2011</b><br>1) |
|----------------------|----------------------|----------------------|----------------------------|
| Debt                 | 7,816.5              | 7,546.0              | 11,413.4                   |
| Equity               | 20,067.5             | 19,666.9             | 19,430.8                   |
| Debt to Equity Ratio | 38.95%               | 38.37%               | 58.74%                     |

- 1) Upon the resolution of Board of Directors to redeem Series 10 redeemable preferred shares and Series 11 convertible redeemable preferred shares held on December 15, 2011, KRW 3.75 trillion capital decrease and liability increase reflected on Debt to Equity Ratio.

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

(KRW billion)

| As of Mar. 31, 2013 Consolidated basis    | Loans in<br>Won | Loans<br>in<br>Foreign<br>Currency | Securities    | Guarantees<br>and<br>Acceptances | Others | Total<br>Exposures |
|---|-----------------|------------------------------------|---------------|----------------------------------|--------|--------------------|
| Ministry of Strategy & Finance            |                 |                                    | 7,516         |                                  |        | 7,516              |
| Bank of Korea                             | 3,190           |                                    | 3,638         |                                  |        | 6,828              |
| Industrial Bank of Korea                  | 582             | 22                                 | 2,968         |                                  |        | 3,572              |
| Hyundai Heavy Industries Co., Ltd.        | 8               | 188                                | 318           | 2,814                            |        | 3,328              |
| Korea Development Bank                    | 12              | 50                                 | 2,947         |                                  |        | 3,009              |
| Korea Finance Corporation                 |                 |                                    | 2,676         |                                  |        | 2,676              |
| Korea Deposit Insurance Corporation       |                 |                                    | 2,534         |                                  |        | 2,534              |
| Korea Land & Housing Corporation          |                 |                                    | 1,730         |                                  |        | 1,730              |
| Samsung Heavy Industries Co., Ltd.        |                 | 48                                 | 42            | 1,549                            |        | 1,638              |
| Woori Bank                                | 97              | 28                                 | 1,279         | 3                                |        | 1,407              |
| Korea Securities Finance Corporation      | 31              |                                    | 1,329         |                                  |        | 1,360              |
| POSCO                                     | 1               | 76                                 | 826           | 36                               |        | 940                |
| Nonghyup Bank                             | 94              |                                    | 805           | 11                               |        | 910                |
| Songdo Cosmopolitan City Development Inc. | 848             |                                    | 47            |                                  |        | 895                |
| KEPCO                                     |                 |                                    | 878           | 8                                |        | 886                |
| Hana Bank                                 | 32              | 69                                 | 783           |                                  |        | 884                |
| Samsung C&T Corporation                   |                 | 74                                 | 496           | 269                              |        | 839                |
| Korea Housing-Finance Corporation         |                 |                                    | 807           |                                  |        | 807                |
| Korea EximBank                            |                 |                                    | 798           |                                  |        | 798                |
| LG Electronics                            | 505             | 11                                 | 23            | 219                              |        | 758                |
| <b>Total</b>                              | <b>5,401</b>    | <b>566</b>                         | <b>32,442</b> | <b>4,907</b>                     |        | <b>43,316</b>      |

Some of the totals may not sum due to rounding



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

(KRW billion)

| As of Mar. 31, 2013 Consolidated basis | Loans in Foreign |              | Securities   | Guarantees and |          | Total Exposures |
|--|------------------|--------------|--------------|----------------|----------|-----------------|
|  | Loans in Won     | Currency     |              | Acceptances    | Others   |                 |
| Hyundai Heavy Industries               | 111              | 337          | 349          | 3,742          | 0        | 4,539           |
| Samsung                                | 320              | 702          | 1,134        | 2,229          | 0        | 4,386           |
| Hyundai Motors                         | 1,418            | 1,314        | 619          | 360            | 0        | 3,711           |
| SK                                     | 507              | 791          | 953          | 839            | 0        | 3,091           |
| LG                                     | 1,615            | 277          | 230          | 286            | 0        | 2,409           |
| POSCO                                  | 135              | 365          | 956          | 286            | 0        | 1,742           |
| Lotte                                  | 447              | 79           | 476          | 195            | 1        | 1,199           |
| LS                                     | 173              | 337          | 114          | 347            | 0        | 971             |
| Hyosung                                | 252              | 442          | 16           | 202            | 0        | 912             |
| GS                                     | 304              | 148          | 101          | 316            | 0        | 868             |
| <b>Total</b>                           | <b>5,283</b>     | <b>4,793</b> | <b>4,948</b> | <b>8,803</b>   | <b>2</b> | <b>23,828</b>   |

Some of the totals may not sum due to rounding

**Loan and due from banks Concentration by Industry**

(KRW billion)

| As of Mar. 31, 2013 Consolidated basis | Total Exposures |             |
|--|-----------------|-------------|
|  | Amount          | Weight (%)  |
| Finance and Insurance                  | 56,491          | 20.7%       |
| Manufacturing                          | 35,244          | 12.9%       |
| Retail and wholesale                   | 12,663          | 4.6%        |
| Real Estate, leasing and service       | 20,245          | 7.4%        |
| Construction                           | 4,770           | 1.8%        |
| Hotel and leisure                      | 4,484           | 1.6%        |
| Others                                 | 40,536          | 14.9%       |
| Consumers                              | 98,040          | 36.0%       |
| <b>Total</b>                           | <b>272,473</b>  | <b>100%</b> |

\* Including deposits, loans, and securities

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

(KRW billion)

| <b>Borrower</b> | <b>Industry</b>   | <b>Gross Principal Outstanding</b> | <b>Allowance for Loan Losses</b> |
|-----------------|---|------------------------------------|----------------------------------|
| A               | Development and Subdividing of Residential Buildings                        | 116                                | 26                               |
| B               | Apartment Building Construction   | 54                                 | 54                               |
| C               | Office and Commercial Building Construction                                 | 43                                 | 36                               |
| D               | Building of Steel Ships   | 43                                 | 19                               |
| E               | Manufacture of Machinery for Other Textiles, Apparel and Leather Processing | 42                                 | 41                               |
| F               | Development and Subdividing of Residential Buildings                        | 37                                 | 3                                |
| G               | Renting of Non-Residential Buildings  | 32                                 | 2                                |
| H               | Development and Subdividing of Residential Buildings                        | 30                                 | 21                               |
| I               | Manufacture of Other Paper and Paperboard                                   | 30                                 | 10                               |
| J               | Other Civil Engineering Construction  | 29                                 | 24                               |
| K               | Development and Subdividing of Residential Buildings                        | 27                                 | 8                                |
| L               | Manufacture of Synthetic Resin and Other Plastic Materials                  | 25                                 | 3                                |
| M               | Renting of Non-Residential Buildings  | 24                                 | 2                                |
| N               | Renting of Non-Residential Buildings  | 23                                 | 10                               |
| O               | Manufacture of Tires and Tubes  | 23                                 | 23                               |
| P               | Development and Subdividing of Residential Buildings                        | 23                                 | 18                               |
| Q               | Building of Steel Ships   | 22                                 | 2                                |
| R               | Manufacture of Sections for Ships   | 22                                 |                                  |
| S               | Apartment Building Construction   | 22                                 | 9                                |
| T               | Development and Subdividing of Residential Buildings                        | 21                                 | 15                               |
| <b>Total</b>    |   | <b>688</b>                         | <b>325</b>                       |

- 1) Consolidated basis as of Mar. 31, 2013.
- 2) Non-Performing Loans are defined as loans past due longer than 90 days.
- 3) Some of the totals may not sum due to rounding.

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

|               |                |                |                |
|---------------|----------------|----------------|----------------|
| Audit Opinion | <b>1Q 2013</b> | <b>FY 2012</b> | <b>FY 2011</b> |
|               | -              | Unqualified    | Unqualified    |

\* For the first quarter of 2013, the independent accountant conducted a review for our financial statements instead of auditing them.  
**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 preparation.

| Year | Auditor                       | Payment <sup>1)</sup><br>(KRW mil.) | Details  | Working<br>hours             |
|------|-------------------------------|-------------------------------------|--|------------------------------|
| 2013 | KPMG Samjong Accounting Corp. | 508<br>(annualized<br>basis)        | Review/Audit of Financial Statements   | 1,230<br>hours <sup>2)</sup> |
|      | KPMG Samjong Accounting Corp. | 140                                 | K-IFRS Report Package Audit for Shinhan Savings Bank                                       | 510<br>hours <sup>2)</sup>   |
| 2012 | KPMG Samjong Accounting Corp. | 498                                 | Review/Audit of Financial Statements   | 6,380<br>hours               |
|      | KPMG Samjong Accounting Corp. | 35                                  | K-IFRS Report Package Audit for<br>Shinhan Savings Bank                                    | 372<br>hours                 |
| 2011 | KPMG Samjong Accounting Corp. | 70                                  | Non-statutory audit of subsidiaries under the consolidated corporate tax system for CY2012 | 690<br>hours                 |
|      | KPMG Samjong Accounting Corp. | 487                                 | Review/Audit of Financial Statements   | 9,016<br>hours               |

1) Excluding value-added taxes.

2) As of March 31, 2013.

\* In addition to above mentioned description of fees for audit and review services, KPMG Samjong Accounting Corp. also provided services related to US listing and ICOFR audit in accordance with the standards of the PCAOB which we paid KRW1,304 million (Excluding value-added taxes) for FY2012

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

## 1) Executive Directors

| Name         | Month and Year of Birth | Position   | Service Term                         |
|--------------|-------------------------|--|--------------------------------------|
|              |                         | Chairman of Shinhan Financial Group                        |                                      |
| Dong Woo Han | Nov. 1948               | Board Steering Committee Member                            | 3 years starting from March 23, 2011 |
|              |                         | Corporate Governance & CEO Recommendation Committee Member |                                      |

## 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.

9 outside directors were appointed as board of directors at the 12<sup>th</sup> Annual General Meeting of Shareholders on March 28, 2013, of which 8 directors renewed their terms and 1 director newly appointed.

Our non-executive directors are as follows:

| Name          | Month and Year of Birth | Outside Director | Sub-Committees   | Service Term                         |
|---------------|-------------------------|------------------|--|--------------------------------------|
| Jin Won Suh   | April 1951              | X                | -<br>Audit Committee member  | 4 years starting from March 23, 2011 |
| Taeun Kwon    | January 1941            | O                | Corporate Governance & CEO Recommendation Committee member<br>Board Steering Committee member  | 3 years starting from March 23, 2011 |
| Kee Young Kim | October 1937            | O                | Risk Management Committee member<br>Corporate Governance & CEO Recommendation Committee member | 3 years starting from March 23, 2011 |
| Seok Won Kim  | April 1947              | O                | Board Steering Committee member  | 3 years starting from March 23, 2011 |

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|                    |                |   |  |                                      |
|--------------------|----------------|---|--|--------------------------------------|
|                    |                |   | Audit Committee member                                     |                                      |
|                    |                |   | Chairman of Board of Directors                             |                                      |
|                    |                |   | Risk Management Committee member                           |                                      |
| Hoon Namkoong      | June 1947      | O | Compensation Committee member                              | 3 years starting from March 23, 2011 |
|                    |                |   | Corporate Governance & CEO Recommendation Committee member |                                      |
|                    |                |   | Board Steering Committee member                            |                                      |
| Boo In Ko          | December 1941  | O | Corporate Governance & CEO Recommendation Committee member | 2 years starting from March 28, 2013 |
| Sang-Kyeong Lee    | September 1945 | O | Audit Committee member Compensation Committee Chair        | 2 years starting from March 29, 2012 |
|                    |                |   | Audit Committee Chair                                      |                                      |
| Ke Sop Yun         | May 1945       | O | Compensation Committee member                              | 5 years starting from March 17, 2009 |
| Jung Il Lee        | August 1952    | O | Compensation Committee member                              | 3 years starting from March 23, 2011 |
| Haruki Hirakawa    | November 1964  | O | Board Steering Committee member                            | 3 years starting from March 23, 2011 |
|                    |                |   | Risk Management Committee member                           |                                      |
| Philippe Aguignier | September 1957 | O | Corporate Governance & CEO Recommendation Committee member | 4 years starting from March 24, 2010 |

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3) Executive Officers

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

| Name          | Month and Year<br>of Birth | Position                                      | In charge of<br>Strategic Planning Team                                   |
|---------------|----------------------------|---|---|
| Buhmsoo Choi  | Aug. 1956                  | Deputy President                              | Global Business Strategy Team   |
| Sung Ho Wi    | June 1958                  | Deputy President                              | Shinhan FSB Research Institute<br>Wealth Management Planning Office       |
| Dong Hwan Lee | Sep. 1959                  | Deputy President                              | Corporate & Investment Banking Planning Office<br>Synergy Management Team |
| Jae-Gwang Soh | Aug. 1961                  | Deputy President                              | Information & Technology Planning Team<br><br>Smart Finance Team          |
| Jung Kee Min  | Mar. 1959                  | Deputy President &<br>Chief Financial Officer | Audit Team<br>Finance Management Team<br><br>Investor Relations Team      |
| Sin Gee Lee   | July 1956                  | Deputy President                              | HR Team<br>Public Relations Team<br><br>CSR & Culture Management Team     |

|                |           |                   |                                |
|----------------|-----------|-------------------|--------------------------------|
|                |           |                   | General Affairs Team           |
| Bo Hyuk Yim    | Mar. 1961 | Managing Director | Risk Management Team           |
| Woo Gyun Park  | Mar. 1959 | Managing Director | Compliance Team                |
| Byung chul Lim | Jan. 1964 | Managing Director | Shinhan FSB Research Institute |

**Stock Options**

(As of April 30, 2013)

|                 | No. of<br>Granted Options<br>(A) | No. of<br>Exercised<br>Options<br>(B) | No. of<br>Cancelled<br>Options<br>(C) | No. of<br>Exercisable<br>Options<br>(D = A - B - C) | Exercise<br>Price<br>(KRW) |
|-----------------|----------------------------------|---------------------------------------|---------------------------------------|---|----------------------------|
| Granted in 2005 | 2,620,331                        | 2,266,642                             | 251,300                               | 102,389   | 28,006                     |
| Granted in 2006 | 3,206,173                        | 2,617,517                             | 480,300                               | 108,356   | 38,829                     |
| Granted in 2007 | 1,231,169                        | 0                                     | 205,313                               | 1,025,856   | 54,560                     |
| Granted in 2008 | 805,174                          | 0                                     | 185,396                               | 619,778   | 49,053                     |
| <b>Total</b>    | <b>7,862,847</b>                 | <b>4,884,159</b>                      | <b>1,122,309</b>                      | <b>1,856,379</b>                                    |                            |

Note 1) The weighted-average exercise price of outstanding exercisable options as of April 30, 2013 is KRW 50,339  
 2) The closing price of our common stock was KRW 38,100 on April 30, 2013.

**Employees**

(As of Mar. 31, 2013)

| Gender       | Number of<br>Employees | Average length of Service | Total Salaries and<br>wages<br>paid in 2013<br>(KRW<br>million) | Average Payment<br>per person<br>(KRW<br>million) |
|--------------|------------------------|---------------------------|---|---|
| Male         | 127                    | 2 yrs 5 mths              | 5,136   | 40  |
| Female       | 28                     | 3 yrs 7 mths              | 604   | 22  |
| <b>Total</b> | <b>155</b>             | <b>2 yrs 7 mths</b>       | <b>5,739</b>  | <b>37</b>   |

Note) Average length of service including service within group subsidiaries as of Mar. 31, 2013 is Male 12 yrs 9 mths and Female 7yrs 3 mths, whereas total average is 11yrs 9mths.

**Table of Contents****5. Major Shareholder and Market Price Information of our Common Shares and ADRs***Major Shareholders<sup>1)</sup> of Shinhan Financial Group as of Mar. 31, 2013*

| Name                     | No. of Common Shares owned | Ownership% |
|--------------------------|----------------------------|------------|
| National Pension Service | 34,506,886                 | 7.28%      |
| BNP Paribas              | 30,106,276                 | 6.35%      |

- 1) Shareholders who own beneficial ownership of 5% or more (common share basis).
- 2) In addition to the common share holdings, National Pension Service holds a total of 2,000,000 shares of Shinhan Financial Group's series 12 non-voting redeemable preferred stock as of Mar. 31, 2013.

*Share ownership of Employee Stock Ownership Association*

| Beginning Balance |          |          |                 | Ending Balance  | Ownership% <sup>1)</sup> |
|-------------------|----------|----------|-----------------|-----------------|--------------------------|
| (Jan. 1, 2013)    | Increase | Decrease | (Mar. 31, 2013) | (Mar. 31, 2013) |                          |
| 18,787,067        | 671,249  | 718,627  | 18,739,689      | 3.95%           |                          |

- 1) Common share basis.

*Common Share Traded on the Korea Exchange*

(KRW, number of shares)

|                              |      | Oct. 2012  | Nov. 2012  | Dec. 2012  | Jan. 2013  | Feb. 2013  | Mar. 2013  | Apr. 2013  |
|------------------------------|------|------------|------------|------------|------------|------------|------------|------------|
| Price per share              | High | 38,700     | 38,000     | 38,950     | 42,150     | 42,650     | 42,650     | 40,600     |
|                              | Low  | 36,750     | 33,550     | 34,100     | 38,900     | 39,200     | 37,650     | 37,250     |
|                              | Avg. | 37,652     | 35,355     | 37,017     | 40,302     | 40,884     | 40,423     | 39,036     |
| Trading Volume               |      | 16,965,939 | 20,246,247 | 21,836,849 | 22,521,117 | 19,289,381 | 24,282,510 | 19,273,274 |
| Highest Daily Trading Volume |      | 1,531,700  | 1,711,287  | 2,242,260  | 1,982,508  | 2,245,654  | 2,312,600  | 1,551,531  |
| Lowest Daily Trading Volume  |      | 396,731    | 461,578    | 587,830    | 499,305    | 568,054    | 518,345    | 467,707    |

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

(USD, number of shares)

|                              |      | Oct. 2012 | Nov. 2012 | Dec. 2012 | Jan. 2013 | Feb. 2013 | Mar. 2013 | Apr. 2013 |
|------------------------------|------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Price per share              | High | 34.97     | 34.84     | 36.64     | 39.01     | 38.86     | 39.32     | 36.26     |
|                              | Low  | 33.07     | 31.25     | 31.42     | 37.02     | 35.89     | 33.60     | 32.73     |
|                              | Avg. | 33.95     | 32.59     | 34.44     | 37.84     | 37.40     | 36.63     | 34.42     |
| Trading Volume               |      | 974,446   | 1,073,368 | 1,251,615 | 1,595,732 | 1,294,323 | 1,770,037 | 2,039,053 |
| Highest Daily Trading Volume |      | 87,800    | 145,651   | 211,507   | 263,937   | 143,978   | 207,959   | 391,395   |
| Lowest Daily Trading Volume  |      | 11,364    | 26,591    | 22,122    | 23,475    | 37,682    | 32,386    | 37,164    |

- 1) Shinhan Financial Group changed the ratio on its American Depositary Receipts (ADRs) from one (1) ADR representing two (2) common shares to one (1) ADR representing one (1) common share effective October 15, 2012.
- 2) Figures for October 2012 reflect the changed ratio(1:1).





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

(KRW billion)

| Subsidiary                       | Loan Type    | Origination Date | Maturity Date | Lending Rate | Beginning Balance (Jan. 1, 2013) | Decrease    | Increase    | Ending Balance (Mar. 31, 2013) |
|----------------------------------|--------------|------------------|---------------|--------------|----------------------------------|-------------|-------------|--------------------------------|
| Shinhan Investment Corp.         | Loans in KRW | 2012-01-30       | 2017-01-30    | 4.11%        | 100.0                            |             |             | 100.0                          |
|                                  | Loans in KRW | 2012-06-28       | 2017-06-28    | 3.84%        | 100.0                            |             |             | 100.0                          |
|                                  | Loans in KRW | 2010-10-29       | 2015-10-29    | 4.37%        | 100.0                            |             |             | 100.0                          |
| Shinhan Card                     | Loans in KRW | 2011-01-28       | 2016-01-28    | 4.91%        | 100.0                            |             |             | 100.0                          |
|                                  | Loans in KRW | 2011-02-24       | 2016-02-24    | 4.82%        | 250.0                            |             |             | 250.0                          |
|                                  | Loans in KRW | 2011-05-17       | 2016-05-17    | 4.47%        | 100.0                            |             |             | 100.0                          |
|                                  | Loans in KRW | 2012-03-14       | 2017-03-14    | 4.12%        | 150.0                            |             |             | 150.0                          |
| Shinhan Capital                  | Loans in KRW | 2008-01-23       | 2013-01-23    | 6.60%        | 50.0                             | 50.0        |             | 0                              |
|                                  | Loans in KRW | 2010-09-28       | 2013-09-28    | 4.12%        | 100.0                            |             |             | 100.0                          |
|                                  | Loans in KRW | 2011-01-28       | 2014-01-28    | 4.53%        | 50.0                             |             |             | 50.0                           |
|                                  | Loans in KRW | 2011-04-29       | 2016-04-29    | 4.65%        | 100.0                            |             |             | 100.0                          |
|                                  | Loans in KRW | 2011-05-17       | 2016-05-17    | 4.47%        | 50.0                             |             |             | 50.0                           |
|                                  | Loans in KRW | 2012-03-14       | 2017-03-14    | 4.12%        | 50.0                             |             |             | 50.0                           |
|                                  | Loans in KRW | 2012-12-14       | 2017-12-14    | 3.33%        | 50.0                             |             |             | 50.0                           |
|                                  | Loans in KRW | 2013-01-18       | 2018-01-18    | 3.18%        | 0                                |             | 50.0        | 50.0                           |
| Shinhan PE Investment Management | Loans in KRW | 2012-08-10       | 2013-08-09    | 4.09%        | 5.0                              |             |             | 5.0                            |
|                                  | Loans in KRW | 2012-11-27       | 2013-11-27    | 3.07%        | 5.0                              |             |             | 5.0                            |
| <b>Total</b>                     |              |                  |               |              | <b>1,360.0</b>                   | <b>50.0</b> | <b>50.0</b> | <b>1,360.0</b>                 |

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**Exhibit 99.1**

Independent Auditors Review Report (Separate Financial Statements) of Shinhan Financial Group as of March 31, 2013

**Exhibit 99.2**

Independent Auditors Review Report (Consolidated Financial Statements) of Shinhan Financial Group as of March 31, 2013

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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.

/s/ Jung Kee Min

Name: Jung Kee Min

Title: Chief Financial Officer

Date: May 15, 2013