

Business Results

2018 1Q

A colorful illustration of a spring scene. On the left, a large tree with yellow blossoms stands next to a woman hanging laundry. In the center, a blue, stylized house with a wooden door is labeled '2020 SMART PROJECT' around its entrance. A man is watering plants in the foreground with a hose labeled 'J.A.Q.' and a watering can. A dog and children are also present. The word 'Spring' is written in a large, cursive font at the bottom left. The background is a light blue sky with a white egg and a bird, and a green field.

Spring

Disclaimer Statement

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

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

We also note the following:

- 1) Financial information has been prepared in accordance with the Korean IFRS.
- 2) Financial information for the years ended December 31, 2011, 2012 and 2013 have been retroactively restated to reflect changes in accounting policies.
- 3) The financial figures have been derived following K-IFRS No.1109, 'Financial instruments' and K-IFRS No.1115, 'Revenue from Contracts with Customers' for the year beginning on January 1, 2018.
(Financial information for periods prior to December 31, 2017 has not been restated)

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



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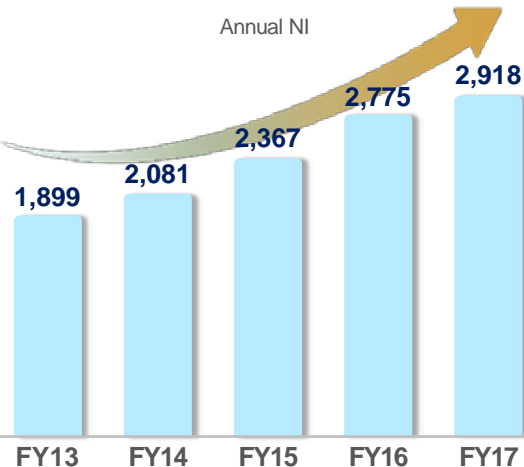


2018 1Q Business Results Highlights ①

Group Net Income

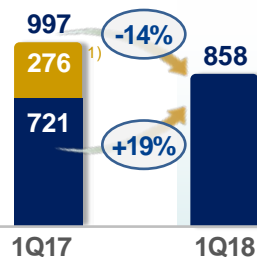
(KRW bil.)

Annual NI



Quarterly NI

Note) Write-backs from SHC in 1Q17



1

Sustainable Net Income growth across major business lines : Bank, Card, Securities, AM, Capital etc.

858 bil.

(2018 1Q Net Income)

2

Strong Core Earnings driven by NIM expansion with resilient loan growth in SMEs

1.61%

(SHB Quarterly NIM, 1Q18)

3

Disciplined Cost Management bringing Cost-to-Income Ratio down to lowest level in 5 years

44.5%

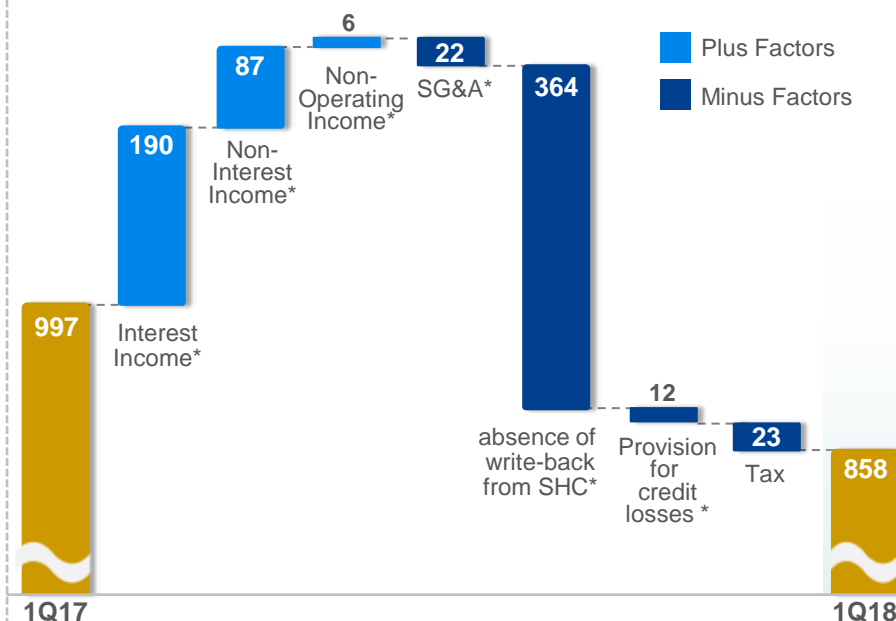
(2018 1Q Cost-to-Income Ratio)

4

Continuously Stabilizing Credit Cost through prudent credit risk management

27bp

(2018 1Q Credit Costs)

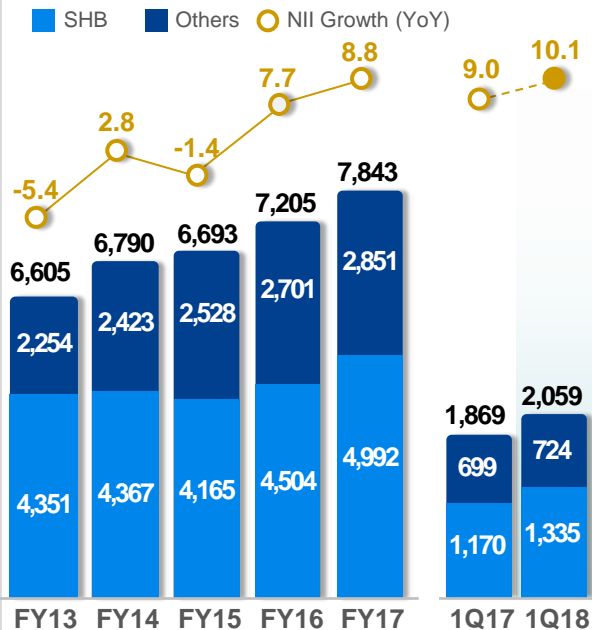


* Earnings before income tax

2018 1Q Business Results Highlights ②

Interest Income

(%, KRW bil.)

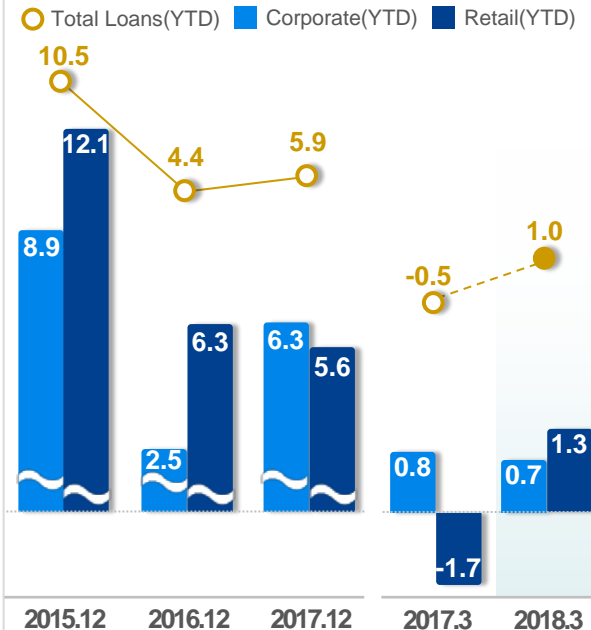


NII Riding Upward Trajectory

- SFG's Interest income increased by 10.1% YoY attributed to resilient loan growth coupled with continuous margin improvement.
- Interest Income from domestic increased by 8.7% YoY whereas global hiked 32.9% YoY improving its contribution to the Group NII from 5.9% in 1Q17 to 7.1% in 1Q18.
- NII improvement is attributed to constant drive to focus on quality asset growth.

SHB Loan Growth

(%)

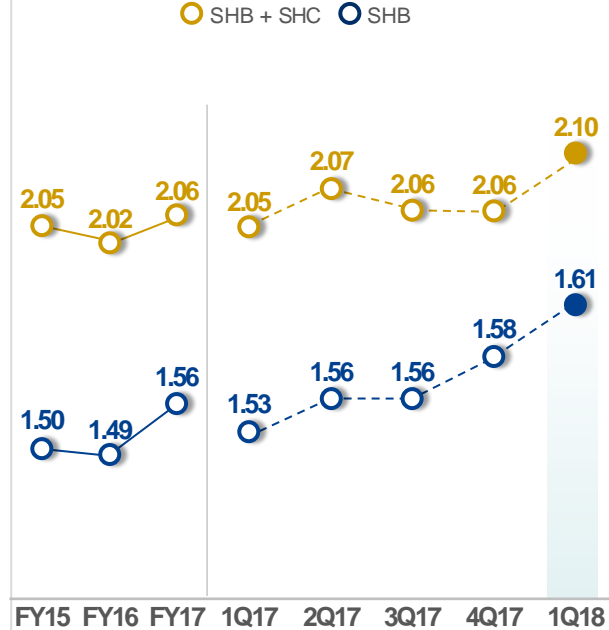


Resilient Loan Growth

- KRW bank loan balance as end of 1Q18 marked 197.4 tril. up by 1.0% YTD. Mostly led by two major growth drivers; SME loans and Retail personal loan, each increased by 1.4% and 2.8% respectively.
- Deposit grew by 0.9% YTD reaching to 199 tril. Low costs deposits increased by 1.7% YTD. with year-round efforts to draw more low-cost funding whereas time savings increased only by 0.3% YTD.

NIM

(%)

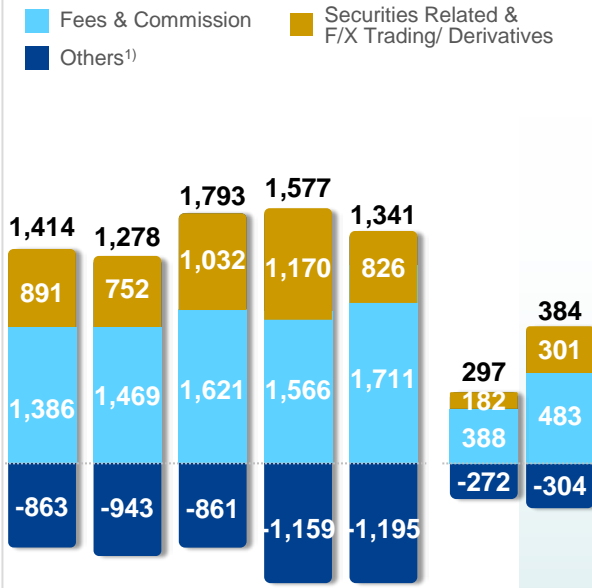


Margin Improvement

- SHB's NIM improved by 3bp QoQ to 1.61% from 1.58%. Attributed to 1) stabilizing market interest rate, 2) defensive pricing policy, 3) limiting the rise in deposit yield based on effective A&L management along with year-round efforts to draw more low-cost deposits.
- SHB's NIM incl. Global is standing at 1.67%, evidencing its higher profitability in Overseas.
- Group NIM marked 2.10%, 4bp improvement QoQ. Consistently showing stabilizing trend.

2018 1Q Business Results Highlights ③

Non-Interest Income (% , KRW bil.)

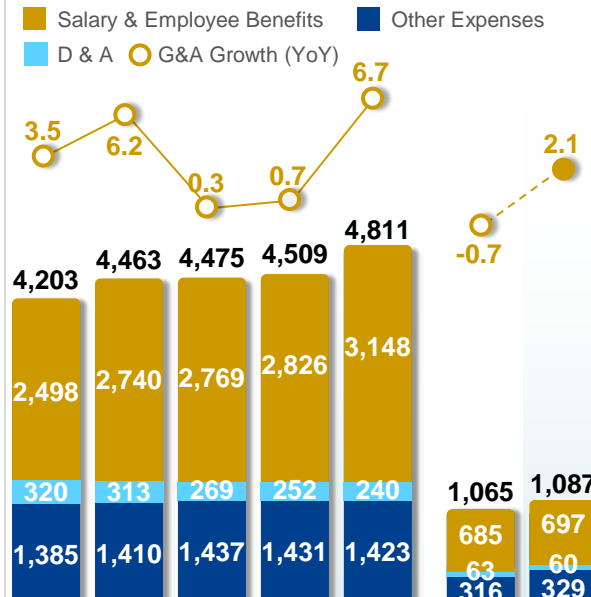


Note 1) Including Insurance Fees on Deposits, Contribution Expenses etc.

Robust Fee Income

- Non-interest income increased by 29.3% YoY, due to increased evaluation gains from FVPL financial instruments(Equity) coupled with robust fee income.
- General fee income increased by 24.5% YoY, attributed to increase in fees from brokerage and sales of financial products despite sluggish credit card fees from dropping merchant fee rate.

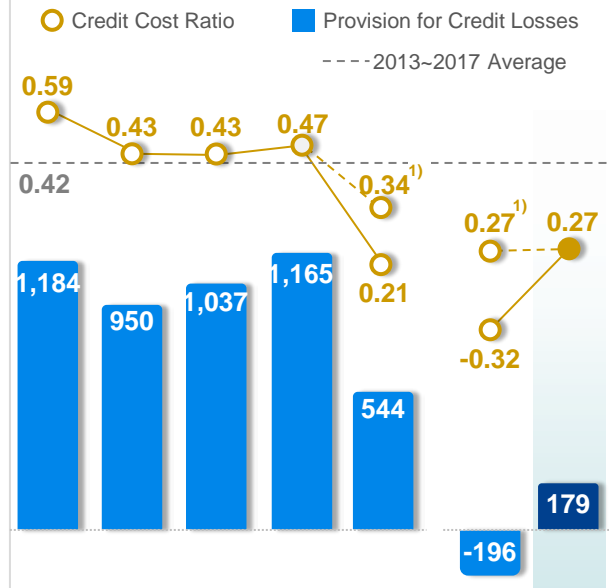
G&A Expenses (% , KRW bil.)



Disciplined Cost Management

- Cost-to-Income ratio fell down to lowest level in 5 years marking 44.5% in 1Q18, through tightened cost control.
- QoQ overall cost has been reduced by 31.5% as previous quarter includes ERP and other year-end seasonal factors.
- SG&A excluding employee related expenses well-tamed with negative growth for three consecutive years through group-wide tightened cost control. However 1Q18 YoY has slightly inched up due to increase in temporary expenses.

Credit Cost (% , KRW bil.)



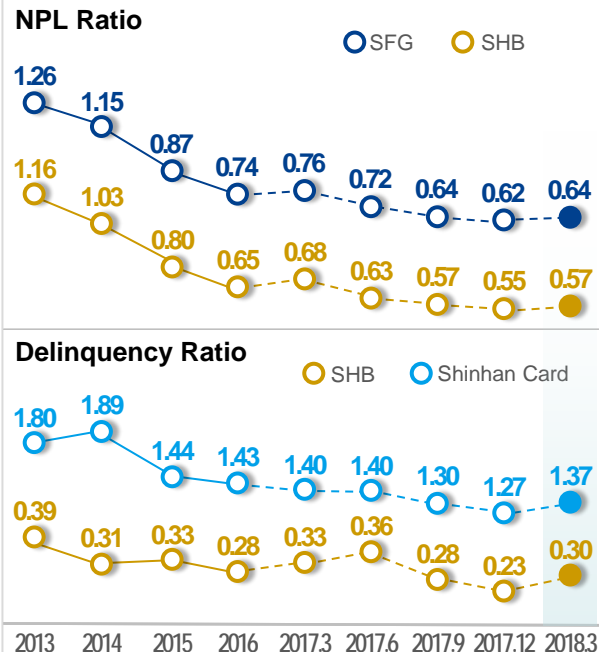
Note 1) Excluding write-backs from Shinhan Card

Continuously Stabilizing Credit Cost

- Group credit costs marked 27bp in 1Q18, maintained at the same level YoY and 15bp lower than 5-year average.
- SHB's provision for credit losses increased by 27.2 bil. YoY due to absence of one-off write-back related to normalization of restructuring company in 1Q17.
- SHC's provision decreased YoY, after excluding reversal of allowances in 1Q17 attributed to increase in recovery from written-off assets coupled with stabilizing asset quality.

2018 1Q Business Results Highlights ④

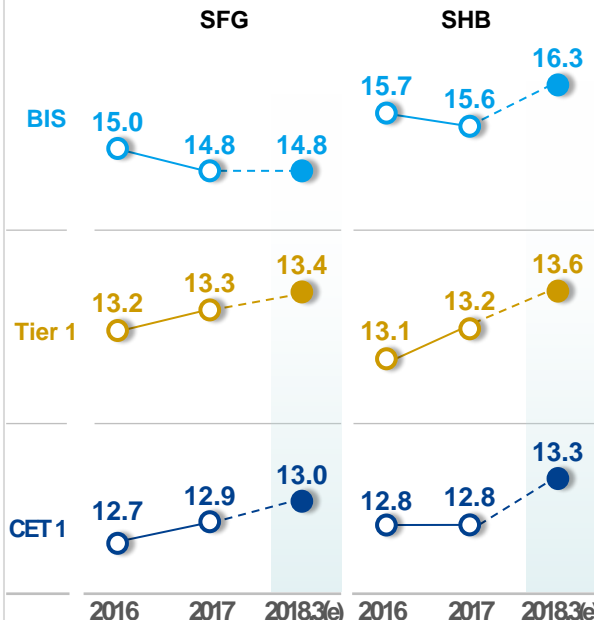
Asset Quality (%)



Benign Asset Quality Concern

- NPL ratio for the Group and SHB recorded 0.64% and 0.57%, increased by 0.02%p respectively.
- NPL coverage ratio for the Group and SHB each marked 163% and 140%, increasing by 29%p and 26%p QoQ respectively.
- Delinquency ratio for SHB and SHC marked 0.30% and 1.37%, increasing by 0.07%p and 0.10%p respectively. However, the level of delinquency has improved YoY and remains intact.

Capital Adequacy (%)

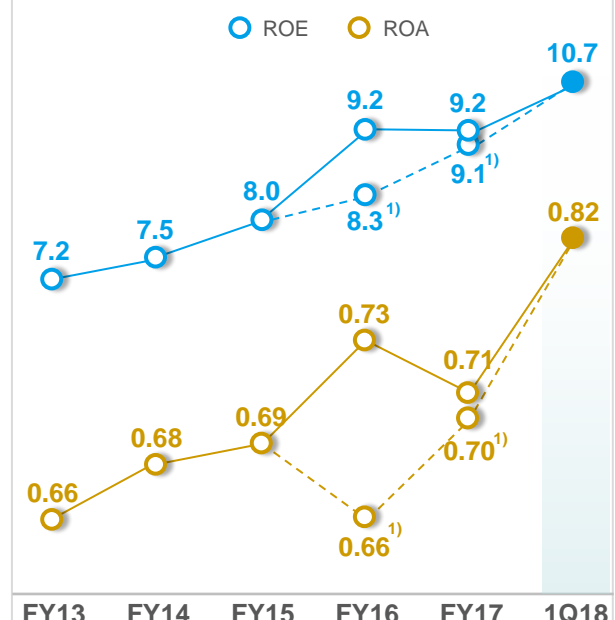


Note) Based on Basel 3

Strong Capital Base

- Based on BASEL3, Group's Common Equity Tier1 and BIS ratio each estimated 13.0% and 14.8% driven by growth in earnings with suitable level of risk weighted asset growth.
- Based on BASEL3, SHB's Common Equity Tier1 and BIS ratio each estimated 13.3% and 16.3%.

ROE & ROA (%)



Note 1) excluding deferred tax asset effect (2016), write-backs from Shinhan Card (2017), ERP Cost (2016 & 2017)

ROE and ROA Improvement

- Group ROE recorded 10.7%, 1.5%p hike YTD driven by solid earning growth.
- Group ROA recorded 0.82%, 0.11%p improvement YTD attributed to strong operating performance both from bank and non-bank subsidiaries with healthy trend in NIM and credit cost.

Project 2020 Initiatives : Year of Tangible Results

1 Balanced Growth



Bank	Interest Income	Domestic	Organic	Analog (Off-line)	Entity Centric	Business Strategy	Corporate-oriented
Non-Banks	Non-Interest Income	Overseas	Inorganic	Digital (On-line)	One Shinhan	Corporate Culture	Community-oriented
NI from Non-Banks ¹⁾ (YoY)	Non-interest Income (YoY)	NI from Global Business (SHB, YoY)	New Business Lines + M&As REITs, ANZ Vietnam, PVFC	Operating Income through Digital Platform	Matrix Business Lines, Cross-Selling Ratio	Corporate-Governance Recognition S Grade from CGS	Compassionate Finance "Society of Hope" Project
+34%	+29%	+45%		280bil.	39.6%		

1) Excluding write-backs from Shinhan Card

2) Financial Figures are as of Mar 31, 2018

2 Global Expansion



- Increase NI contribution
- Small & Medium size M&As in South-East Asia

3 Digital Transformation



- Business Model Transformation : Enhancing Customer Experience, Efficiency in Operations
- Response to Disruptive Business Model : Constructing Digital eco-system, Disruptive Innovation

4 Uphold Corp. Culture

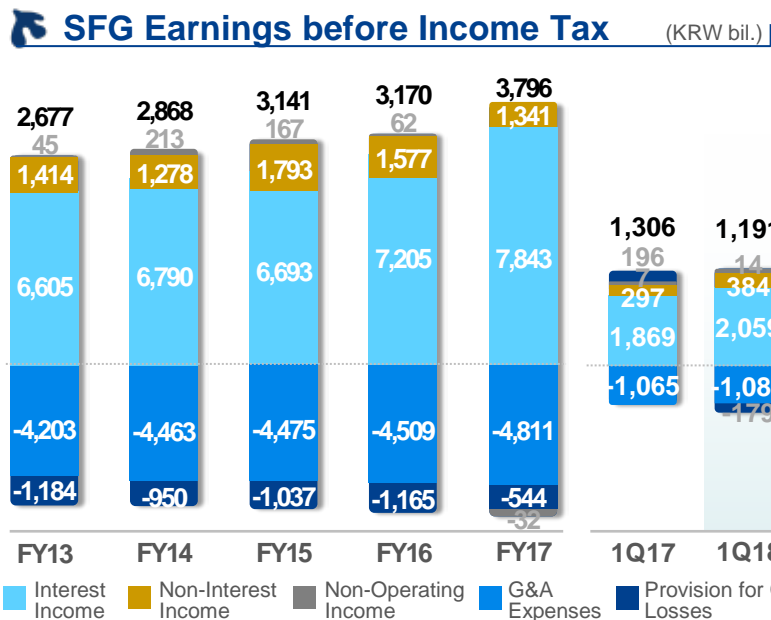
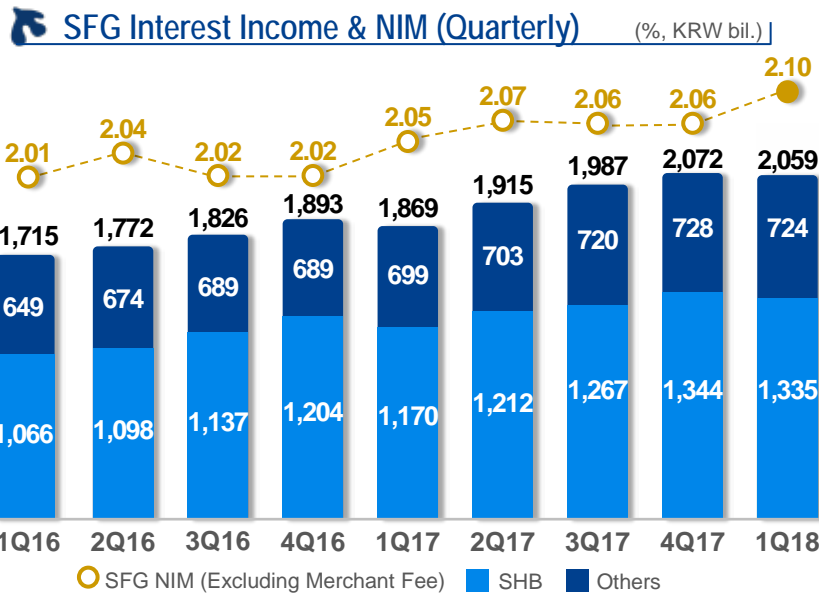


- Strong Corporate Governance
- Creative Corporate Culture
- Shinhan Culture Leadership Center

. Income

- 1. SFG Income**
- 2. SFG Non-Interest Income**
- 3. SFG G&A Expenses**
- 4. Subsidiaries Income (1)**
- 5. Subsidiaries Income (2)**
- 6. SHB Income / NIM**
- 7. SHB Non-Interest Income**
- 8. Shinhan Card Income**





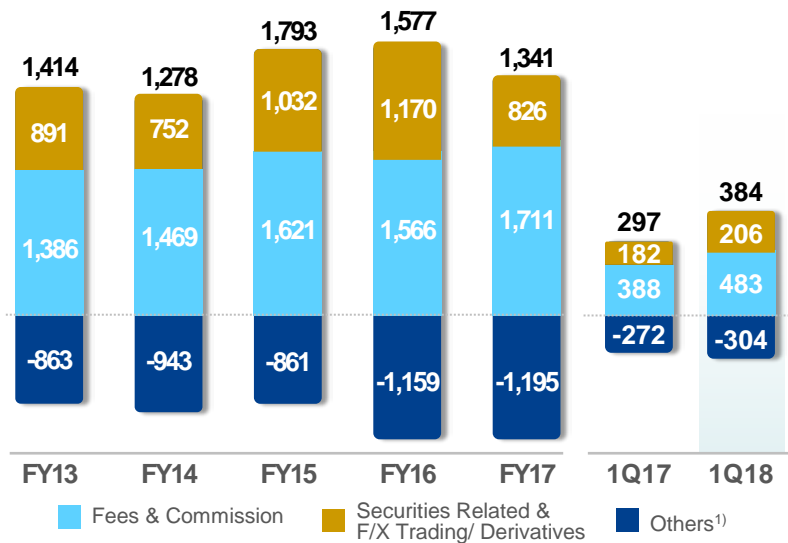
(KRW bil.)	1Q18	1Q17	YoY%	4Q17	QoQ%
Operating Income (a=b+c)	2,443.2	2,166.6	12.8	2,308.4	5.8
Interest Income (b)	2,058.8	1,869.2	10.1	2,072.2	-0.6
Non-Interest Income (c)	384.4	297.4	29.3	236.2	62.8
G&A Expenses (d)	1,087.0	1,064.8	2.1	1,587.5	-31.5
Pre-Provision Oper. Income (e=a-d)	1,356.2	1,101.8	23.1	720.9	88.1
Non-Operating Income (f)	13.8	7.5	84.6	-115.0	n.a.
Pre-Provision Income (g=e+f)	1,370.0	1,109.3	23.5	606.0	126.1
Provision for Credit Losses (h)	179.2	-196.5	n.a.	385.4	-53.5
Earnings before Income Tax (i=g-h)	1,190.7	1,305.7	-8.8	220.5	439.9
Income Tax	321.7	298.5	7.8	10.0	3,112.5
Consolidated Net Income ¹⁾	857.5	997.1	-14.0	211.3	305.7

Note 1) Net Income in Controlling Interest

SFG Non-Interest Income

SFG Non-Interest Income

(KRW bil.)

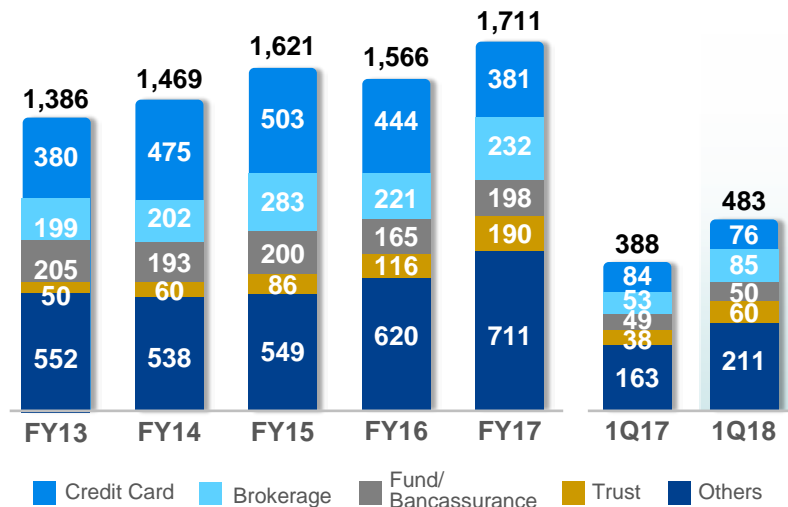


Note 1) Including Insurance Fees on Deposits, Contribution Expenses etc.

(KRW bil.)	1Q18	1Q17	YoY%	4Q17	QoQ%
Non-Interest Income	384.4	297.4	29.3	236.2	62.8
Fees & Commission	482.6	387.6	24.5	431.7	11.8
Securities Related & FX Trading/Derivatives	205.7	181.9	13.1	82.3	150.0
(Gains on FVPL Financial Instruments)	95.3	-	n.a.	-	n.a.
Others	-303.9	-272.1	n.a.	-277.8	n.a.
(Contribution Expenses)	-66.8	-61.2	n.a.	-65.0	n.a.
(Insurance Fees on Deposits)	-87.4	-83.4	n.a.	-85.6	n.a.

SFG Fees & Commission

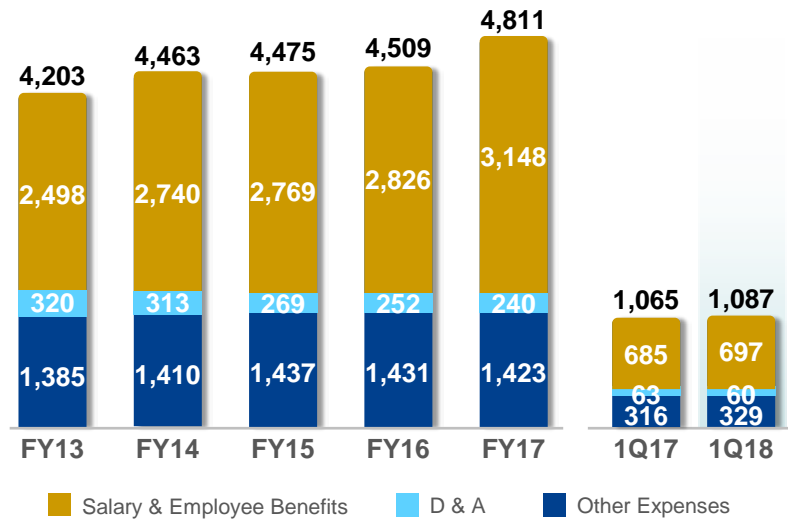
(KRW bil.)



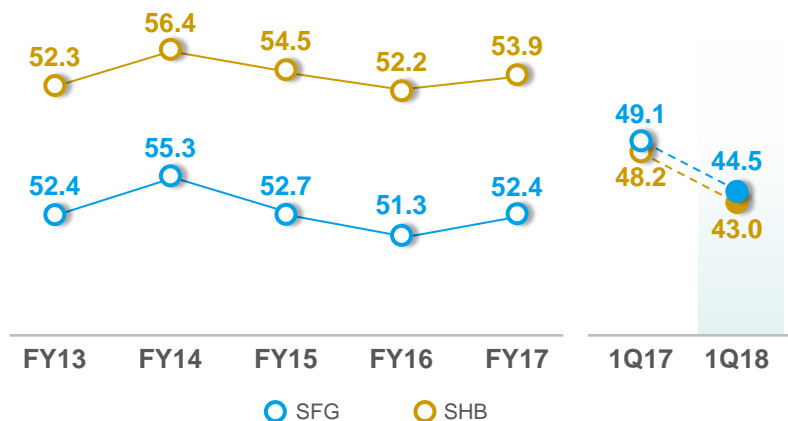
(KRW bil.)	1Q18	1Q17	YoY%	4Q17	QoQ%
Fees & Commission	482.6	387.6	24.5	431.7	11.8
Credit Card Fee Income	75.6	83.9	-9.8	84.0	-10.0
Brokerage Commissions	85.3	53.5	59.6	66.2	28.9
Fund/Bancassurance Fees	50.3	49.1	2.6	50.0	0.5
Trust Fee Income	60.2	37.8	59.2	56.3	7.0
Others	211.1	163.4	29.2	175.1	20.6

SFG G&A Expenses

SFG G&A Expenses (KRW bil.)



Cost-Income Ratio (%)



Note 1) Excluding ERP Cost

SFG G&A Expenses

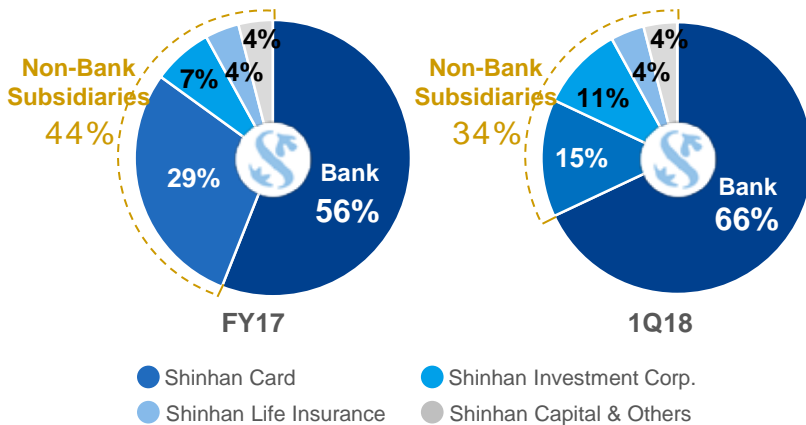
(KRW bil.)	1Q18	1Q17	YoY%	4Q17	QoQ%
G&A Expenses	1,087.0	1,064.8	2.1	1,587.5	-31.5
Salary & Employee Benefits	697.3	685.4	1.7	1,104.9	-36.9
(Early Retirement Program Expenses)	1.3	1.9	-31.4	283.1	-99.6
D & A	60.4	63.5	-4.9	59.2	1.9
Other Expenses	329.3	315.9	4.2	423.4	-22.2
(Advertising Expenses)	52.4	50.0	4.7	100.4	-47.8
(Taxes and Dues)	41.2	41.1	0.1	36.9	11.6

SHB G&A Expenses

(KRW bil.)	1Q18	1Q17	YoY%	4Q17	QoQ%
G&A Expenses	675.8	671.7	0.6	1,083.0	-37.6
Salary & Employee Benefits	422.9	424.6	-0.4	747.3	-43.4
(Early Retirement Program Expenses)	0.2	0.2	-0.1	223.8	-99.9
D & A	39.9	43.3	-7.8	38.9	2.7
Other Expenses	213.0	203.8	4.5	296.8	-28.2
(Advertising Expenses)	8.4	7.0	20.4	29.4	-71.5
(Taxes and Dues)	15.8	15.2	4.3	16.1	-1.3

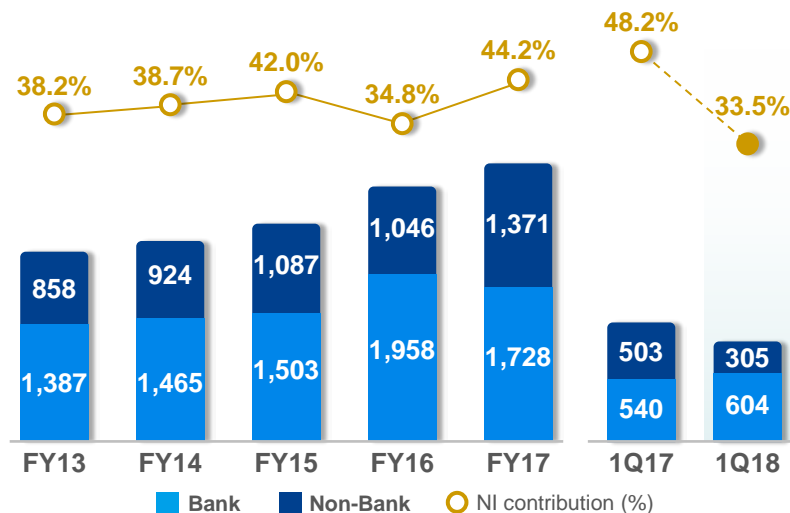
Subsidiaries Income ①

Net Income Contribution by Subsidiaries¹⁾



Note 1) After reflecting ownership by SFG

Net Income Contribution by Non-Bank Subsidiaries¹⁾ (KRW bil.)



Note 1) After reflecting ownership by SFG

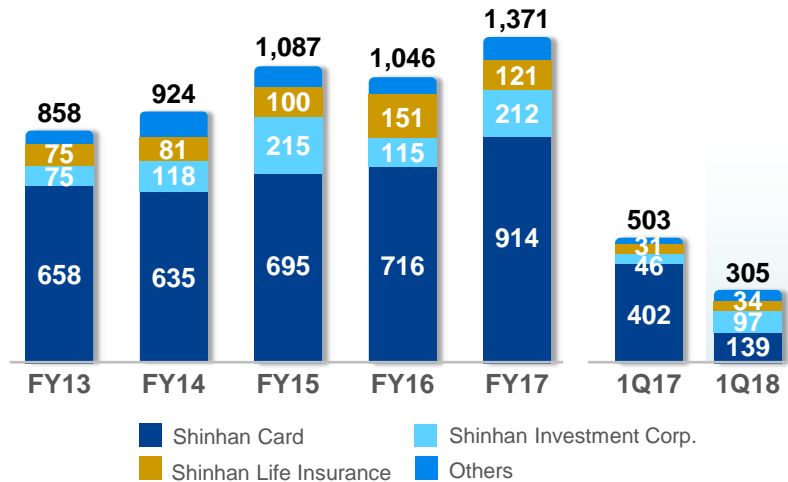
(KRW bil.)	Net Income [A]	Ownership [B]	Net Income (A x Ownership) [C=A x B]	Adjustment [D]	Net Income (Consolidated) [E=C+D]
Bank (a)	606.0		604.3	-14.0	590.3
Shinhan Bank	600.5	100.0%	600.5	-13.5	587.0
Jeju Bank	5.4	68.9%	3.8	-0.5	3.3
Non-Bank (b)	306.5		304.5	6.3	310.8
Shinhan Card	139.1	100.0%	139.1	1.2	140.4
Shinhan Investment Corp.	97.0	100.0%	97.0	3.1	100.1
Shinhan Life Insurance	33.8	100.0%	33.8	0.1	33.9
Shinhan BNPP AM	5.6	65.0%	3.7	0.1	3.7
Shinhan Capital	25.8	100.0%	25.8	3.5	29.3
Shinhan Savings Bank	4.1	100.0%	4.1	0.5	4.6
Shinhan Data System	-0.6	100.0%	-0.6	-2.6	-3.2
Shinhan AITAS	1.4	99.8%	1.4	0.2	1.6
Shinhan Credit Information	0.7	100.0%	0.7	0.0	0.7
Shinhan Alternative Investment	0.1	100.0%	0.1	0.0	0.1
Shinhan REITs Management	-0.5	100.0%	-0.5	-	-0.5
SFG (c)				-43.6²⁾	-43.6
Total (d=a+b+c) ¹⁾	912.5		908.8	-51.3	857.5

Note 1) Net Income in Controlling Interest

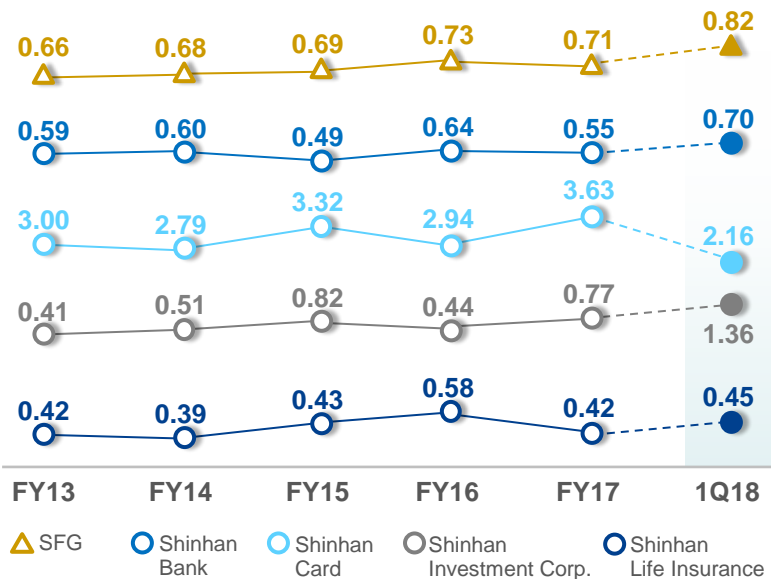
2) SFG (Separate): Brand Fee Income KRW 11.7bil., Interest Expense KRW -37.3bil., G&A etc. KRW -17.5bil.

Subsidiaries Income ②

Non-Bank Net Income (KRW bil.)



ROA (%)

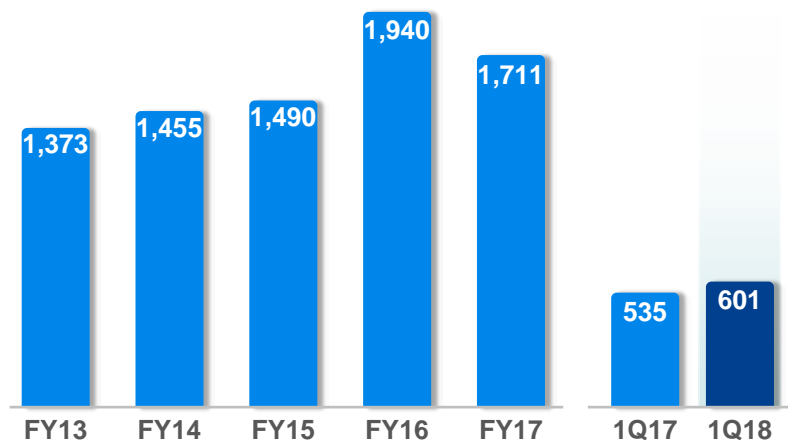


(Reflecting SFG Ownership, KRW bil.)	1Q18	1Q17	YoY%	4Q17	QoQ%
Bank (a)	604.3	540.3	11.8	16.7	3,513.0
Shinhan Bank	600.5	534.6	12.3	15.1	3,879.5
Jeju Bank	3.8	5.7	-34.7	1.6	129.5
Non-Bank (b)	304.5	503.2	-39.5	232.8	30.8
Shinhan Card	139.1	401.8	-65.4	133.2	4.5
Shinhan Investment Corp.	97.0	46.0	111.0	54.7	77.3
Shinhan Life Insurance	33.8	30.8	9.9	17.3	95.7
Shinhan BNPP AM	3.7	2.6	41.4	2.5	45.5
Shinhan Capital	25.8	18.6	38.8	20.8	24.2
Shinhan Savings Bank	4.1	2.0	103.5	3.8	6.1
Shinhan Data System	-0.6	0.1	n.a.	0.1	n.a.
Shinhan AITAS	1.4	1.7	-19.3	1.1	25.3
Shinhan Credit Information	0.7	-0.3	n.a.	0.1	621.9
Shinhan Alternative Investment	0.1	-0.1	n.a.	-0.7	n.a.
Shinhan REITs Management	-0.5	-	n.a.	-	n.a.
Total (a+b)	908.8	1,043.5	-12.9	249.5	264.2
Consolidate Net Income ¹⁾	857.5	997.1	-14.0	211.3	305.7

Note 1) Net Income in Controlling Interest

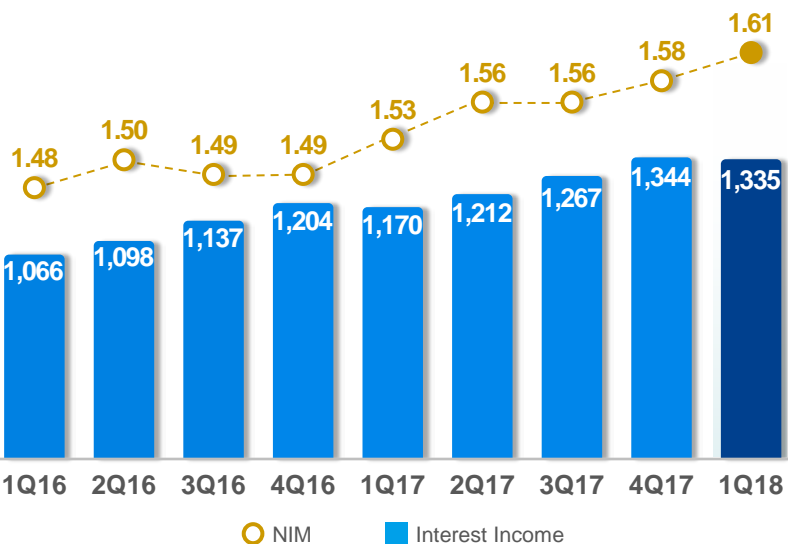
Net Income

(KRW bil.)



Interest Income/NIM(Quarterly)

(%, KRW bil.)



(KRW bil.)	1Q18	1Q17	YoY%	4Q17	QoQ%
Operating Income (a=b+c)	1,573.5	1,393.5	12.9	1,386.2	13.5
Interest Income (b)	1,335.0	1,169.7	14.1	1,343.8	-0.6
Non-Interest Income (c)	238.4	223.7	6.6	42.5	461.4
G&A Expenses (d)	675.8	671.7	0.6	1,083.0	-37.6
Pre-Provision Oper.Income (e=a-d)	897.6	721.8	24.4	303.2	196.1
Non-Operating Income (f)	2.0	10.1	-80.3	-108.2	n.a.
Pre-Provision Income (g=e+f)	899.6	731.9	22.9	195.0	361.4
Provision for Credit Losses (h)	86.7	59.5	45.8	219.6	-60.5
Earnings before Income Tax (i=g-h)	812.9	672.4	20.9	-24.6	n.a.
Income Tax	212.3	137.8	54.0	-39.8	n.a.
Net Income ¹⁾	600.5	534.6	12.3	15.1	3,879.5

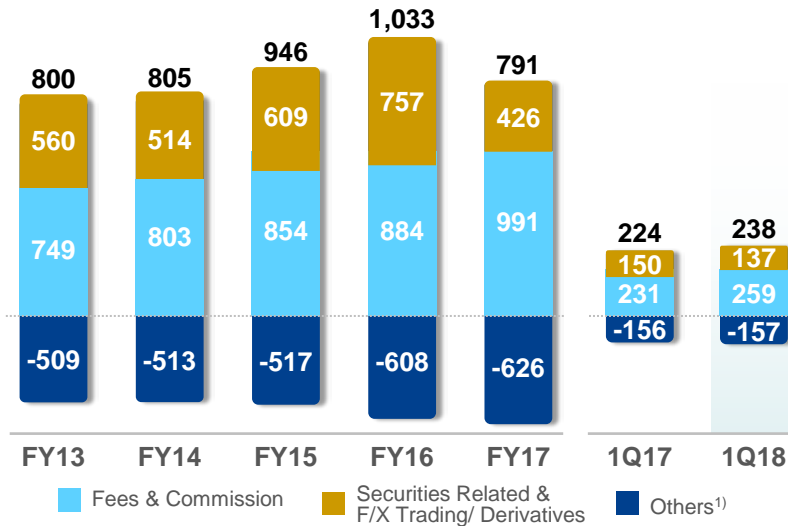
Note 1) Net Income in Controlling Interest

(%)	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18
NIS (a-b) (quarterly)	1.65	1.69	1.68	1.69	1.75	1.81	1.82	1.84	1.87
Loan interest rate (a)	3.10	3.08	2.99	2.97	3.00	3.03	3.04	3.10	3.19
Deposit interest rate (b)	1.45	1.40	1.31	1.28	1.26	1.22	1.22	1.26	1.32
NIM (quarterly)	1.48	1.50	1.49	1.49	1.53	1.56	1.56	1.58	1.61
NIM (cumulative figures)	1.48	1.49	1.49	1.49	1.53	1.55	1.55	1.56	1.61

SHB Non-Interest Income

Non-Interest Income

(KRW bil.)

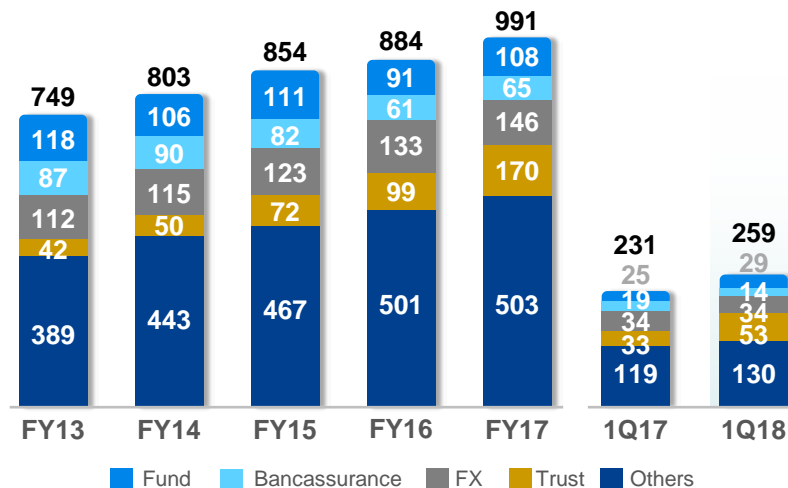


Note 1) Including Insurance Fees on Deposits, Contribution Expenses etc.

(KRW bil.)	1Q18	1Q17	YoY%	4Q17	QoQ%
Non-Interest Income	238.4	223.7	6.6	42.5	461.4
Fees & Commission	259.0	230.6	12.3	254.5	1.8
Securities Related & FX Trading/Derivatives	137.0	149.6	-8.4	-36.6	n.a.
(Gains on FVPL Financial Instruments)	24.7	-	n.a.	-	n.a.
Others	-157.5	-156.4	n.a.	-175.4	n.a.
(Contribution Expenses)	-64.9	-59.3	n.a.	-63.0	n.a.
(Insurance Fees on Deposits)	-75.5	-72.5	n.a.	-74.2	n.a.

Fees & Commission

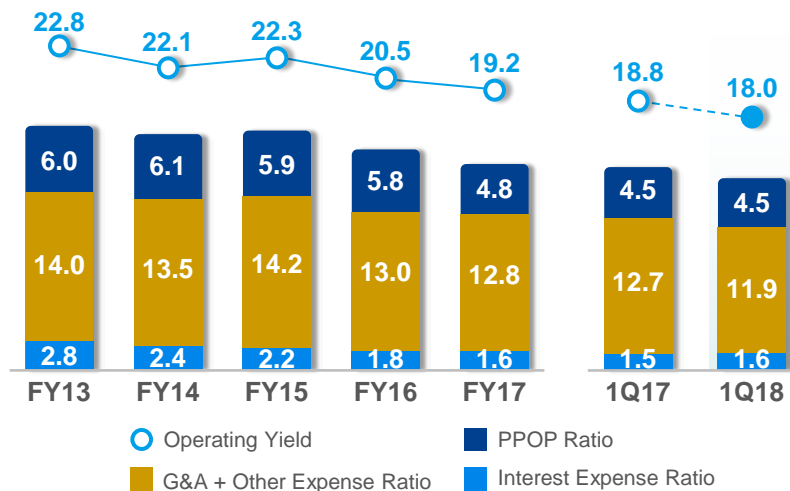
(KRW bil.)



(KRW bil.)	1Q18	1Q17	YoY%	4Q17	QoQ%
Fees & Commission	259.0	230.6	12.3	254.5	1.8
Fund Fee Income	29.1	24.9	16.6	28.9	0.5
Bancassurance Fee Income	13.6	19.4	-29.6	14.5	-6.2
FX Fee Income	33.5	34.5	-2.8	36.8	-8.8
Trust Fee Income	53.0	33.1	60.0	50.1	5.9
Others	129.7	118.6	9.3	124.2	4.4

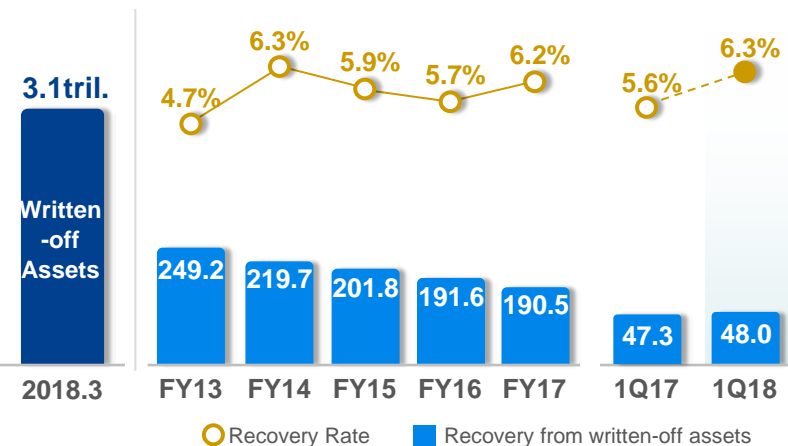
Shinhan Card Income

Operating Yield and PPOP Ratio (%)



Note) Net of Derivatives & F/X

Recovery from Written-off Assets (KRW bil.)



(KRW bil.)	1Q18	1Q17	YoY%	4Q17	QoQ%
Operating Revenue (a)	1,158.3	1,266.5	-8.5	1,360.6	-14.9
Card Business	973.3	960.0	1.4	988.9	-1.6
Installment Finance	25.6	24.7	3.6	26.3	-2.7
Lease	24.7	13.8	79.5	21.4	15.3
Others	134.7	268.1	-49.7	324.0	-58.4
(Derivatives & FX)	34.7	181.5	-80.9	121.6	-71.4
Interest Expense (b)	97.2	89.2	9.0	97.8	-0.6
G&A Expenses (c)	168.5	175.3	-3.9	271.2	-37.9
Commissions & Other Expenses (d)	611.5	740.0	-17.4	734.1	-16.7
(Derivatives & FX)	25.8	173.4	-85.1	113.5	-77.3
Pre-Provision Income (e=a-b-c-d)	281.0	262.1	7.2	257.5	9.2
Provision for Credit Losses (f)	89.7	-264.5	n.a.	125.0	-28.3
Earnings before Income Tax (g=e-f)	191.3	526.6	-63.7	132.4	44.5
Income Tax	53.1	125.2	-57.6	11.3	369.3
Net Income ¹⁾	139.1	401.8	-65.4	133.2	4.5

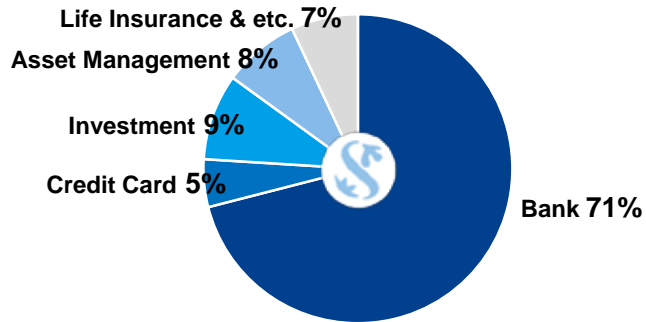
Note 1) Net Income in Controlling Interest

. Assets & Liabilities

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

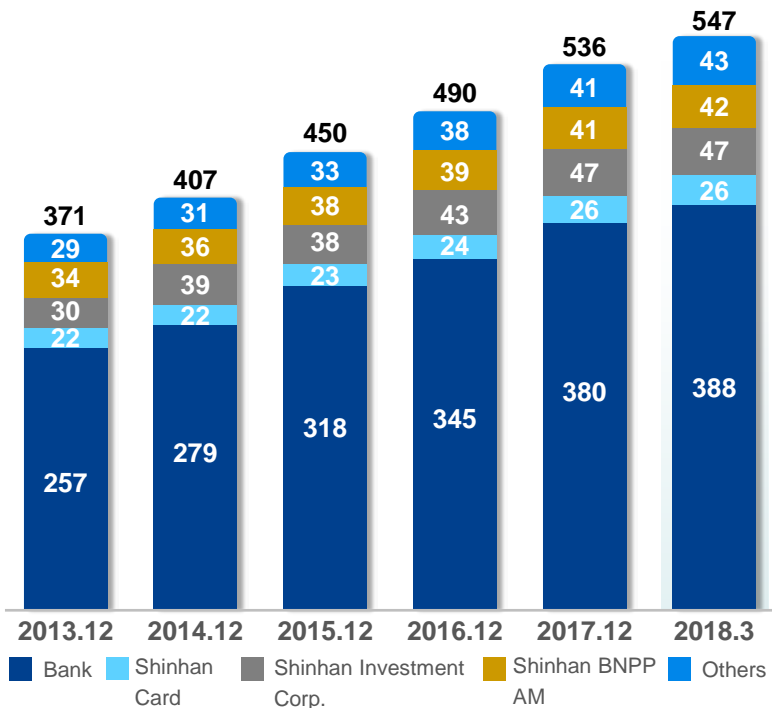


Asset Contribution by Subsidiary



SFG Total Assets

(KRW tril.)

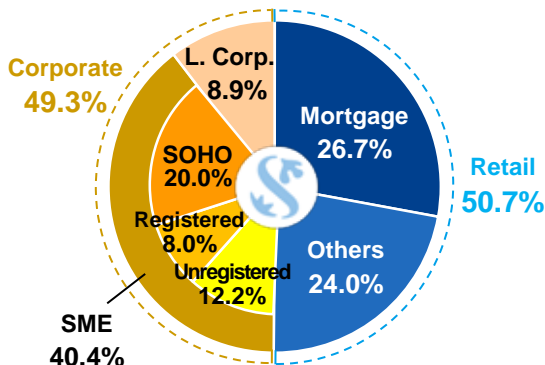


(KRW bil.)	2018.3	2017.12	YTD%	2017.3	YoY%
Bank (a)	388,426.1	380,209.9	2.2	353,894.7	9.8
Shinhan Bank	382,726.5	374,647.0	2.2	348,400.3	9.9
Jeju Bank	5,699.7	5,562.9	2.5	5,494.4	3.7
Non-Bank (b)	155,009.8	153,584.1	0.9	145,633.2	6.4
Shinhan Card	26,377.5	26,367.6	0.0	25,126.3	5.0
Shinhan Investment Corp.	47,144.3	46,721.0	0.9	43,677.7	7.9
Shinhan Life Insurance	29,843.1	29,719.4	0.4	28,017.6	6.5
Shinhan BNPP AM	42,091.9	41,134.5	2.3	40,867.0	3.0
Shinhan Capital	5,470.0	5,315.4	2.9	4,702.0	16.3
Shinhan Savings Bank	1,281.7	1,287.2	-0.4	1,042.7	22.9
Shinhan Data System	38.0	39.8	-4.4	32.0	18.8
Shinhan AITAS	57.9	58.2	-0.5	52.8	9.6
Shinhan Credit Information	22.8	22.7	0.5	21.5	6.1
Shinhan Alternative Investment	86.8	86.9	-0.1	114.8	-24.4
Shinhan REITs Management	28.9	29.3	-1.4	-	n.a.
Others	2,566.8	2,802.1	-8.4	1,978.7	29.7
Total ¹⁾	546,874.7	535,710.3	2.1	502,581.4	8.8
Consolidate Total Assets	433,397.1	426,305.7	1.7	404,996.0	7.0

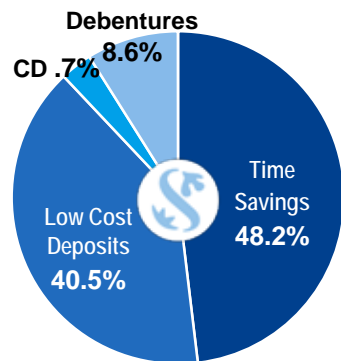
Note 1) Trust A/C of Shinhan Bank, Shinhan Investment Corp. and AUM(Including discretionary assets) of Shinhan BNPP AM are included.

SHB Loan / Deposit Growth

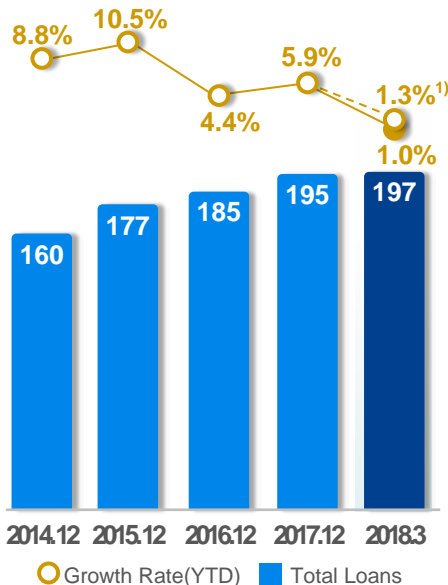
Loan Composition



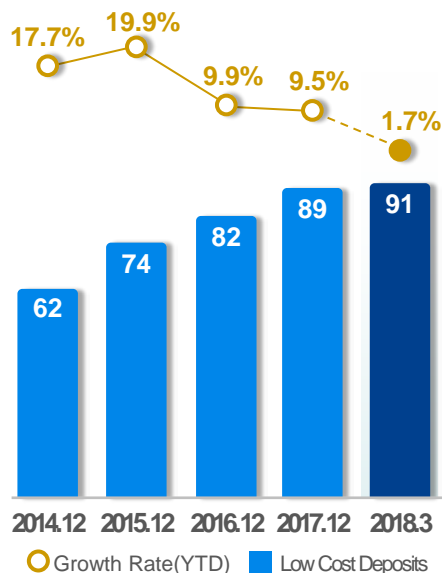
Funding Composition



KRW Loan Growth (KRW tril.)



Low Cost Deposits (KRW tril.)



Note 1) Including Loans Securitized

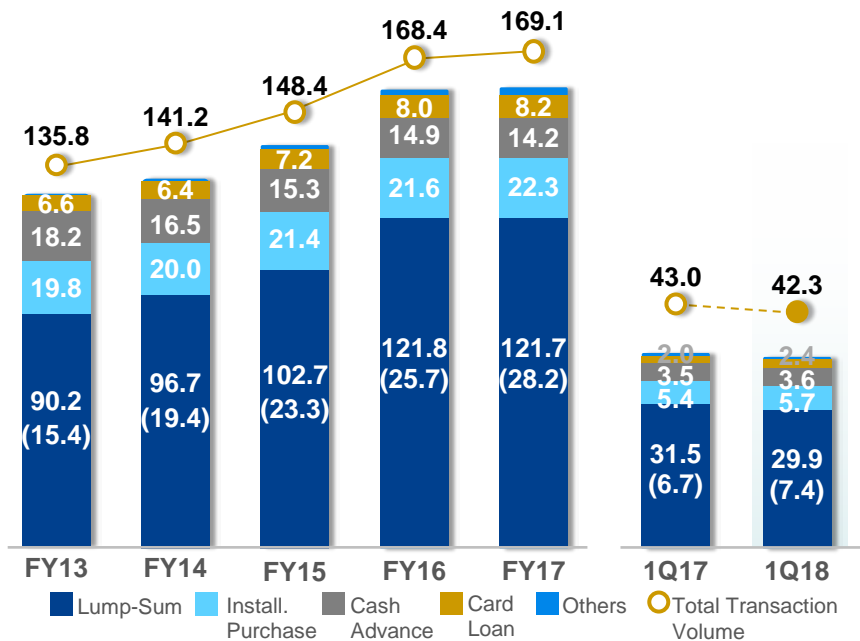
(KRW bil.)	2018.3	2017.12	YTD%	2017.3	YoY%
Loan in KRW	197,409	195,497	1.0	183,637	7.0
Retail	100,115	98,877	1.3	92,002	8.2
Mortgage	52,746	52,808	-0.1	51,155	3.0
Others ¹⁾	47,369	46,069	2.8	40,847	14.2
Corporate	97,294	96,620	0.7	91,635	5.9
SME	79,674	78,556	1.4	72,575	9.0
SOHO	39,398	38,610	2.0	35,369	10.4
Large Corporate etc.	17,620	18,064	-2.5	19,060	-8.0
Loan in FX	7,379	7,658	-3.7	7,884	-6.6

Note 1) Including Unsecured Personal Loans, Secured Loans, Jeonse Loans etc.

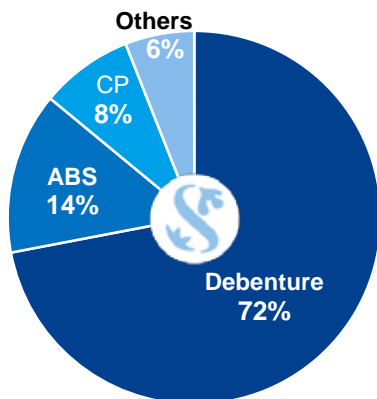
(KRW bil.)	2018.3	2017.12	YTD%	2017.3	YoY%
Total Deposits in KRW	199,214	197,355	0.9	186,876	6.3
Low Cost Deposits	90,956	89,462	1.7	83,998	7.8
Demand	27,848	26,936	3.4	27,237	2.3
Savings	63,108	62,525	0.9	56,761	10.2
Time Savings	108,258	107,894	0.3	102,877	5.0
Time Deposits	100,134	99,491	0.6	94,664	5.5
Accumulative etc.	8,125	8,403	-3.3	8,213	-1.1
Certificate of Deposits	6,097	6,973	-12.6	6,120	-0.3
Debtentures in KRW	19,337	20,057	-3.6	16,664	13.3

Shinhan Card Asset Growth

Transaction Volume (KRW tril.)



Funding Composition



(KRW bil.)	2018.3	2017.12	YTD%	2017.3	YoY%
Earning Assets	25,010	24,553	1.9	23,262	7.5
Credit Purchase	12,612	12,620	-0.1	12,129	4.0
Cash Advances	1,870	1,921	-2.7	1,880	-0.5
Card Loan	6,261	5,944	5.3	5,630	11.2
(Re-aged Loan)	254	250	1.8	251	1.2
Installment Finance	2,301	2,270	1.4	2,177	5.7
Lease etc.	1,966	1,798	9.3	1,447	35.9
Effective Cardholders (in thousands)	12,345	12,295	0.4	12,133	1.7
Merchants (in thousands)	2,728	2,724	0.1	2,640	3.3

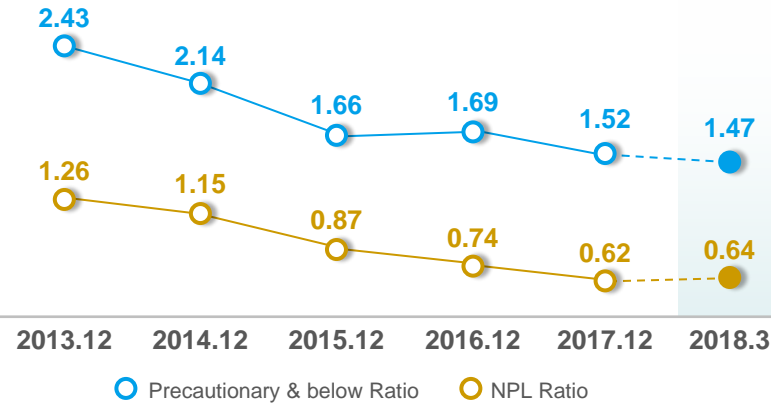
(KRW bil.)	2018.3	2017.12	YTD%	2017.3	YoY%
Total Funding	16,677	15,840	5.3	14,461	15.3
Debentures	12,054	11,814	2.0	10,780	11.8
ABS	2,407	2,121	13.5	2,234	7.8
CP	1,390	1,130	23.0	845	64.5
Others	826	775	6.5	602	37.2

. Asset Quality

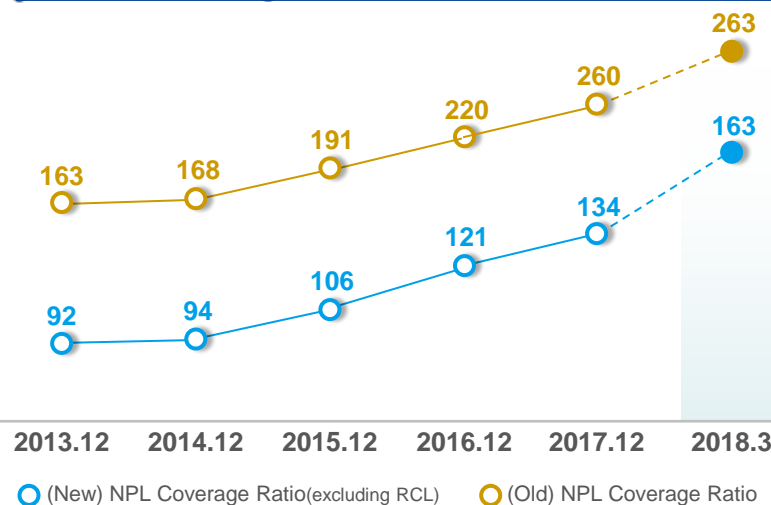
- 1. SFG Asset Quality**
- 2. SHB Asset Quality**
- 3. Shinhan Card Asset Quality**
- 4. Provision for Credit Losses / Write-offs**



Precautionary & below Ratio/NPL Ratio (%)



NPL Coverage Ratio (%)



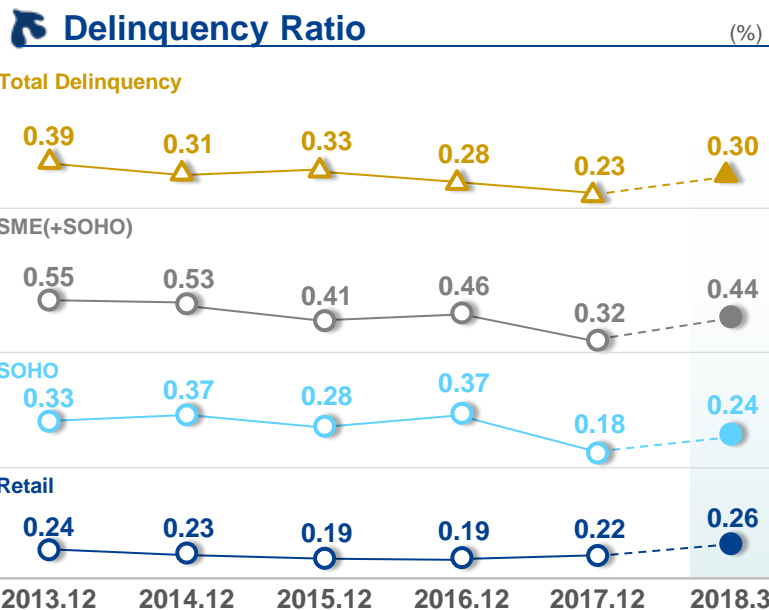
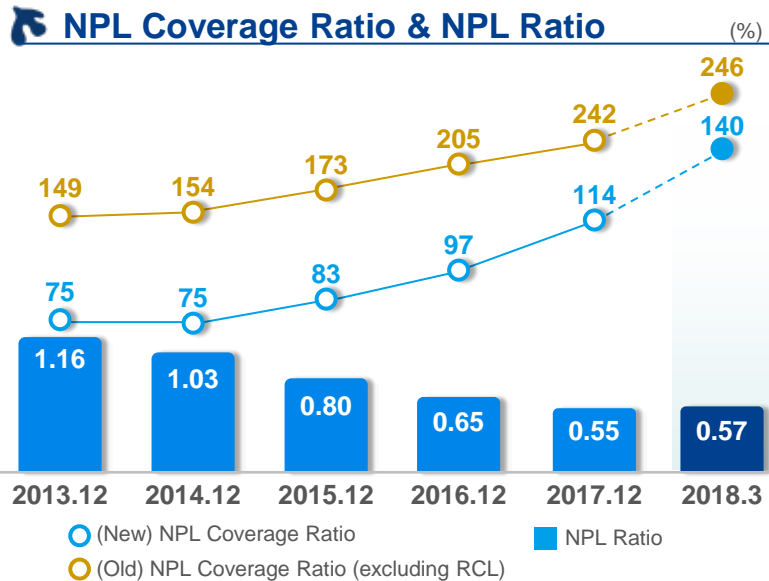
(KRW bil.)	2018.3	2017.12	YTD%	2017.3	YoY%
Total Loans ¹⁾	266,659	263,976	1.0	247,045	7.9
Normal	262,738	259,957	1.1	242,804	8.2
Precautionary	2,216	2,384	-7.1	2,360	-6.1
Substandard	549	551	-0.5	798	-31.2
Doubtful	539	518	4.1	430	25.4
Estimated Loss	617	567	9.0	653	-5.5
Substandard & Below	1,705	1,635	4.3	1,881	-9.4
NPL Ratio	0.64%	0.62%	0.02%p	0.76%	-0.12%p
Loan Loss Allowance ²⁾	4,479	4,246	5.5	4,069	10.1
Reserve for credit losses ³⁾	1,693	2,059	-17.8	1,915	-11.6
(New) NPL Coverage Ratio ⁴⁾	163%	134%	29%p	115%	48%p
(Old) NPL Coverage Ratio	263%	260%	3%p	216%	47%p

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

2) Sum of IFRS standard LLA and reserves for credit losses

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

4) Excluding reserve for credit losses in accordance with the revision of relevant regulation (Dec. 2016)



Note) 1 month overdue

(KRW bil.)	2018.3	2017.12	YTD%	2017.3	YoY %
Total Loans	220,038	219,230	0.4	205,820	6.9
Normal	217,672	216,941	0.3	203,264	7.1
Precautionary	1,109	1,084	2.3	1,165	-4.8
Substandard	467	462	1.2	707	-33.9
Doubtful	374	363	3.2	241	55.4
Estimated Loss	414	381	8.8	442	-6.2
Substandard & Below	1,256	1,206	4.2	1,390	-9.6
NPL Ratio	0.57%	0.55%	0.02%p	0.68%	-0.11%p
Loan Loss Allowance ¹⁾	3,093	2,914	6.1	2,786	11.0
Reserve for credit losses ²⁾	1,333	1,539	-13.4	1,471	-9.4
(New) NPL Coverage Ratio ³⁾	140%	114%	26%p	95%	45%p
(Old) NPL Coverage Ratio	246%	242%	4%p	200%	46%p

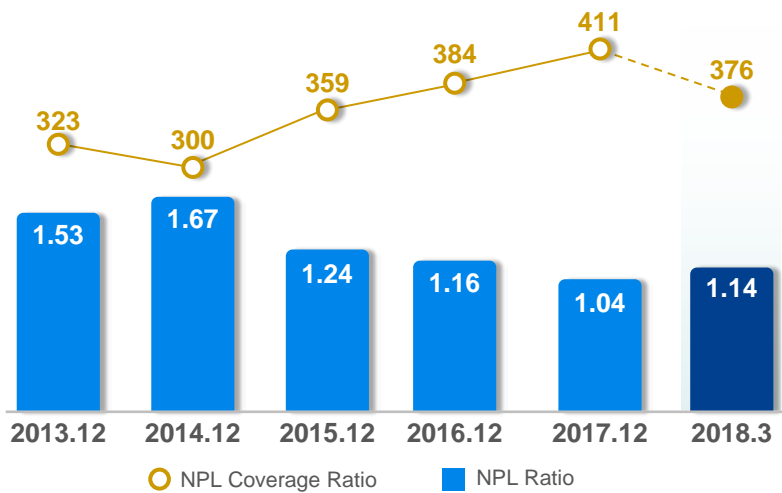
Note 1) Sum of IFRS standard LLA and reserves for credit losses

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

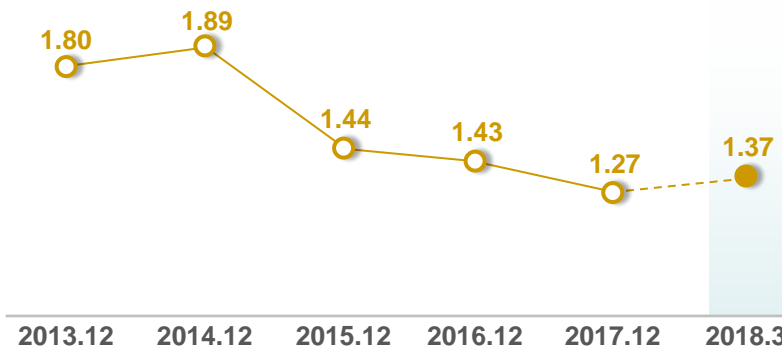
3) Excluding reserve for credit losses in accordance with the revision of relevant regulation (Dec. 2016)

Shinhan Card Asset Quality

NPL Ratio & NPL Coverage Ratio (%)



Delinquency Ratio (%)



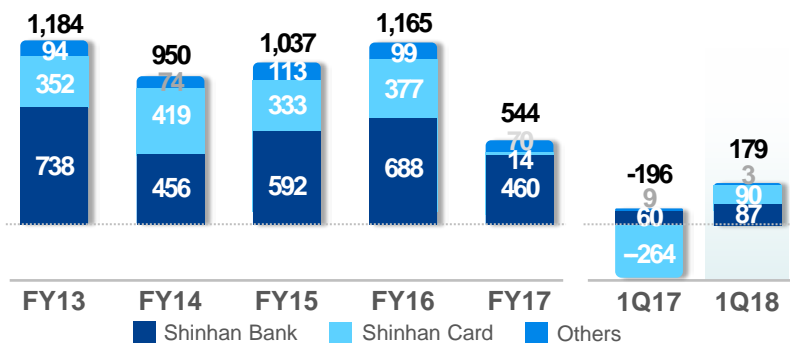
Note) 1 month overdue from total credit

(KRW bil.)	2018.3	2017.12	YTD%	2017.3	YoY%
Total Loans	25,533	25,250	1.1	23,881	6.9
Normal	24,498	24,067	1.8	22,767	7.6
Precautionary	743	919	-19.2	834	-10.9
Substandard	-	-	-	-	-
Doubtful	133	122	9.1	104	28.5
Estimated Loss	159	141	12.3	176	-9.7
Substandard & Below	292	264	10.8	280	4.5
NPL Ratio	1.14%	1.04%	0.10%p	1.17%	-0.03%p
Loan Loss Allowance ¹⁾	1,100	1,083	1.6	1,019	8.0
Reserve for credit losses	281	431	-34.9	351	-19.9
NPL Coverage Ratio	376%	411%	-35%p	364%	12%p

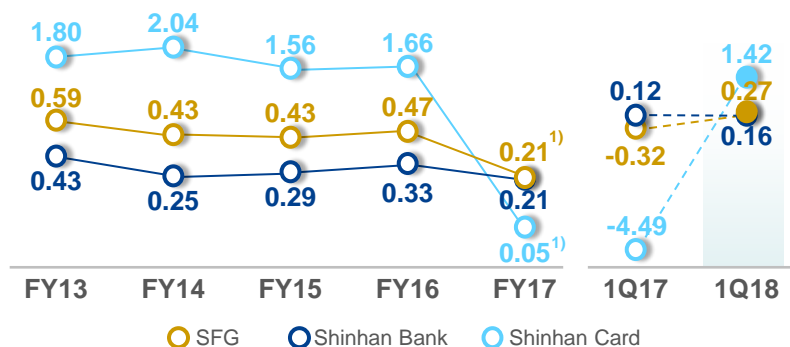
Note 1) Sum of IFRS standard LLA and reserves for credit losses (Excluding reserve for unused credit lines)

Provision for Credit Losses / Write-Offs

Provision for Credit Losses (KRW bil.)

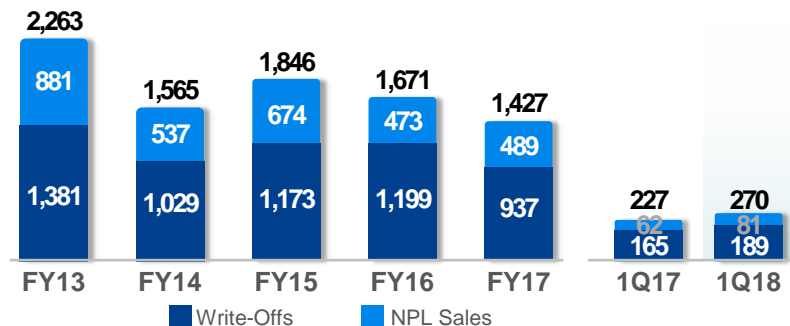


Credit Cost Ratio (%)



Note 1) Normalized credit cost excluding write-backs from SHC : Group 0.34%, SHC 1.50%

Write-Offs & NPL Sales (KRW bil.)



Provision for Credit Losses

(KRW bil.)	FY18	1Q18	FY17	1Q17	2Q17	3Q17	4Q17
Shinhan Bank ¹⁾	86	86	445	59	74	123	190
Retail	49	49	168	30	44	45	49
Corporate	38	38	277	28	30	78	141
Shinhan Card	90	90	14	-264	93	61	125
Total	176	176	459	-206	166	183	315

Note 1) SHB figures are separate basis

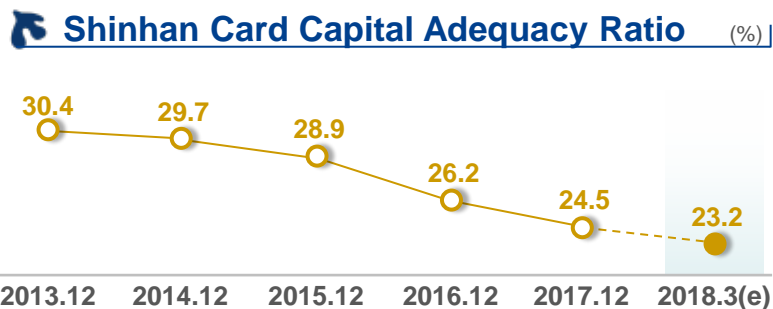
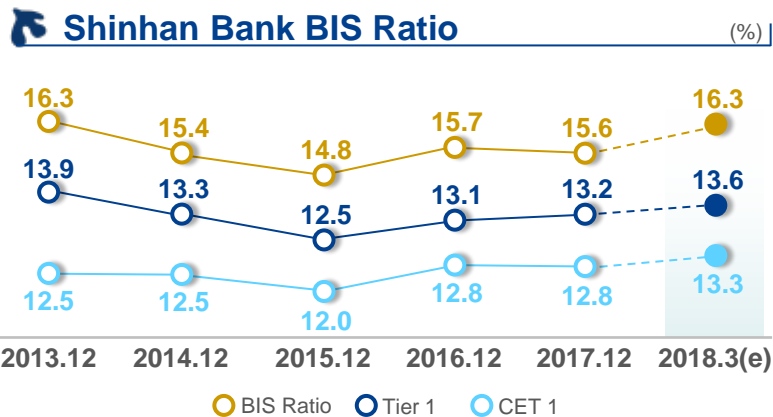
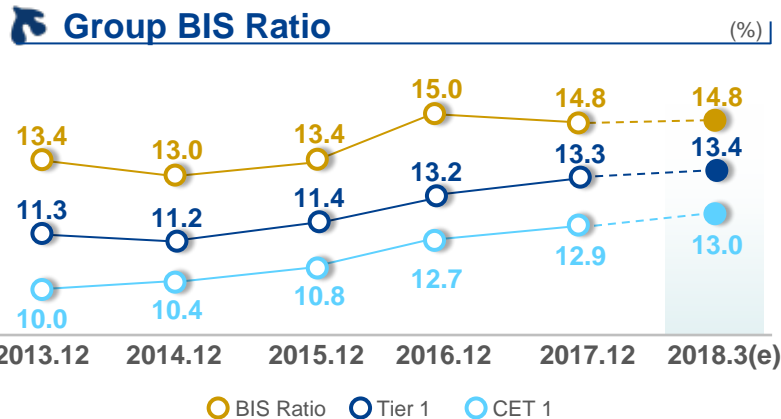
Write-Offs & NPL Sales

(KRW bil.)	FY18	1Q18	FY17	1Q17	2Q17	3Q17	4Q17
Shinhan Bank	149	149	878	102	240	269	267
Write - Off	69	69	388	41	111	128	109
Retail	47	47	127	15	51	22	39
Corporate	22	22	261	26	60	106	70
Sale	81	81	489	62	129	141	158
Retail	13	13	67	8	20	22	18
Corporate	68	68	422	53	109	119	140
Shinhan Card	120	120	549	124	128	148	149
Total	270	270	1,427	227	368	416	415

. Capital Adequacy & Key Financial Indices

1. Capital Adequacy
2. Key Financial Indices





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

Group BIS Ratio

(KRW bil.)	2018.3(e)	2017.12	YTD%	2017.3	YoY%
Risk-Weighted Assets	210,817	207,769	1.5	196,354	7.4
Capital	31,260	30,713	1.8	29,526	5.9
CET 1	27,493	26,757	2.8	25,860	6.3
Tier 1	28,241	27,673	2.1	26,660	5.9
BIS Ratio	14.8%	14.8%	0.0%p	15.0%	-0.2%p
CET 1	13.0%	12.9%	0.1%p	13.2%	-0.2%p
Tier 1	13.4%	13.3%	0.1%p	13.6%	-0.2%p

Note) Based on Basel3

Shinhan Bank BIS Ratio

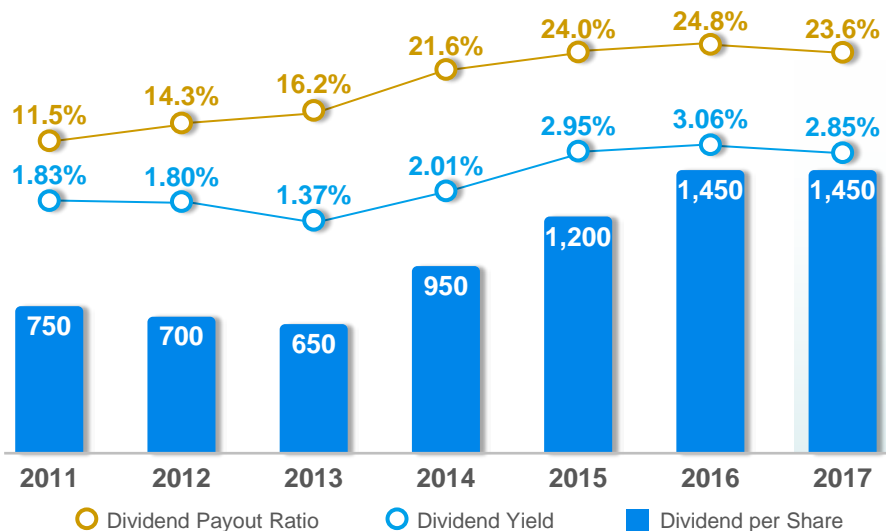
(KRW bil.)	2018.3(e)	2017.12	YTD%	2017.3	YoY%
Risk-Weighted Assets	161,688	162,875	-0.7	154,635	4.6
Capital	26,351	25,391	3.8	24,385	8.1
CET 1	21,464	20,891	2.7	20,291	5.8
Tier 1	21,963	21,561	1.9	20,762	5.8
BIS Ratio	16.3%	15.6%	0.7%p	15.8%	0.5%p
CET 1	13.3%	12.8%	0.5%p	13.1%	0.2%p
Tier 1	13.6%	13.2%	0.4%p	13.4%	0.2%p

Note) Based on Basel3

Key Financial Indices

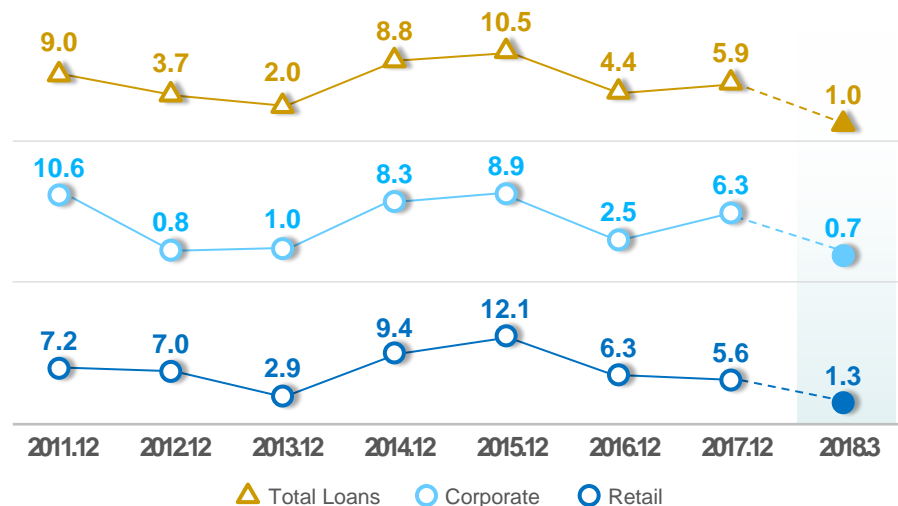
Dividend

(KRW)



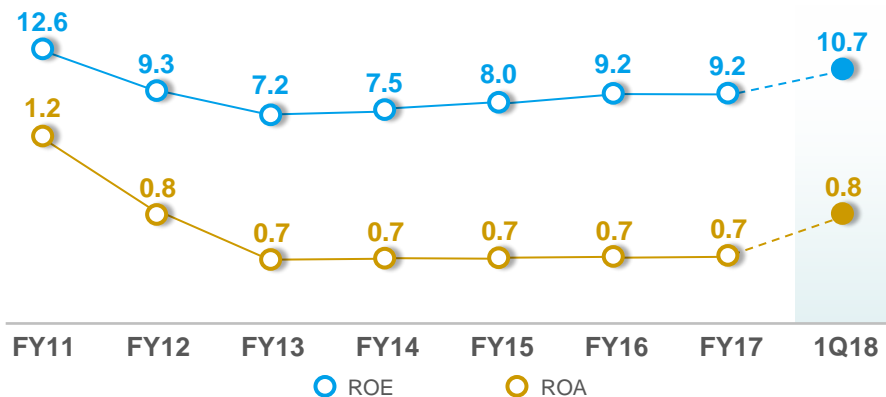
SHB Loan Growth Rate

(%)



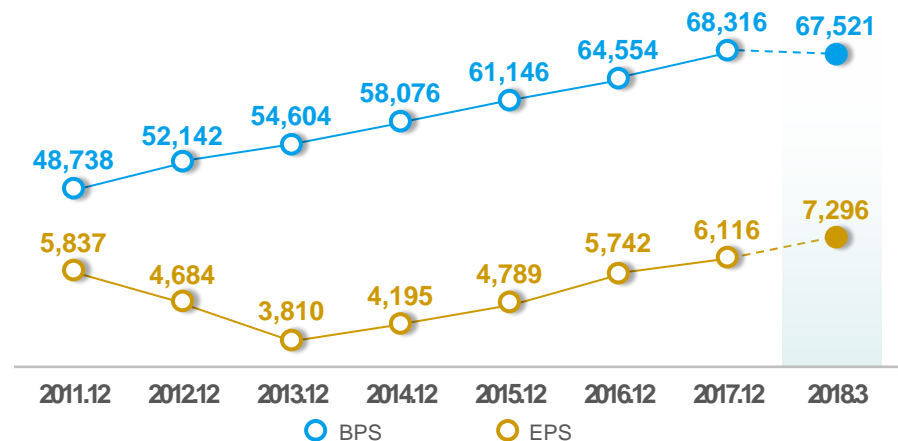
ROA / ROE

(%)



BPS / EPS

(KRW)



Note 1) Excluding write-backs from Shinhan Card, ROE based on common stock

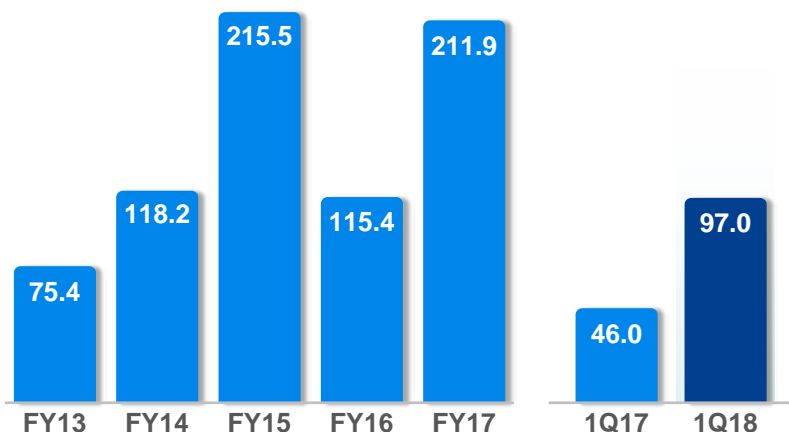
Note) Based on common stock

. Appendix

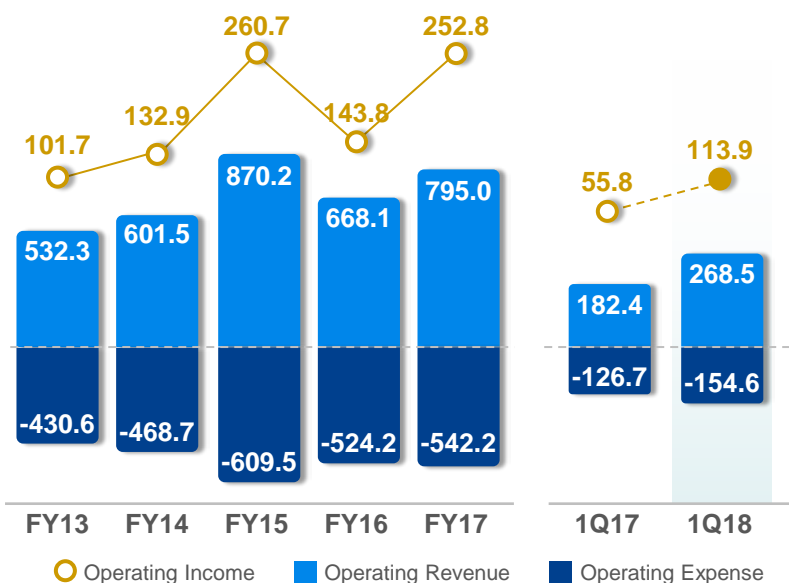
1. SFG Subsidiaries
2. SHB SME Loans
3. SHB Retail Loans
4. SHB International Business



Net Income (KRW bil.)



Operating Income (KRW bil.)



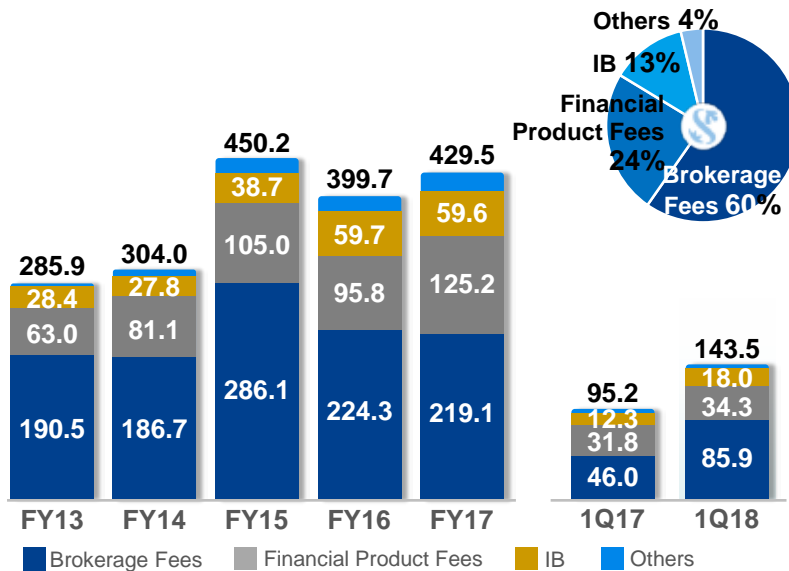
Condensed I/S & Key Financial Indices

(KRW bil.)	1Q18	1Q17	YoY%	4Q17	QoQ%
Operating Revenue	268.5	182.4	47.2	208.6	28.7
Fees & Commission	143.5	95.2	50.7	118.6	21.0
Proprietary Trading	91.2	54.7	66.6	67.3	35.4
Others	33.9	32.5	4.2	22.7	49.5
Operating Expense	154.6	126.7	22.1	139.0	11.3
G&A Expenses	127.3	106.3	19.8	117.5	8.4
Commission Expense	26.1	19.9	31.4	21.0	24.2
Provision for Credit Losses	1.2	0.5	143.0	0.5	149.3
Operating Income	113.9	55.8	104.2	69.6	63.6
Net Income	97.0	46.0	111.0	54.7	77.3
Net Capital Ratio(%)	503%	849%	-346%p	495%	9%p
ROE	12.0%	6.0%	6.1%p	6.7%	5.3%p
ROA	1.4%	0.7%	0.7%p	0.8%	0.6%p

Note) ROE, ROA are calculated on a cumulative basis

Fees & Commission

(KRW bil.)

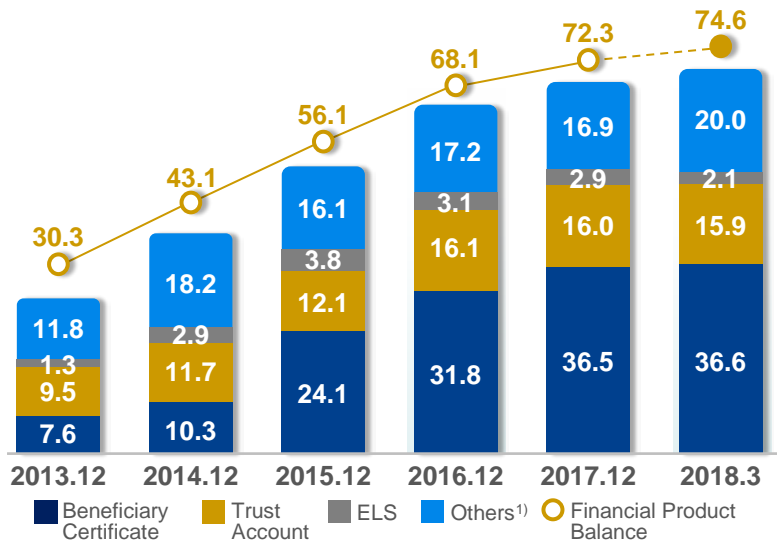


Fees & Commission

(KRW bil.)	1Q18	1Q17	YoY%	4Q17	QoQ%
Fees & Commission	143.5	95.2	50.7	118.6	21.0
Brokerage Fees	85.9	46.0	86.7	65.2	31.6
Financial Product Fees	34.3	31.8	7.8	32.9	4.3
IB	18.0	12.3	46.8	13.5	33.4
Others	5.3	5.1	3.1	7.0	-24.0

Financial Products

(KRW tril.)

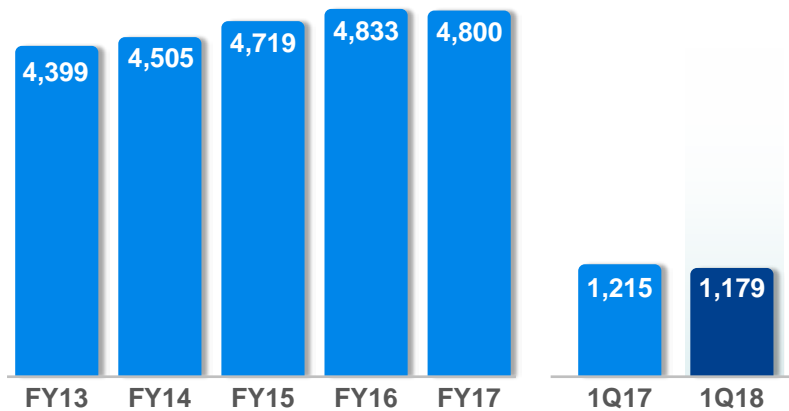


Balance of Financial Products

(KRW tril.)	2018.3	2017.12	YTD%	2017.3	YoY%
Financial Products	74.6	72.3	3.2	70.5	5.9
Beneficiary Certificate	36.6	36.5	0.2	34.9	5.0
Trust Account	15.9	16.0	-0.3	15.2	4.6
ELS	2.1	2.9	-28.3	2.7	-22.7
Others	20.0	16.9	18.6	17.7	13.2

Note 1) Sum of Wrap, RP and Micro Debentures

Premium Income (KRW bil.)



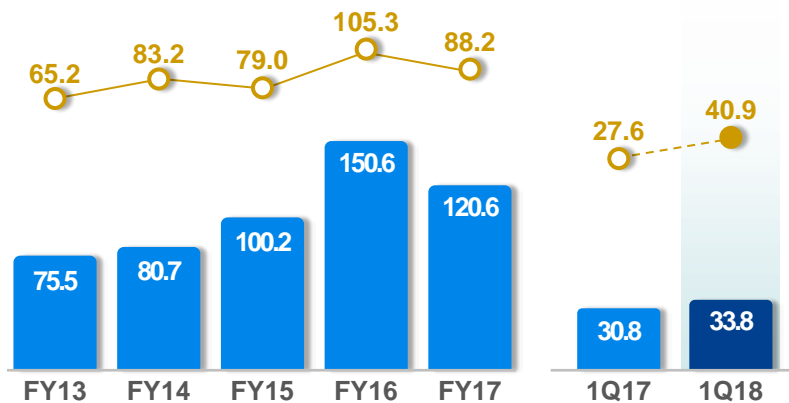
Note) Excluding non-monthly premium and Retirement Pension

Premium Breakdown

(KRW bil.)	1Q18	1Q17	YoY%	4Q17	QoQ%
Prem. Received	1,184.0	1,228.5	-3.6	1,189.3	-0.5
New Premium	15.7	27.6	-43.1	15.5	1.4
Monthly Premium	10.3	14.5	-29.3	11.0	-6.9
Non-Monthly Premium	5.4	13.1	-58.4	4.5	21.8
Recurring Premium	1,168.2	1,200.9	-2.7	1,173.8	-0.5

Note) Excluding Retirement Pension

Net Income (KRW bil.)



Operating Income Net Income

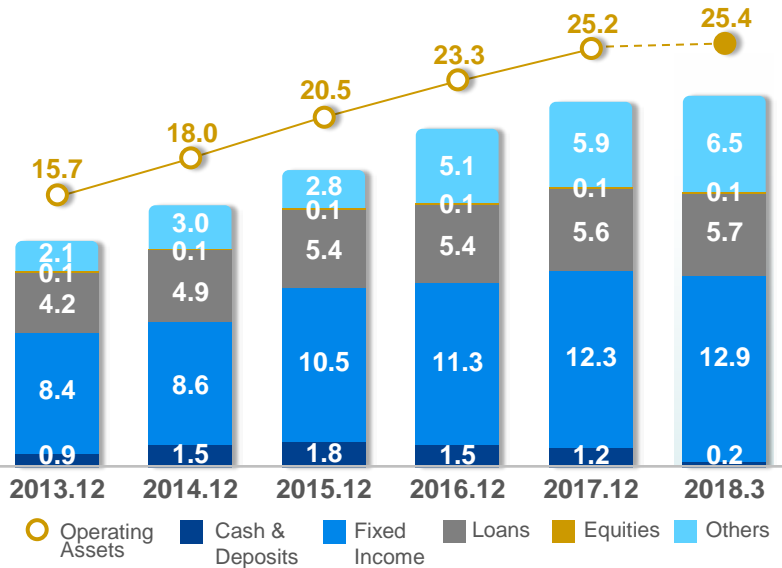
Profitability & Key Financial Indices

(KRW bil.)	1Q18	1Q17	YoY%	4Q17	QoQ%
Operating Income	40.9	27.6	48.2	12.0	242.2
Separate Account profit & Loss	35.3	17.2	105.7	17.4	103.1
Net Income	33.8	30.8	9.9	17.3	95.7
ROE	8.2%	7.2%	1.0%p	7.0%	1.2%p
ROA	0.5%	0.4%	0.0%p	0.4%	0.0%p

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

Operating Assets

(KRW tril.)

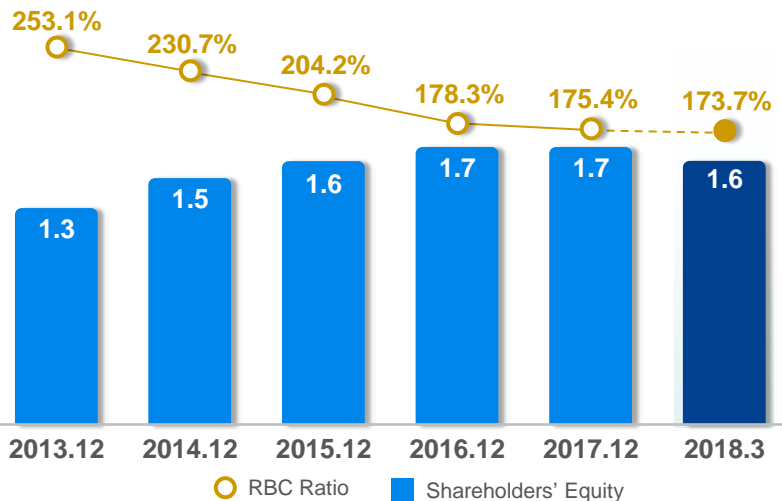


Operating Assets

(KRW bil.)	2018.3	2017.12	YTD%	2017.3	YoY%
Operating Assets	25,401.7	25,156.9	1.0	23,430.6	8.4
Cash & Deposits	185.4	1,170.6	-84.2	1,167.9	-84.1
Fixed Income	12,929.2	12,344.2	4.7	11,240.2	15.0
Loans	5,712.1	5,643.3	1.2	5,420.2	5.4
Equities	103.3	66.0	56.6	84.8	21.8
Others	6,471.7	5,932.9	9.1	5,517.6	17.3

Equity & Capital Adequacy Ratio

(%, KRW tril.)

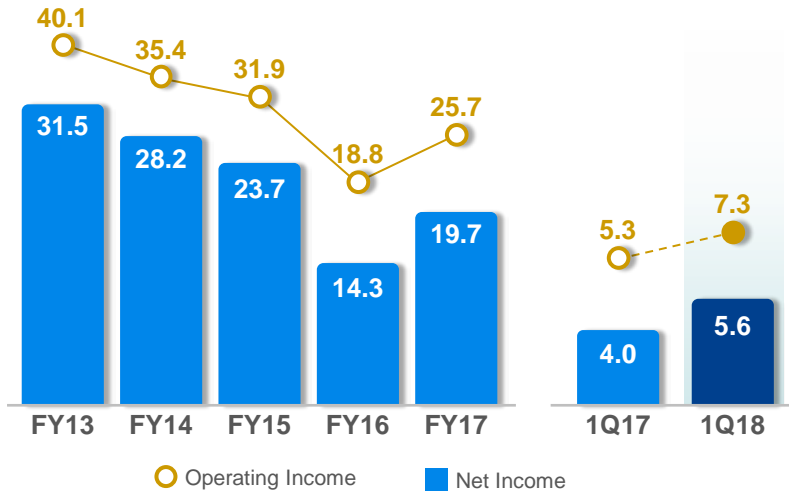


Equity & Capital Adequacy Ratio

(KRW bil.)	2018.3	2017.12	YTD%	2017.3	YoY%
Shareholders' Equity	1,567.5	1,731.9	-9.5	1,713.4	-8.5
Capital & Retained Earnings	1,737.7	1,768.0	-1.7	1,677.9	3.6
Accumulated Other Comprehensive Income	-170.3	-36.1	371.5	35.6	-578.5
RBC Ratio	173.7%	175.4%	-1.7%p	175.6%	-1.9%p

Net Income

(KRW bil.)



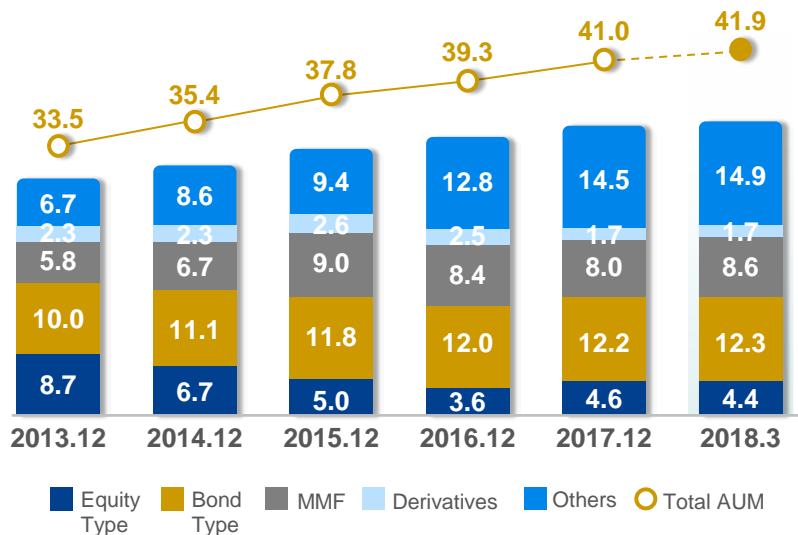
Condensed I/S & Key Financial Indices

(KRW bil.)	1Q18	1Q17	YoY%	4Q17	QoQ%
Operating Revenue	19.9	17.1	16.6	20.7	-3.9
Operating Expense	12.6	11.8	6.6	15.0	-16.1
(G&A Expenses)	10.5	9.8	7.4	12.2	-13.4
Operating Income	7.3	5.3	39.1	5.7	28.5
Net Income	5.6	4.0	41.4	3.9	45.5
ROE	15.0%	11.0%	3.9%p	13.3%	1.7%p

Note) ROE is calculated on a cumulative basis

Assets Under Management

(KRW tril.)



Assets Under Management

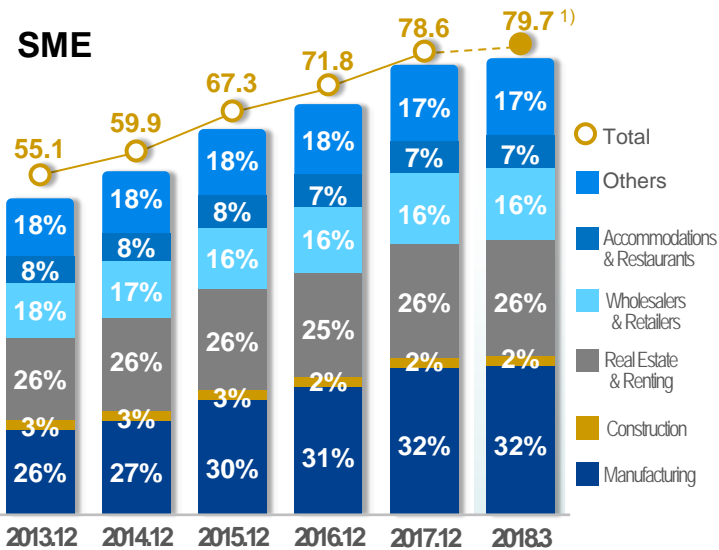
(KRW tril.)	2018.3	2017.12	YTD%	2017.3	YoY%
Total AUM	41.9	41.0	2.3	40.7	3.0
Equity Type	4.4	4.6	-4.2	3.6	21.9
Bond Type	12.3	12.2	0.7	12.0	2.2
MMF	8.6	8.0	6.9	9.6	-11.0
Derivatives	1.7	1.7	5.1	2.3	-23.0
Others	14.9	14.5	3.0	13.2	13.3

SHB SME Loans

Loans

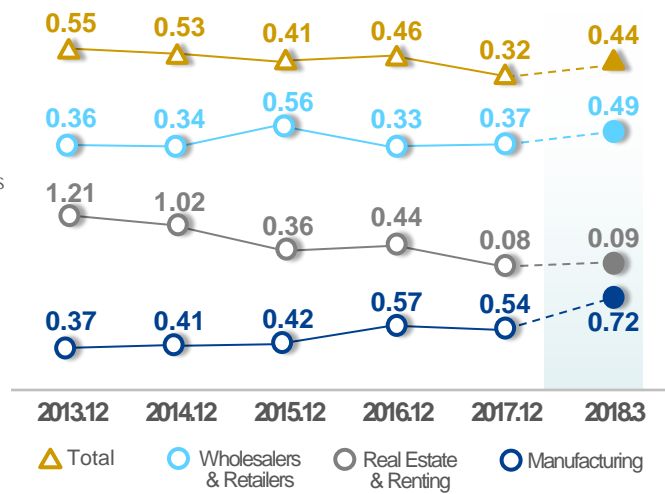
(KRW tril.)

SME

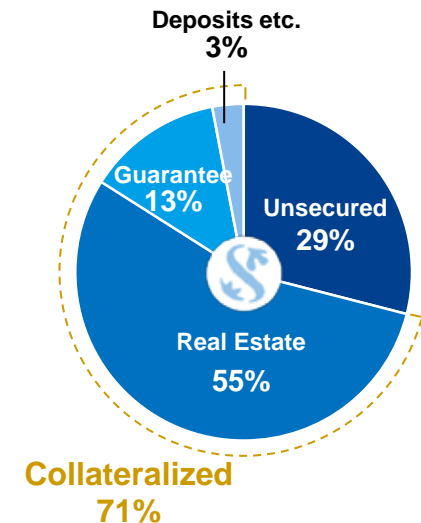


Delinquency

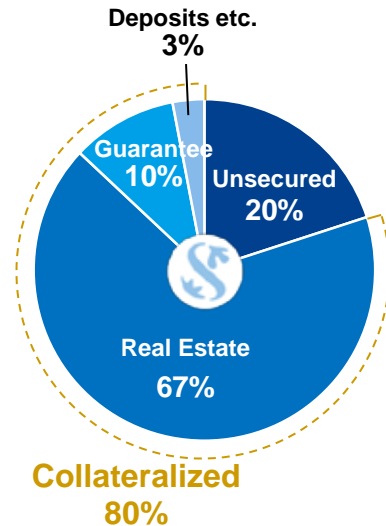
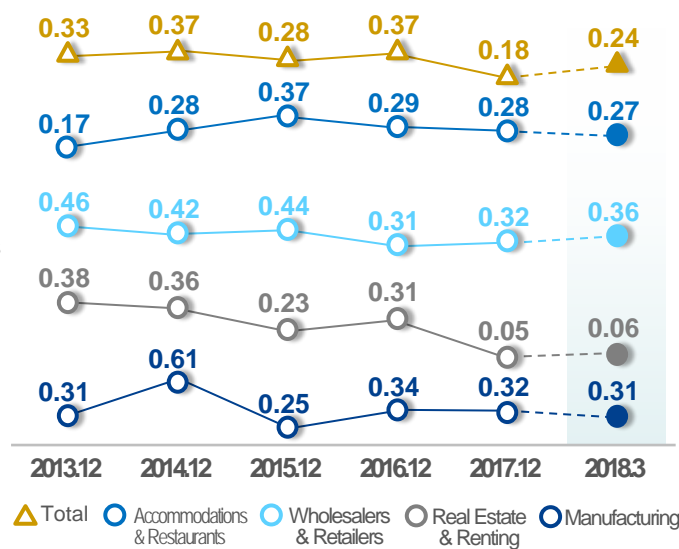
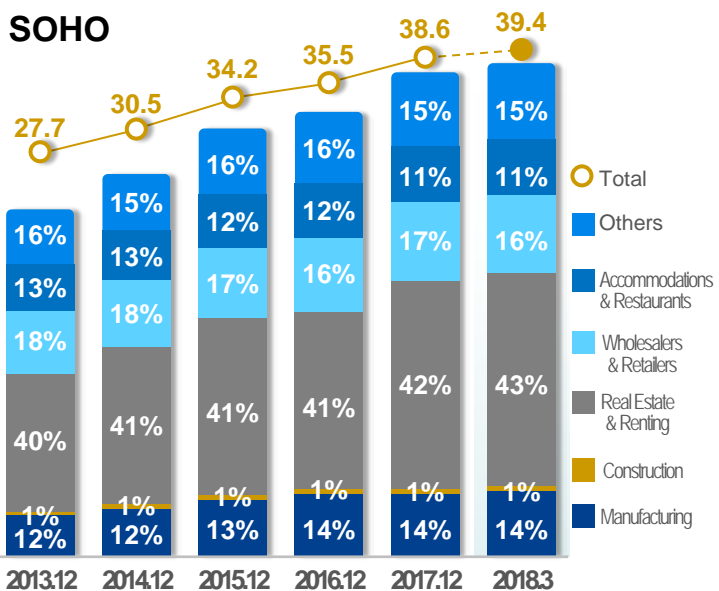
(%)



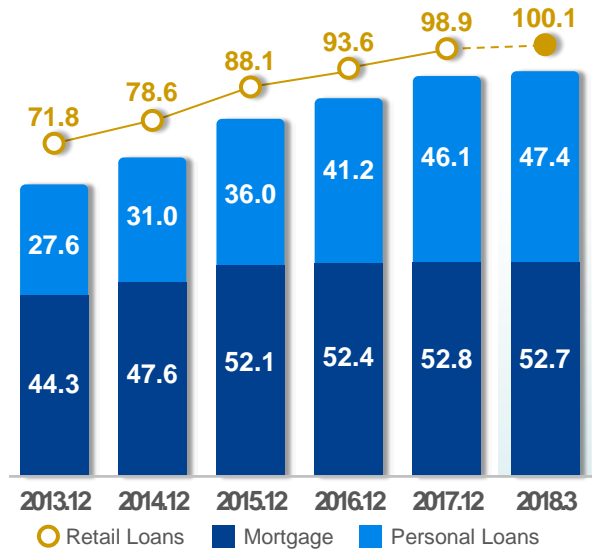
Collateral



SOHO

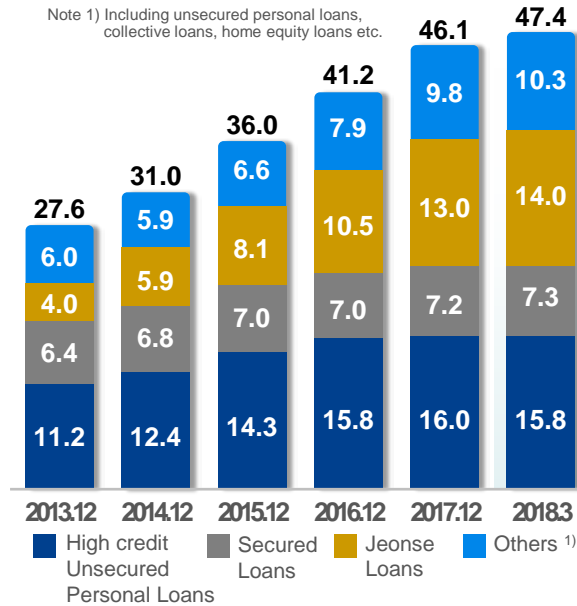


Loans (KRW tril.)

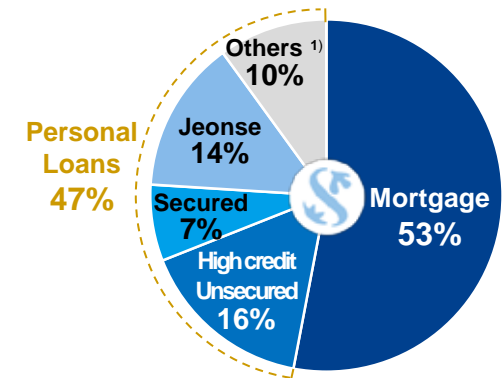


Retail Personal Loans (KRW tril.)

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



Loan Composition

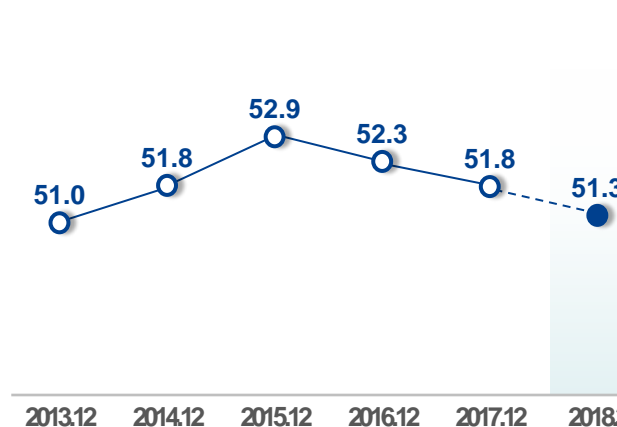


Note 1) Including unsecured personal loans, collective loans, home equity loans etc.

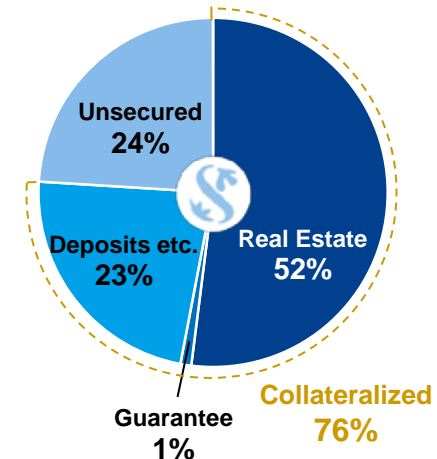
Delinquency (%)



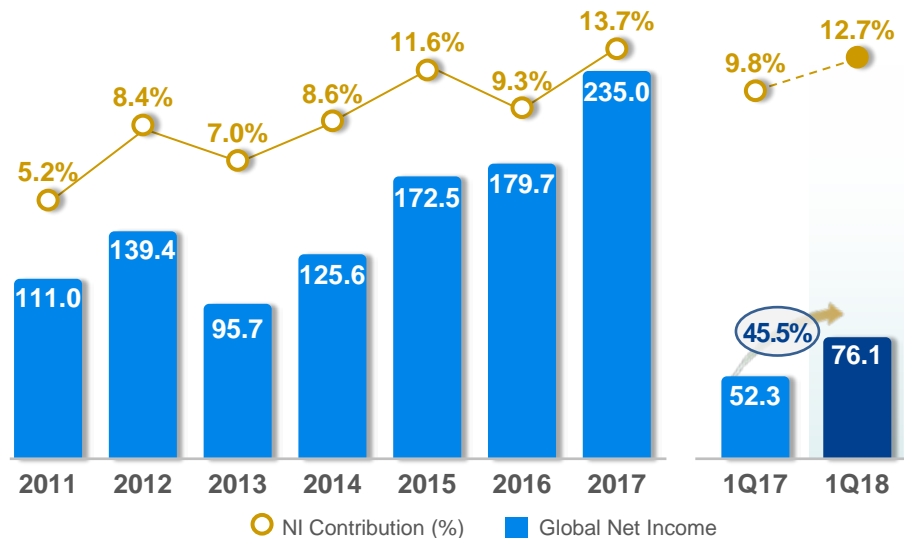
LTV (%)



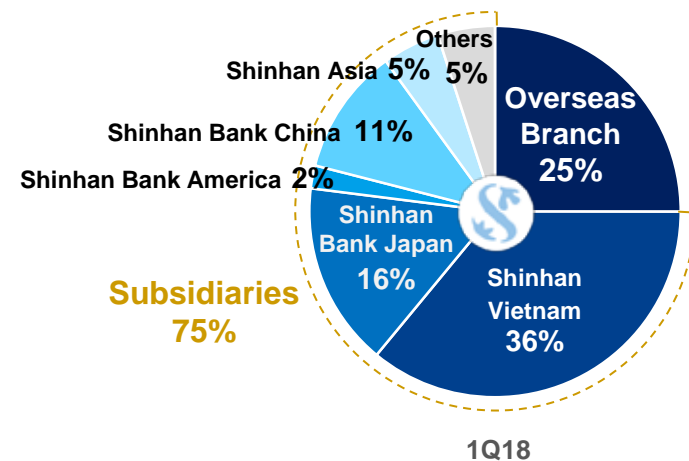
Collateral



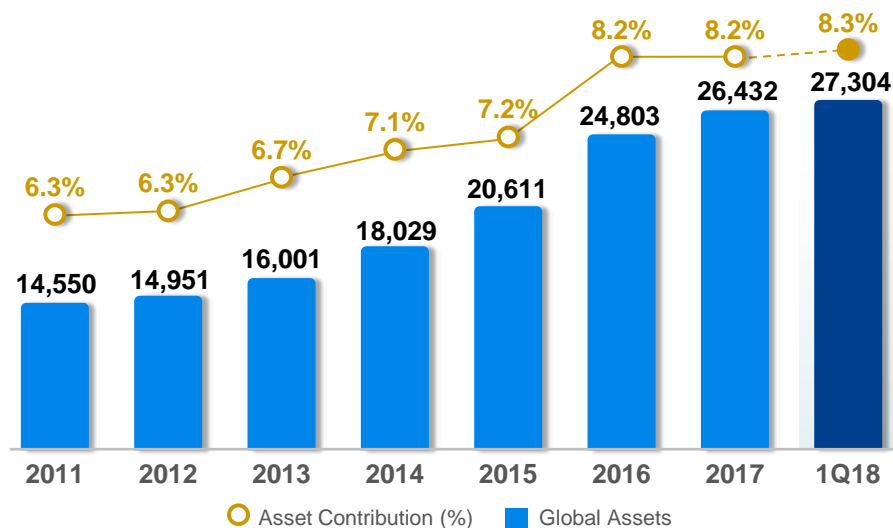
Net Income Contribution by International Business (KRW bil.)



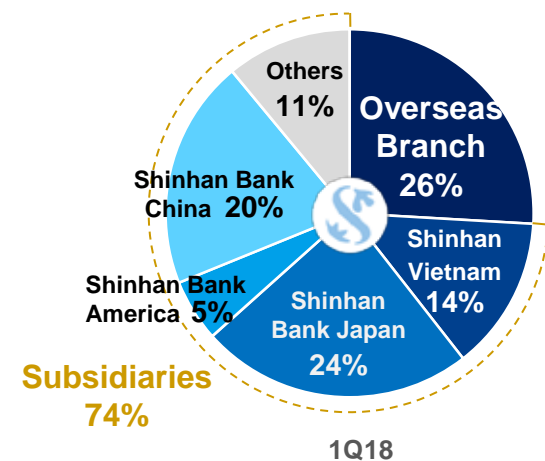
Net Income Composition



Asset Contribution by International Business (KRW bil.)



Asset Composition



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