

# Business Results

## FY 2020



# Disclaimer

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The financial information contained herein has neither been reviewed nor 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:

- **Financial information has been prepared in accordance with the Korean IFRS (K-IFRS).**
- **The financial figures have been derived following K-IFRS No.1109, '*Financial instruments*' and K-IFRS No.1115, '*Revenue from Contracts with Customers*' for years starting January 1, 2018. (Financial information for periods prior to December 31, 2017 has not been restated.)**
- **K-IFRS No. 1116, '*Leases*' replaced existing lease standards and is effective for the year beginning on January 1, 2019. (Financial information for periods prior to December 31, 2018 has not been restated.)**
- **The net profit (loss) realized from the 59.15% and 100% interest in the newly acquired Orange Life Insurance, Ltd. ("Orange Life") has been included in our consolidated profit (loss) figures for periods following January 1, 2019 and January 1, 2020, respectively.**
- **The net profit (loss) realized from the 60% interest in the newly acquired Asia Trust Co., Ltd. ("Asia Trust") has been included in our consolidated net profit (loss). The acquisition accounting of Asia Trust has been applied starting April 1, 2019, which is the deemed acquisition date.**
- **As of September 29, 2020, Shinhan Financial Group acquired a 96.77% stake of Neoplux Co, Ltd. (Rebranded to Shinhan Venture Investment on January 11, 2021). As of the end of the current quarter, acquisition accounting is applied. And, as of the end of December, 2020, we have acquired the remaining shares.**
- **To present the financial information more effectively, the interest portion of provision for policy reserve, which was previously categorized as non-interest expense, is now categorized as interest expense. (Financial information for periods prior to December 31, 2018 has been restated to reflect the same.)**

This presentation material is available at our website, [www.shinhangroup.com](http://www.shinhangroup.com).

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# I. FY20 Result Highlights



## Growth in recurring net income while taking preemptive actions to minimize uncertainty

### ● Preemptive Actions Taken

- Reflected losses of **267.5Wbn** related to investment products and overseas assets in 4Q20 in accordance with 3<sup>rd</sup>-party due diligence
  - SHB 69.2Wbn<sup>(Lime CI Fund, etc.)</sup>, SHIC 128.7Wbn<sup>(Lime TRS-related loss 115.3Wbn. etc.)</sup>  
: taken a conservative approach to minimize any investment product-related losses in the future (Total of 472.5Wbn losses in FY20)
  - Reflected valuation loss of 69.6Wbn in overseas assets amid pandemic outbreak
- Accumulated an additional **187.3Wbn** in COVID19-related provisions for 4Q20 (SHB 113.4Wbn, Others 73.9Wbn)
  - FLC adjustments (108.6Wbn)
  - DCF-based adjustments and stage reclassification of loan assets (78.7Wbn)

### [Breakdown of COVID19-related Provisions]

(Unit: KRW bn)	2Q20			3Q20			4Q20			FY20
	FLC	DCF <sup>1</sup>	Total	FLC	DCF <sup>1</sup>	Total	FLC	DCF <sup>1</sup>	Total	
<b>Total</b>	119.4	65.3	<b>184.7</b>	0.6	21.8	<b>22.4</b>	108.6	78.7	<b>187.3</b>	<b>394.4</b>
SHB	85.7	65.1	<b>150.8</b>	-	21.8	<b>21.8</b>	68.7	44.7	<b>113.4</b>	<b>286.0</b>
Others	33.7	0.2	<b>33.9</b>	0.6	-	<b>0.6</b>	39.9	34.0	<b>73.9</b>	<b>108.4</b>

NOTE 1 DCF-based adjustments and stage reclassification of loan assets



# FY20 Financial Overview

(KRW bn)	FY20	FY19	YoY %	4Q20	3Q20	QoQ %
Operating Income before Expenses	11,532.9	11,131.7	3.6%	2,776.2	2,952.8	-6.0%
Interest Income	8,155.1	8,001.0	1.9%	2,110.3	2,022.0	4.4%
Non-interest Income	3,377.8	3,130.7	7.9%	665.8	930.9	-28.5%
G&A Expenses	5,212.5	5,134.7	1.5%	1,487.1	1,256.2	18.4%
Operating Income	6,320.4	5,997.0	5.4%	1,289.1	1,696.6	-24.0%
Non-Operating Income	-175.9	-134.7	n.a.	-264.2	93.4	n.a.
Pre-Provision Income	6,144.5	5,862.3	4.8%	1,025.0	1,790.1	-42.7%
Provision for Credit Losses	1,390.6	950.8	46.3%	340.1	228.4	48.9%
Earnings before Income Tax	4,753.9	4,911.5	-3.2%	684.8	1,561.6	-56.1%
Income Tax	1,255.8	1,269.1	-1.1%	195.4	395.2	-50.5%
<b>Consolidated Net Income<sup>1</sup></b>	<b>3,414.6</b>	<b>3,403.5</b>	<b>0.3%</b>	<b>464.4</b>	<b>1,144.7</b>	<b>-59.4%</b>
Loans in KRW (Bank, KRW tn)	248.8	225.0	10.6%	248.8	242.3	2.7%
Group Assets (Consolidated, end of period, KRW tn)	605.3	552.4	9.6%	605.3	591.8	2.3%
NIM (Group)	1.80%	2.00%	-0.20%p	1.76%	1.78%	-0.02%p
Cost to Income Ratio	45.2%	46.1%	-0.9%p	53.6%	42.5%	11.0%p
Credit Cost Ratio	0.41%	0.30%	0.10%p	0.39%	0.27%	0.12%p
(Credit Cost Ratio excluding one-offs <sup>2</sup> )	0.29%	0.30%	-0.01%p	0.17%	0.25%	-0.08%p
NPL Ratio	0.56%	0.52%	0.03%p	0.56%	0.54%	0.02%p
ROE	8.4%	9.4%	-1.0%p	8.4%	10.0%	-1.6%p
ROA	0.6%	0.7%	-0.1%p	0.6%	0.7%	-0.1%p
CET1 Ratio (Group) <sup>3</sup>	11.7%	11.1%	0.6%p	11.7%	12.0%	-0.3%p

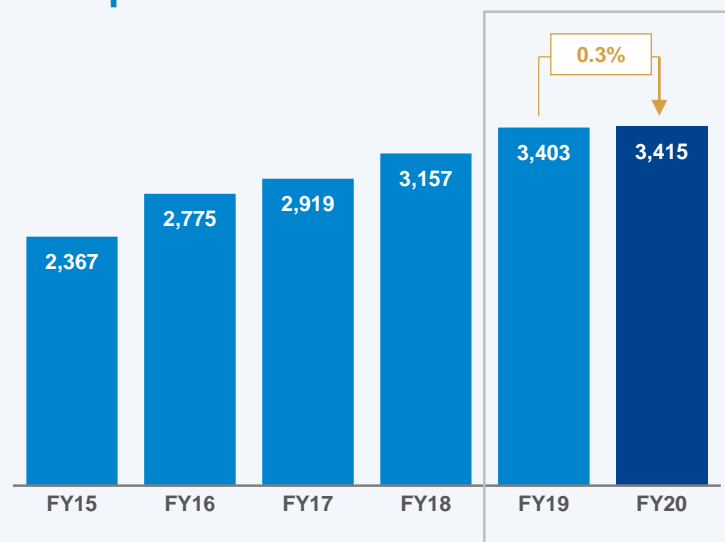
NOTE 1 Net Income in Controlling Interest, 4Q20 and 3Q20 ROE and ROA are in year-to-date cumulative basis

NOTE 2 One-offs: Preemptive provisioning based on FLC (394.4Wbn for FY20; 187.3Wbn for 4Q20 only)

NOTE 3 Capital ratio is a preliminary estimate. When reflecting the early adoption of the revised BASEL III credit risk framework, CET1 is 12.9% for FY20.

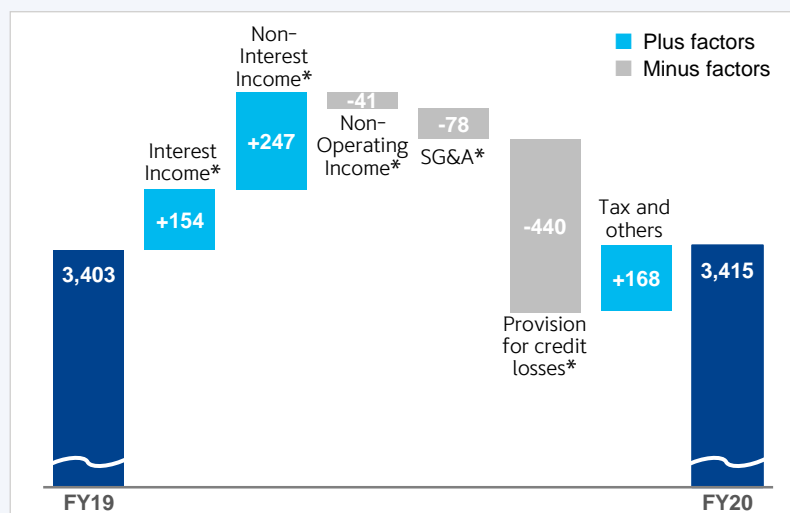
# Group Net Income

## Group Net Income



## Movements

(Unit: KRW bn)



\* All figures before income tax

### Realized Increase in Group Net Income for 7 Years-in-a-row

Proven strong fundamentals despite preemptive responses to reduce uncertainty

**KRW 3.41 tn**

(FY20 Group net income)

### Interest Income Growth Continues

Despite low interest rates interest income increased (+1.9% YoY) due to robust asset growth and stable margin

**+10.6% | 1.80%**

(SHB YTD loan growth) (Group NIM)

### Resilient Non-Interest Income

Strengthened earning base for both non-interest income generating sectors (IB, GMS, etc.) and non-banking sectors

**+7.8%**

(FY20 Group non-interest income YoY growth)

### Disciplined Cost Management

Cost-to-income ratio recorded a historical low

**45.2%**

(YTD Group Cost-to-income ratio)

### Proactive Credit Risk Management

Stable credit cost ratio even after securing a sufficient buffer for COVID19-related uncertainties

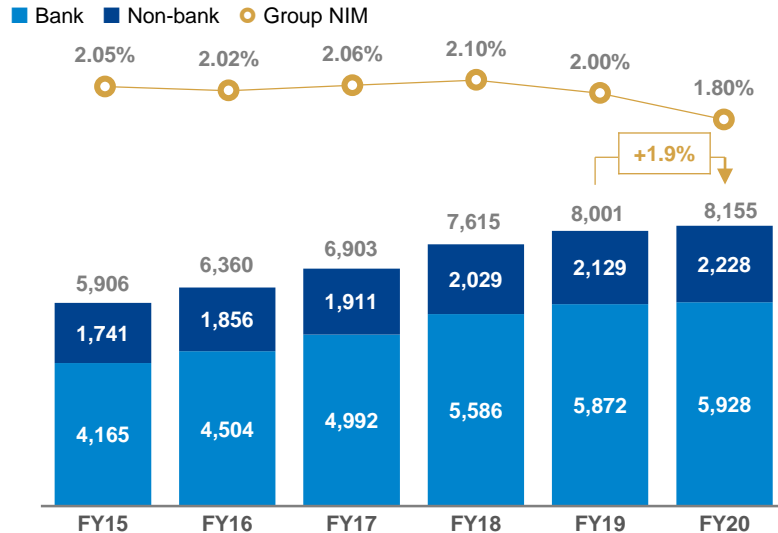
**41bp | 149%**

\* 29bp (excl. one-offs)

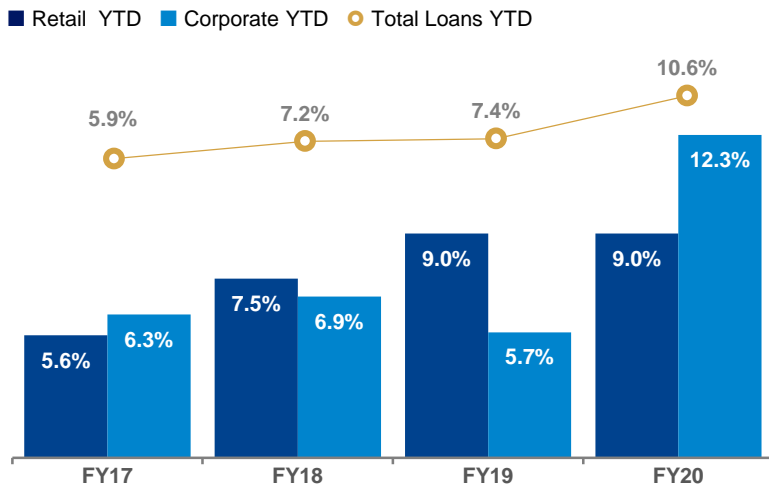
(FY20 Group credit cost) (Group NPL coverage ratio)

# Net Interest Income

## Group Net Interest Income and NIM (KRW bn)



## KRW Loan Growth



## KEY HIGHLIGHTS

### Net Interest Income & NIM

- Despite low interest rate environment, SFG saw continued growth in interest income (+1.9% YoY)
  - Interest income from both Banking and Non-banking sectors rose by 1.0%, 4.6% YoY, respectively
- Quarterly NIM down by 2bps, marking 1.76%

### [Interest Rate & NIM Movement]

(%)	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20
BOK Base rate	1.50	1.25	0.75	0.50	0.50	0.50
KTB 3Y (quarterly)	1.280	1.413	1.234	0.916	0.854	0.950
Group NIM (quarterly)	1.99	1.92	1.86	1.81	1.78	1.76
SHB NIM (quarterly)	1.53	1.46	1.41	1.39	1.36	1.34
Group NIM (cumulative)	2.03	2.00	1.86	1.84	1.82	1.80
SHB NIM (cumulative)	1.57	1.54	1.41	1.40	1.38	1.37

### Loan Growth

- KRW loan, including COVID19 reliefs, jumped by 10.6% YoY
  - Corporate loans increased 12.3% YTD (SME +14.1% (SOHO +16.3%), Large Corp. +3.4%)
- Retail loans increased 9.0% YTD (Mortgages -2.3%, High credit unsecured loans +28.4%, Jeonse Loans +27.7%)
- COVID19 financial relief provided by SFG: 36.6Wtn\*
  - \* 13.1Wtn in new credit extensions to SMEs, 23.1Wtn in loan rescheduling, 6.5Wbn in interest deferrals

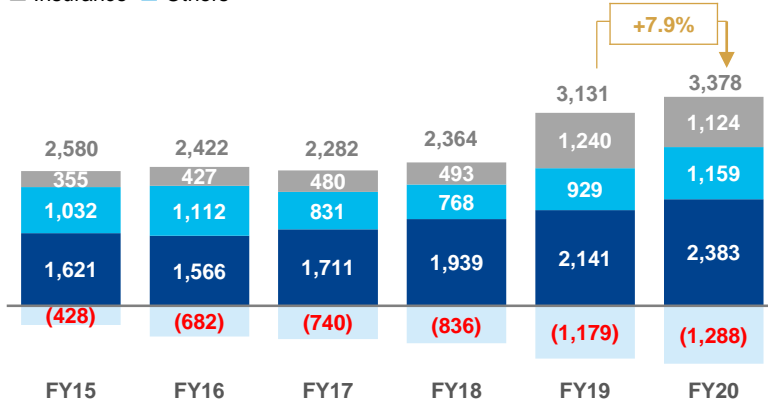


# Non-interest income

## Non-interest Income

(KRW bn)

■ Fees & Commission ■ Securities, F/X trading & Derivatives  
■ Insurance ■ Others



## KEY HIGHLIGHTS

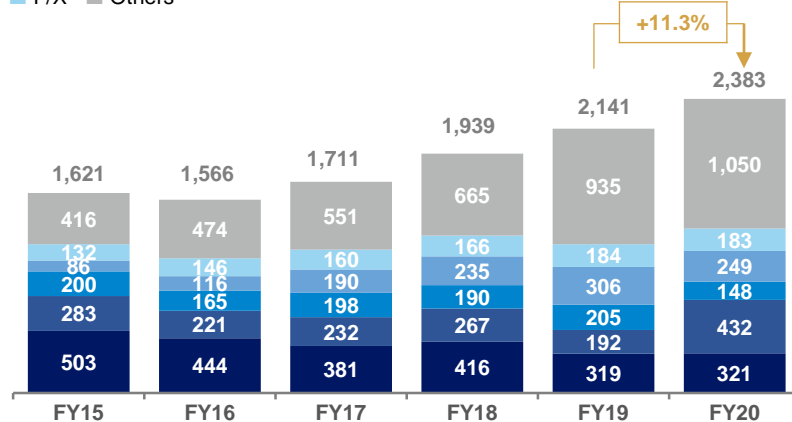
### Non-interest Income

- Group non-interest income increased by 7.9% YoY due to a increase in fees & commissions, securities, FX trading and derivatives related income
- FY20 figures for securities, FX trading, and derivatives related income hiked 24.8% YoY

## Fees & Commission

(KRW bn)

■ Credit Card ■ Brokerage ■ Fund & Bancassurance ■ Trust  
■ F/X ■ Others



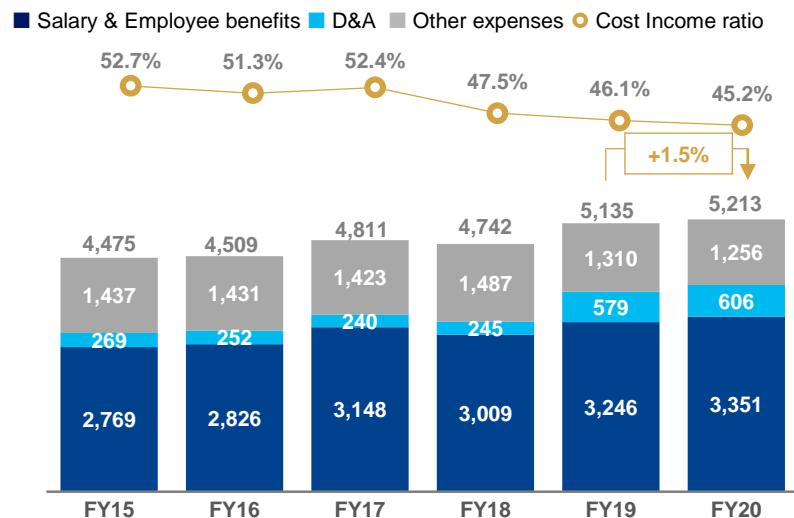
### Fees and Commission

- Fees and commissions income in FY20 grew by 11.3% YoY, driven by following factors
  - Jump in brokerage fee (+125.0% YoY) owing to increased trading volume
  - Increase in lease financing fees (+72.6% YoY)

# Expenses and Provisioning

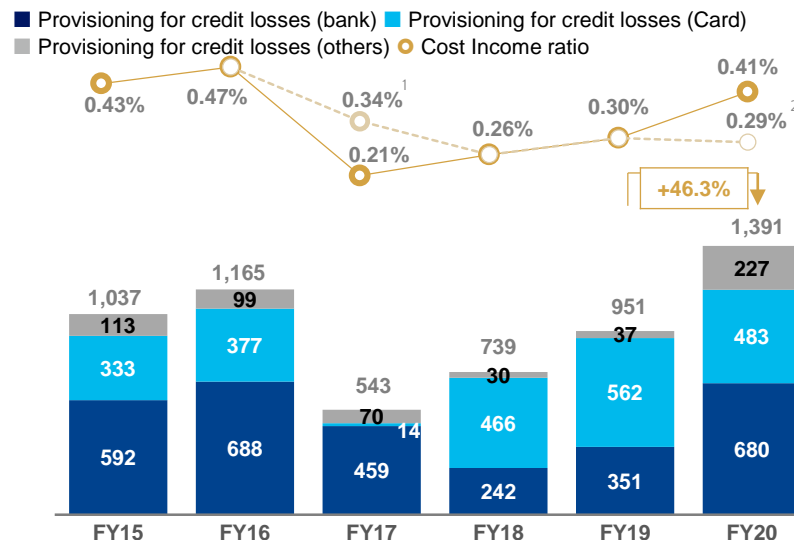
## G&A Expense

(KRW bn)



## Credit Cost

(KRW bn)



NOTE 1 Excluding write-backs from Shinhan Card

NOTE 2 Excluding one-offs (COVID19-related provisioning: 394.4Wbn)

## KEY HIGHLIGHTS

### Cost Management

- Group's G&A expenses for FY20 went up by 1.5% YoY, and recorded cost-income ratio of 45.2% (-0.9%p YoY) through cost control efforts
- Group-wide early retirement plan(ERP) in 4Q20 marked a slight below average of 92.4Wbn

### Credit Cost

- Provision for credit losses for FY20 increased by 46.3% (+439.8Wbn) YoY
  - COVID19-related provisioning in FY20: 394.4Wbn (for 4Q20: 187.3Wbn (FLC adjustments: 108.6Wbn, DCF: 78.7Wbn))
- Credit cost ratio marked 41bps, up 9bps YoY
  - Excluding one-offs, credit cost ratio is 29bps, down 1bp YoY

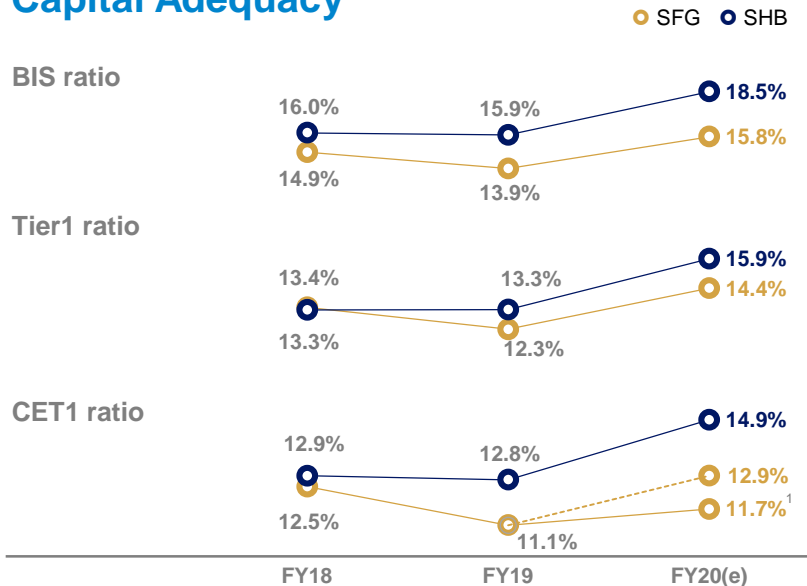
### Delinquency Ratio

- Delinquency ratio for SHB and SHC decreased on YoY basis to 0.24% and 1.04%, respectively

Delinquency Ratio (%)	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20
<b>Shinhan Bank</b>	0.33%	0.26%	0.31%	0.30%	0.26%	0.24%
<i>SMEs (incl. SOHO)</i>	0.29%	0.23%	0.26%	0.28%	0.32%	0.30%
<i>SOHO</i>	0.43%	0.33%	0.41%	0.39%	0.18%	0.15%
<i>Retail</i>	0.26%	0.20%	0.22%	0.22%	0.23%	0.21%
<b>Shinhan Card</b>	1.40%	1.26%	1.35%	1.26%	1.24%	1.04%

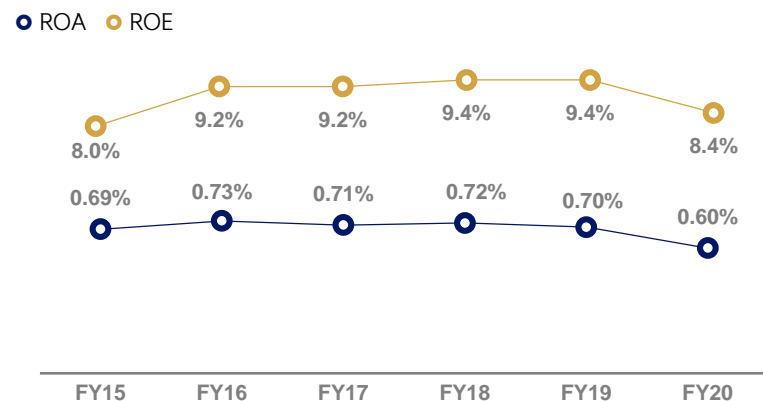
NOTE After NPL sales and write-offs, 1 month overdue from total credit

## Capital Adequacy



NOTE 1 Reflecting early adoption of the revised BASEL III credit risk framework

## ROE & ROA



## KEY HIGHLIGHTS

### Capital Adequacy

- Under BASEL III, Group's Common Equity Tier 1 ratio is estimated at 11.7%, up 0.6%p YTD.
  - When reflecting early adoption of the revised BASEL III credit risk framework (+115bp), CET1 is 12.9%
  - RWA decreased by 1.9% YTD to mark 252.0Wtn
  - CET1 capital increased by 13.8% YTD to 32.5Wtn (reflecting recent capital raise)
- CET1 improved through strong fundamentals and flexible capital management

### Return on Equity and Return on Assets

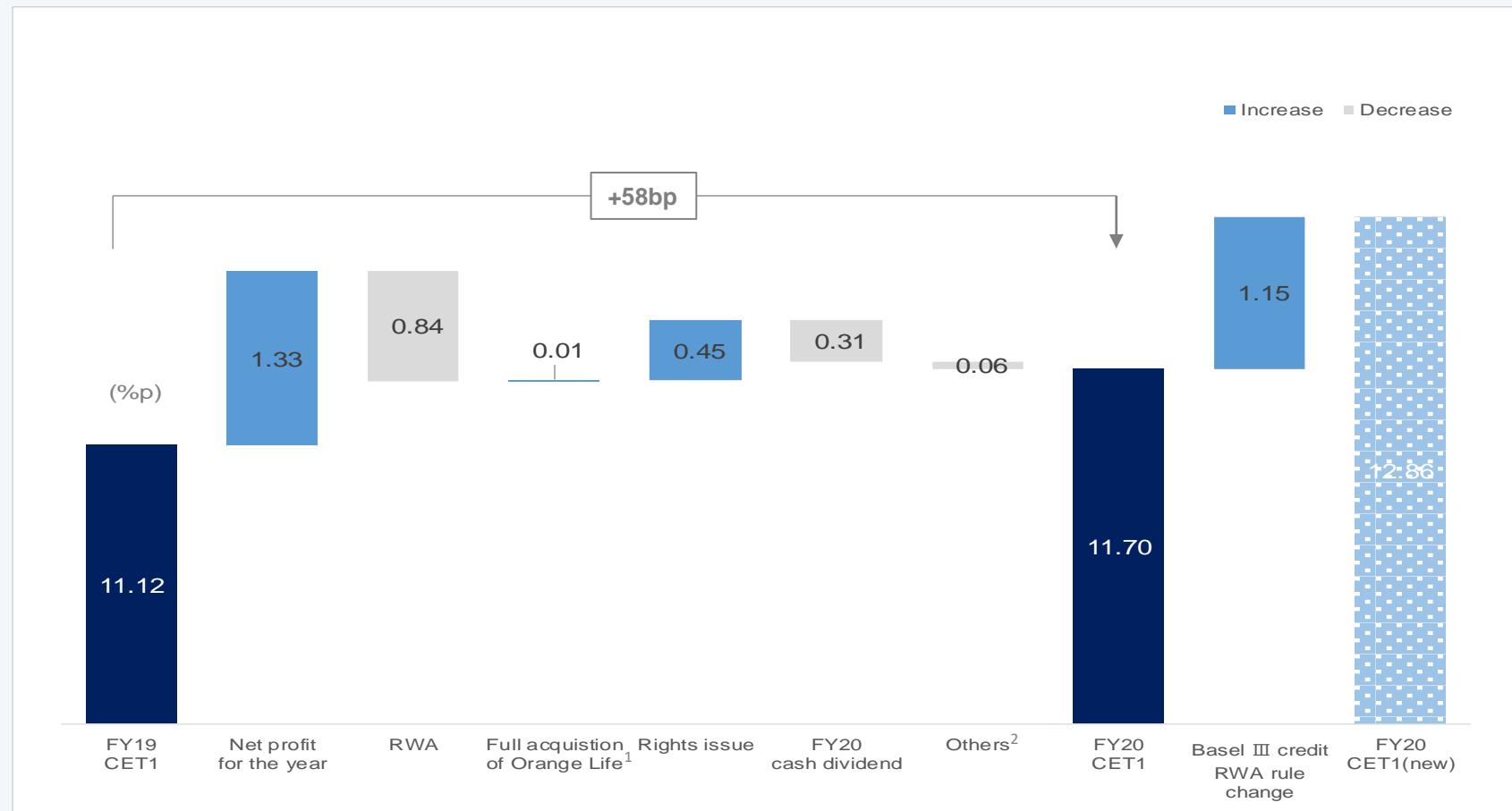
- Group ROE and ROA for FY20 marked 8.4% and 0.60%, respectively
- For enhancement of Group ROE and strengthened competitiveness in the capital market, SFG acquired *Neoplux*<sup>1</sup> in SEPT 2020, and completed the acquisition of shares of *Shinhan BNPP Asset Management*<sup>2</sup> owned by BNP Paribas in JAN 2021.

NOTE 1 *Neoplux* was renamed to *Shinhan Venture Investment* on JAN 11, 2021

NOTE 2 *Shinhan BNP Paribas Asset Management* was renamed to *Shinhan Asset Management* on JAN 15, 2021

# CET1 Movement

- In FY20, Group's CET1 ratio is 11.70%, up 58bp YTD  
\* *Not reflecting early adoption of the revised BASEL III credit risk framework*
- Capital allocated for business development (RWA) marked 84bp; and, 31bp in capital was allocated for year-end dividend payout (DPS = KRW 1,500)
- Pursuing effective capital management and RWA budget management to reach mid-term CET1 target of 12%



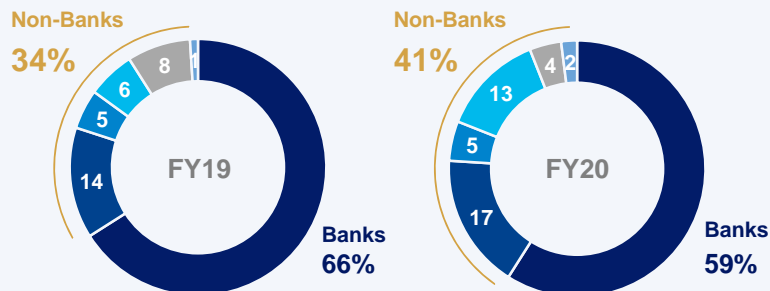
NOTE 1 Treasury share buyback and new share issuance from share swap with Orange Life NOTE 2 Accumulated Other Comprehensive Income, etc.



# Contribution by Subsidiaries and by Matrix

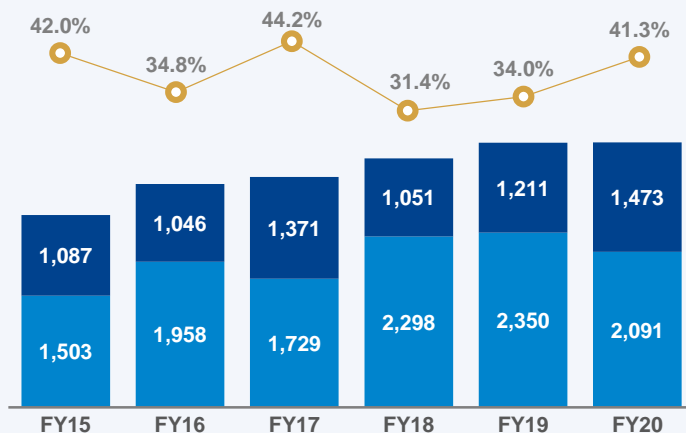
## Net Income Weight by Subsidiaries (%)

- Shinhan Card
- Capital, Savings Bank
- Life, Orange Life
- Investment Corp.
- Others



## Net Income Contribution by Non-Bank Subsidiaries (KRW bn)

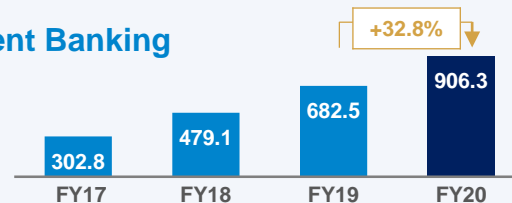
- Bank Net Income
- Non-Bank Net Income
- Non-Bank Weight



NOTE 1 Net income in controlling interest

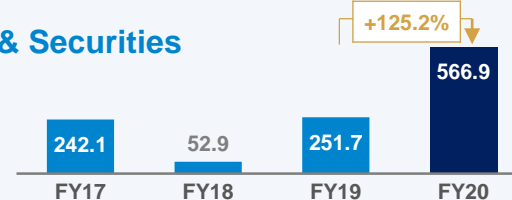
## Global Investment Banking

(Operating Income)  
(KRW bn)



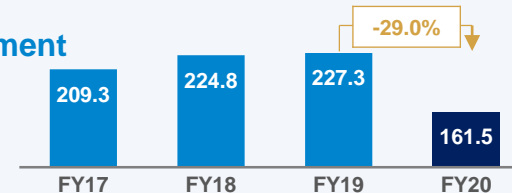
## Global Markets & Securities

(Operating Income)  
(KRW bn)



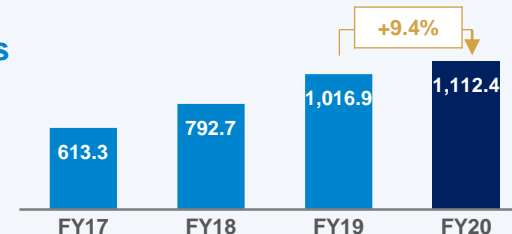
## Wealth Management

(Operating Income)  
(KRW bn)



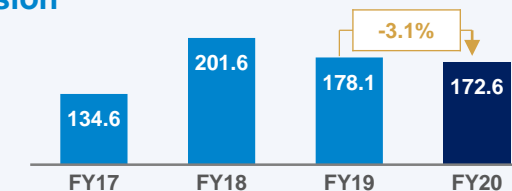
## Global Business

(Operating Income)  
(KRW bn)



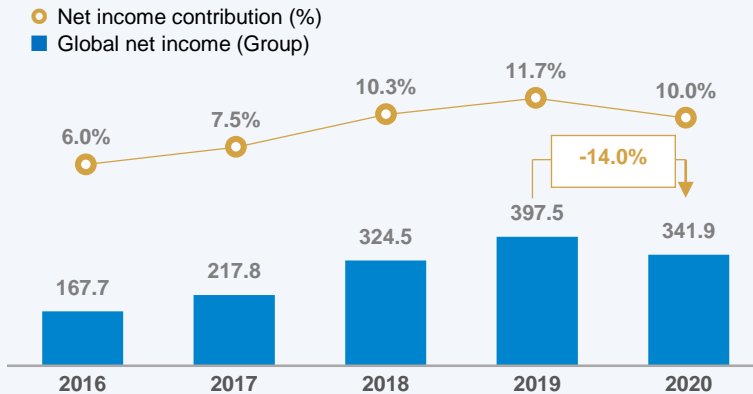
## Retirement Pension

(Operating Income)  
(KRW bn)



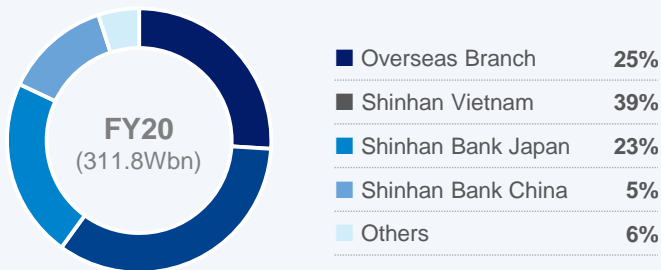
NOTE The above financial figures are based on managerial accounting

## Net Income contribution from Overseas Business (KRW bn)

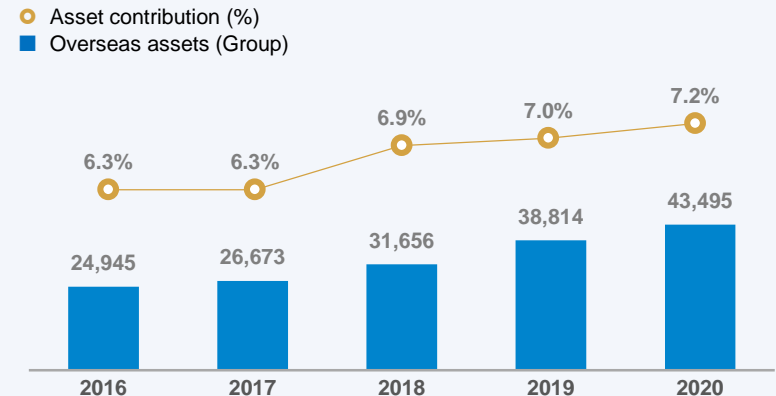


NOTE KRW converted from average F/X rate of the respective periods

## SHB Overseas Business – Profit Composition



## Asset Contribution from Overseas Business (KRW bn)



NOTE KRW converted from F/X rates at the end of the respective periods

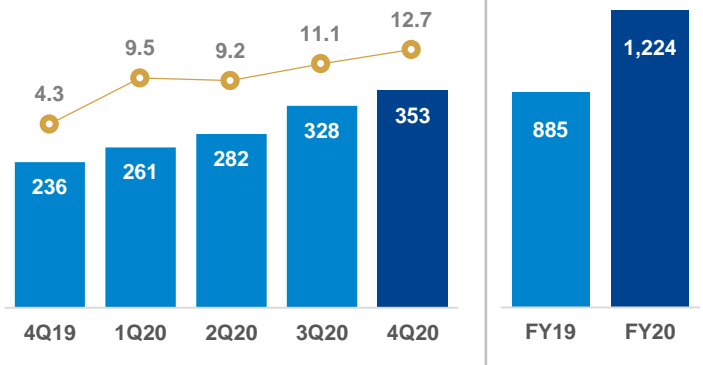
## HIGHLIGHTS

- Net income from overseas for FY20 is 341.9Wbn, down by 14.0% YoY  
 - Operating income before expenses for SFG's overseas business increased 9.4% YoY
- Executing a customized growth strategy fit for each country to diversify the earnings base for both interest and non-interest income
- In response to prolonged COVID19, proactive risk monitoring on a country-by-country basis set in place
- Reinforcing digital-based global business capabilities and continuing to promote partnerships with 3<sup>rd</sup>-party digital platforms

## Digital Revenue Creation

### Operating Income before Expenses via Digital Channels (Unit: KRW bn)

○ DT Contribution(%)



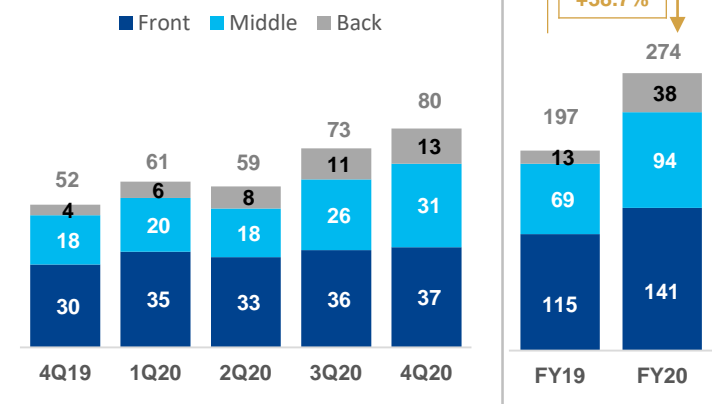
### Operating Income before Expenses via Digital Channels (by Subsidiaries)

(Unit: KRW bn)	2019					2020	YoY (%)
		1Q	2Q	3Q	4Q		
Operating Income before Expenses	885	261	282	328	353	1,224	+38.3%
SHB	284	80	79	84	91	335	+17.8%
SHC	460	126	124	145	169	565	+22.6%
SHIC	113	46	69	89	86	291	+157.4%
Life Insurance	27	8	9	9	8	28	+3.3%

NOTE 1 Front: Financial services offered via digital means, etc.,  
Middle: Paperless branches, etc., Back: RPA (Robotic Process Automation)

## Digital Cost Efficiency

### Costs Saved via DT<sup>1</sup>



## HIGHLIGHTS

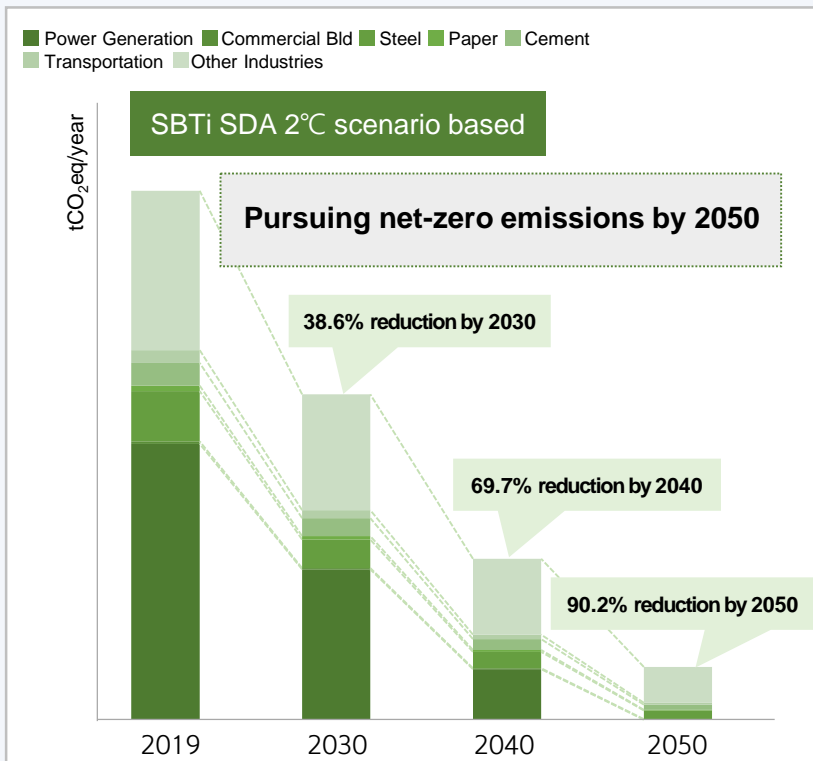
- **[Shinhan Bank]**  
SoL app users: 12.5mil. (+0.3mil QoQ), MAU: 7.0mil.  
Open banking service: 2.9mil. users,  
3.24Wtn net cash inflow<sup>2</sup>
- **[Shinhan Card]**  
Shinhan Pay<sup>FAN</sup> app users: 12.8mil., MAU: 5.1mil.
- 13 innovative finance services in testing under regulatory sandbox programs
- Both Shinhan Bank and Shinhan Card acquired MyData business license

NOTE 2 Accumulated figure since the launch of Open Banking services in OCT 2019.  
(Net cash inflow for FY20 is 3.01Wtn)

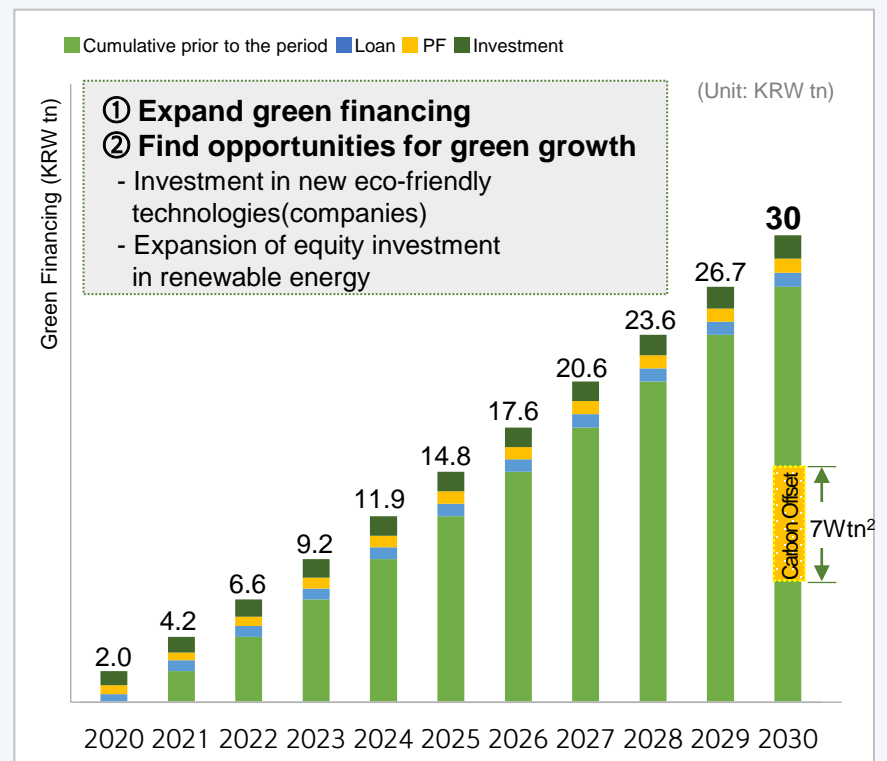
## Zero Carbon Drive - SFG's new climate initiative

- Reduce 38.6% reduction in carbon emissions of the Group's asset portfolio by year 2030 (net-zero emissions by 2050)
- Provide 30Wtn in green financings by 2030 (with more focus in new and renewable energy)

### Carbon Emission Reduction Target<sup>1</sup>



### Green Financing(Carbon Offset) Target



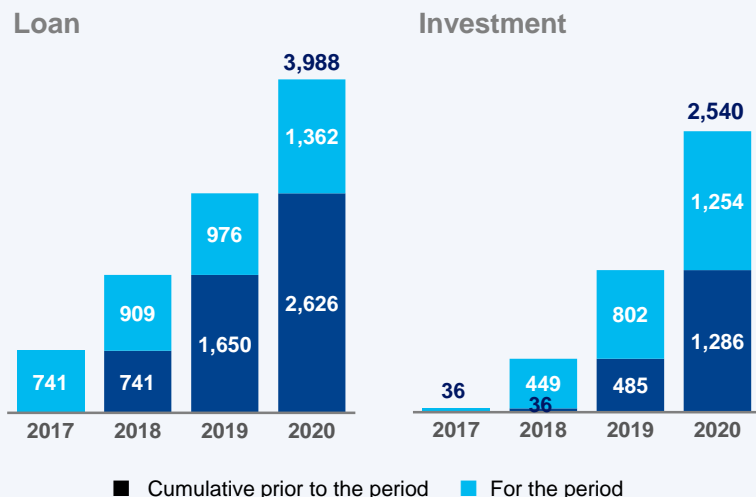
NOTE 1 Carbon emission reduction target for SFG's asset portfolio

NOTE 2 The carbon offset target is the proportion of renewable energy PFs on solar/wind power, and the estimated amount of CO<sub>2</sub> reduction levels are based on levels that can be achieved without any reduction efforts



## Green Finance

(Unit: KRW bn)



- SFG's Green Financing in FY20 amounts to 2,616Wbn  
- 1,362Wbn in loans, 1,254Wbn in investments

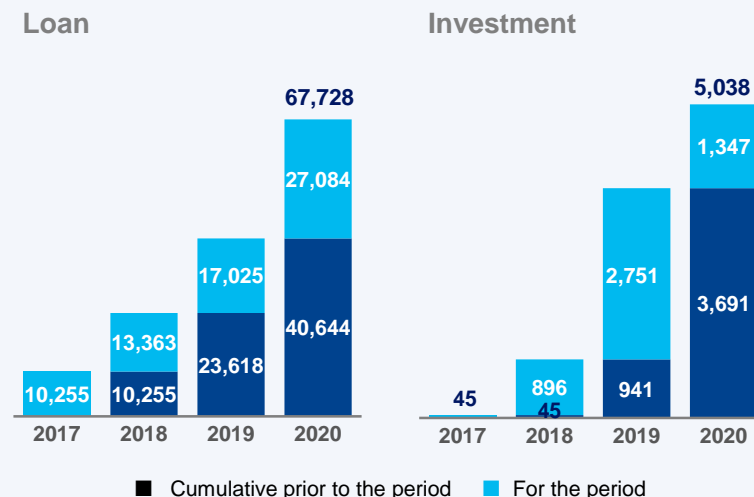
### FY20 Highlights

- Newly committed 805.7Wbn in Green PF
- SHB extended 226.7Wbn green loans in FY20 through its 14 different eco-friendly loan products
- SHC Eco-Card marked 247.4Wbn in card usage
- 782.2Wbn in sales of renewable energy related funds



## Inclusive Finance

(Unit: KRW bn)



- Inclusive/Innovative Financing in FY20 amounts to 28,430Wbn  
- 27,084Wbn in loans, 1,347Wbn in investments

### FY20 Highlights

- Technology finance: 19.9Wtn
- Job creation & innovative growth (guarantee-backed) loan: 2.9Wtn
- Intellectual property-backed loan: 335.1Wbn
- Loans secured by movable assets 154.1Wbn
- Retail loan for the underfinanced: 1.6Wtn<sup>1</sup>







NOTE 1 Sum of Shinhan New Hope Spore Loan, Sunshine Loan, Mid-interest rate loan for the working class, etc.

## II. Supplements





# SFG Income by Subsidiaries

(KRW bn)		Net Profit (before reflecting ownership)					Ownership	
		FY20	FY19	YoY %	4Q20	3Q20		QoQ %
Bank		2,095.3	2,357.1	-11.1%	314.5	628.2	-49.9%	
Shinhan Bank		2,077.8	2,329.2	-10.8%	312.7	624.4	-49.9%	100.0%
Jeju Bank		17.5	27.9	-37.3%	1.7	3.8	-54.8%	75.3%
Non-bank		1,501.1	1,337.6	12.2%	233.8	539.3	-56.6%	
<div>Consumer Finance</div> <div></div>	Shinhan Card	606.5	508.8	19.2%	136.3	167.6	-18.7%	100.0%
	Shinhan Capital	160.6	126.0	27.4%	25.6	50.2	-49.0%	100.0%
	Shinhan Savings Bank	27.0	23.1	16.6%	3.9	8.2	-52.1%	100.0%
<div>Insurance</div> <div></div>	Shinhan Life Insurance	177.8	123.9	43.6%	6.6	79.7	-91.8%	100.0%
	Orange Life Insurance	279.3	271.5	2.9%	66.0	75.8	-13.0%	100.0%
<div>Capital Markets</div> <div></div>	Shinhan Investment Corp	154.8	220.9	-29.9%	-29.8	127.5	n.a.	100.0%
	Shinhan Asset Management <sup>1</sup>	26.7	23.1	15.5%	7.8	7.5	4.1%	65.0%
	Shinhan Alternative Investment	3.4	2.1	60.1%	-1.1	2.2	n.a.	100.0%
	Shinhan REITs Management	3.8	7.4	-49.2%	1.1	3.9	-70.7%	100.0%
	Asia Trust	45.8	18.1	153.0%	15.4	11.1	38.7%	60.0%
	Shinhan AI <sup>2</sup>	0.3	-0.7	n.a.	0.1	0.1	4.5%	100.0%
	Shinhan Venture Investment <sup>3</sup>	-1.1	-	n.a.	-1.1	-	n.a.	100.0%
<div>Others</div> <div></div>	Shinhan DS	1.9	2.1	-10.2%	1.1	1.5	-23.8%	100.0%
	Shinhan AITAS	13.0	10.8	20.3%	1.8	3.6	-49.2%	99.8%
	Shinhan Credit Information	1.5	0.5	194.3%	0.0	0.4	-96.5%	100.0%

NOTE 1 Shinhan BNP Paribas Asset Management was renamed to Shinhan Asset Management on JAN 15, 2021

NOTE 2 Shinhan AI was newly established in SEPT 2019

NOTE 3 Neoplux was newly acquired on SEPT 29, 2020; and was renamed to Shinhan Venture Investment on JAN 11, 2021

# Shinhan Bank Income (1)

(KRW bn)	FY20	FY19	YoY %	4Q20	3Q20	QoQ %
<b>Operating Income (a=b+c)</b>	<b>6,796.8</b>	<b>6,757.0</b>	<b>0.6%</b>	<b>1,685.9</b>	<b>1,695.1</b>	<b>-0.5%</b>
Interest Income (b)	5,927.6	5,871.7	1.0%	1,498.6	1,478.4	1.4%
Non-interest Income (c)	869.3	885.3	-1.8%	187.3	216.7	-13.6%
G&A Expenses (d)	3,202.9	3,142.4	1.9%	943.8	747.7	26.2%
Pre-Provision Operating Income (e=a-d)	3,593.9	3,614.6	-0.6%	742.2	947.4	-21.7%
Non-operating Income (f)	-130.2	-186.4	n.a.	-151.5	12.0	n.a.
<b>Pre-Provision Income (g=e+f)</b>	<b>3,463.7</b>	<b>3,428.2</b>	<b>1.0%</b>	<b>590.7</b>	<b>959.4</b>	<b>-38.4%</b>
Provision for Credit Losses (h)	680.2	351.3	93.6%	168.6	127.8	31.9%
Earnings Before Income Tax (i=g-h)	2,783.4	3,076.9	-9.5%	422.1	831.7	-49.2%
Income Tax	705.2	747.6	-5.7%	109.2	207.2	-47.3%
<b>Net Profit<sup>1</sup></b>	<b>2,077.8</b>	<b>2,329.2</b>	<b>-10.8%</b>	<b>312.7</b>	<b>624.4</b>	<b>-49.9%</b>

NOTE 1 Net income in controlling interest

(%)	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20
<b>NIS (a-b, for the quarter)</b>	<b>1.87</b>	<b>1.89</b>	<b>1.89</b>	<b>1.86</b>	<b>1.86</b>	<b>1.86</b>	<b>1.81</b>	<b>1.74</b>	<b>1.69</b>	<b>1.68</b>	<b>1.62</b>	<b>1.60</b>
Loan Interest Rate (a)	3.19	3.27	3.32	3.35	3.38	3.37	3.27	3.12	3.00	2.84	2.63	2.51
Deposit Interest Rate (b)	1.32	1.38	1.43	1.49	1.52	1.51	1.46	1.38	1.30	1.16	1.01	0.91
<b>NIM (for the quarter)</b>	<b>1.61</b>	<b>1.63</b>	<b>1.62</b>	<b>1.61</b>	<b>1.61</b>	<b>1.58</b>	<b>1.53</b>	<b>1.46</b>	<b>1.41</b>	<b>1.39</b>	<b>1.36</b>	<b>1.34</b>
<b>NIM (cumulative figures)</b>	<b>1.61</b>	<b>1.62</b>	<b>1.62</b>	<b>1.62</b>	<b>1.61</b>	<b>1.59</b>	<b>1.57</b>	<b>1.54</b>	<b>1.41</b>	<b>1.40</b>	<b>1.38</b>	<b>1.37</b>



# Shinhan Bank Income (2)

(KRW bn)	FY20	FY19	YoY %	4Q20	3Q20	QoQ %
<b>Non-interest Income (a+b+c)</b>	<b>869.3</b>	<b>885.3</b>	<b>-1.8%</b>	<b>187.3</b>	<b>216.7</b>	<b>-13.6%</b>
<b>Fee &amp; Commission (a)</b>	<b>987.0</b>	<b>1,117.3</b>	<b>-11.7%</b>	<b>254.9</b>	<b>236.8</b>	<b>7.7%</b>
Fund Fees	88.5	109.3	-19.0%	22.3	23.0	-3.0%
Bancassurance Fees	45.1	56.8	-20.5%	10.0	10.3	-2.7%
F/X Fees	142.3	148.5	-4.2%	43.2	33.6	28.4%
Trust Fees	174.1	246.1	-29.2%	49.1	41.3	18.7%
Electronic Transaction Fees	143.2	151.2	-5.3%	37.2	35.2	5.6%
Investment banking	92.3	107.4	-14.0%	31.7	23.9	32.5%
Others	301.4	298.0	1.1%	61.4	69.4	-11.5%
<b>Securities Related &amp; F/X Trading, Derivatives (b)</b>	<b>783.8</b>	<b>673.9</b>	<b>16.3%</b>	<b>174.3</b>	<b>236.8</b>	<b>-26.4%</b>
<b>Others<sup>1</sup> (c)</b>	<b>-901.5</b>	<b>-905.9</b>	<b>n.a.</b>	<b>-241.9</b>	<b>-256.9</b>	<b>n.a.</b>
<b>G&amp;A Expenses Details</b>						
<b>G&amp;A Details</b>	<b>3,202.9</b>	<b>3,142.4</b>	<b>1.9%</b>	<b>943.8</b>	<b>747.7</b>	<b>26.2%</b>
<b>Salary &amp; Employee Benefits</b>	<b>1,946.3</b>	<b>1,882.5</b>	<b>3.4%</b>	<b>575.9</b>	<b>455.7</b>	<b>26.4%</b>
(Early Retirement Program Expenses)	77.7	93.7	-17.1%	76.6	0.2	n.m.
<b>D&amp;A</b>	<b>411.0</b>	<b>403.9</b>	<b>1.8%</b>	<b>99.5</b>	<b>101.2</b>	<b>-1.7%</b>
<b>Other Expenses</b>	<b>845.6</b>	<b>856.1</b>	<b>-1.2%</b>	<b>268.4</b>	<b>190.8</b>	<b>40.7%</b>
(Advertising)	80.8	81.2	-0.5%	39.8	13.6	193.4%
(Taxes and Dues)	96.3	100.6	-4.3%	19.5	18.2	6.9%
<b>Cost to Income Ratio (YTD)</b>	<b>47.1%</b>	<b>46.5%</b>	<b>0.6%p</b>	<b>56.0%</b>	<b>44.1%</b>	<b>11.9%p</b>

NOTE 1 Including Deposit Insurance Premium, Contribution Expenses etc.

# Shinhan Card Income

(KRW bn)	FY20	FY19	YoY %	4Q20	3Q20	QoQ %
<b>Operating Revenue (a)</b>	<b>4,102.3</b>	<b>3,894.6</b>	<b>5.3%</b>	<b>1,138.8</b>	<b>917.5</b>	<b>24.1%</b>
Card business	3,039.2	2,953.5	2.9%	874.8	707.6	23.6%
Installment Finance	147.5	134.8	9.4%	39.2	37.1	5.7%
Lease	270.9	187.4	44.5%	73.0	70.0	4.3%
Others	644.8	619.0	4.2%	151.8	102.8	47.6%
<b>Interest Expense (b)</b>	<b>507.5</b>	<b>499.5</b>	<b>1.6%</b>	<b>126.2</b>	<b>123.3</b>	<b>2.4%</b>
<b>G&amp;A Expenses (c)</b>	<b>650.6</b>	<b>702.2</b>	<b>-7.4%</b>	<b>157.3</b>	<b>169.1</b>	<b>-6.9%</b>
<b>Commissions &amp; Other Expenses (d)</b>	<b>1,638.7</b>	<b>1,445.5</b>	<b>13.4%</b>	<b>536.4</b>	<b>308.3</b>	<b>74.0%</b>
<b>Pre-Provision Income (e=a-b-c-d)</b>	<b>1,304.6</b>	<b>1,239.0</b>	<b>5.3%</b>	<b>318.9</b>	<b>315.8</b>	<b>1.0%</b>
Provision for credit losses (f)	483.4	562.2	-14.0%	127.3	90.7	40.4%
Earnings Before Income Tax (g=e-f)	821.2	676.8	21.3%	191.6	225.2	-14.9%
Income Tax	214.7	167.7	28.0%	54.5	57.6	-5.4%
<b>Net Income<sup>1</sup></b>	<b>606.5</b>	<b>508.8</b>	<b>19.2%</b>	<b>136.3</b>	<b>167.6</b>	<b>-18.7%</b>
Merchant Fee Rates <sup>2</sup>	1.37%	1.42%	-0.05%p	1.37%	1.36%	0.01%p
Credit Card Merchant Fee Rate	1.49%	1.52%	-0.03%p	1.49%	1.49%	-
Delinquency ratio (One Month)	1.04%	1.26%	-0.22%p	1.04%	1.24%	-0.20%p
2 months delinquency migration ratio <sup>3</sup>	0.26%	0.31%	-0.05%p	0.26%	0.27%	-0.01%p

NOTE 1 Net income in controlling interest

NOTE 2 Including merchant fee rates for credit cards, check cards, prepaid cards, and others

NOTE 3 (2 months overdue assets outstanding as of the end of base month) / (normal assets outstanding as of the end of (base month-2 months))

NOTE 4 3Q20, 4Q20 figures for Merchant Fee Rates, Delinquency ratio, and migration ratio are YTD figures

# Life Insurance Income (Shinhan Life)

(KRW bn)	FY20	FY19	YoY %	4Q20	3Q20	QoQ %
Premium Income	4,085.2	4,299.3	-5.0%	999.3	1,021.4	-2.2%
<b>Net Profit</b>	<b>177.8</b>	<b>123.9</b>	<b>43.6%</b>	<b>6.6</b>	<b>79.7</b>	<b>-91.8%</b>
<b>APE</b>	<b>401.9</b>	<b>401.5</b>	<b>0.1%</b>	<b>91.9</b>	<b>92.6</b>	<b>-0.8%</b>
Protection	395.3	389.7	1.5%	90.6	91.4	-0.9%
Savings, Annuities	6.6	11.9	-44.6%	1.3	1.3	5.0%
<b>Investment Assets</b>	<b>31,204.0</b>	<b>29,585.7</b>	<b>5.5%</b>	<b>31,204.0</b>	<b>30,637.7</b>	<b>1.8%</b>
Cash and Cash equivalents	1,040.6	490.1	112.3%	1,040.6	738.1	41.0%
Bond	16,209.1	14,787.0	9.6%	16,209.1	15,728.4	3.1%
Loans	6,575.0	6,203.0	6.0%	6,575.0	6,346.5	3.6%
Equities	151.8	109.0	39.3%	151.8	146.5	3.7%
Others	7,227.5	7,996.6	-9.6%	7,227.5	7,678.2	-5.9%
<b>Key Indicators</b>						
# of Financial Consultants	7,494	7,172	4.5%	7,494	7,423	1.0%
Loss Ratio <sup>1</sup>	91.3%	92.9%	-1.6%p	93.2%	87.9%	5.3%p
Expense Ratio	8.6%	9.3%	-0.7%p	5.6%	10.5%	-4.9%p
Investment Yield <sup>2</sup>	3.10%	3.21%	-0.12%p	3.10%	3.22%	-0.12%p

NOTE 1 Accumulated loss ratio on a rolling 12 month basis, quarterly loss ratio on a quarterly basis

NOTE 2 Yield on a 12-month rolling basis, under IFRS9

# Life Insurance Income (Orange Life)

(KRW bn)	FY20	FY19	YoY %	4Q20	3Q20	QoQ %
Premium Income	3,854.7	4,079.1	-5.5%	913.1	1,091.2	-16.3%
<b>Net Profit</b>	<b>279.3</b>	<b>271.5</b>	<b>2.9%</b>	<b>66.0</b>	<b>75.8</b>	<b>-13.0%</b>
<b>APE</b>	<b>519.6</b>	<b>584.5</b>	<b>-11.1%</b>	<b>112.6</b>	<b>172.8</b>	<b>-34.9%</b>
Protection	309.0	354.1	-12.7%	80.9	82.7	-2.1%
Savings, Annuities	210.6	230.4	-8.6%	31.6	90.2	-64.9%
<b>Investment Assets</b>	<b>27,011.1</b>	<b>26,243.5</b>	<b>2.9%</b>	<b>27,011.1</b>	<b>26,988.2</b>	<b>0.1%</b>
Cash and Cash equivalents	661.1	472.3	40.0%	661.1	534.4	23.7%
Bond	21,875.7	21,315.8	2.6%	21,875.7	21,893.6	-0.1%
Loans	2,446.0	2,355.3	3.9%	2,446.0	2,254.7	8.5%
Equities	22.2	124.9	-82.2%	22.2	152.3	-85.4%
Others	2,006.1	1,975.3	1.6%	2,006.1	2,153.2	-6.8%
<b>Key Indicators</b>						
# of Financial Consultants	5,305	4,983	6.5%	5,305	5,084	4.3%
Loss Ratio <sup>1</sup>	75.8%	76.4%	-0.6%p	73.4%	73.5%	-0.1%p
Expense Ratio	8.8%	9.6%	-0.8%p	8.3%	8.4%	-0.1%p
Investment Yield <sup>2</sup>	3.41%	3.56%	-0.15%p	3.41%	3.49%	-0.08%p

NOTE 1 Accumulated loss ratio on a rolling 12 month basis, quarterly loss ratio on a quarterly basis

NOTE 2 Yield on a 12-month rolling basis, under IFRS9







# Shinhan Investment Corp. Income

(KRW bn)	FY20	FY19	YoY %	4Q20	3Q20	QoQ %
<b>Operating Revenue</b>	<b>1,220.0</b>	<b>882.9</b>	<b>38.2%</b>	<b>364.1</b>	<b>362.2</b>	<b>0.5%</b>
Fee & Commission	740.6	508.8	45.6%	203.7	215.1	-5.3%
Brokerage fees	459.5	200.3	129.3%	118.2	142.9	-17.3%
Financial Product fees	87.0	126.7	-31.4%	20.4	22.9	-10.6%
Investment Banking	158.6	117.7	34.7%	60.1	41.4	45.1%
Others	35.5	63.9	-44.4%	5.0	7.9	-37.0%
Proprietary Trading	574.3	476.0	20.6%	179.1	127.0	41.0%
Others	-94.9	-102.0	n.a.	-18.8	20.1	n.a.
<b>Operating Expenses</b>	<b>840.3</b>	<b>643.4</b>	<b>30.6%</b>	<b>192.9</b>	<b>209.6</b>	<b>-8.0%</b>
G&A Expenses	592.4	521.6	13.6%	163.2	151.5	7.7%
Commission Expenses	142.1	123.2	15.3%	32.6	36.7	-11.2%
Provisioning for Credit Losses	105.8	-1.3	n.a.	-2.9	21.4	n.a.
<b>Operating Income</b>	<b>379.8</b>	<b>239.4</b>	<b>58.6%</b>	<b>171.2</b>	<b>152.5</b>	<b>12.2%</b>
<b>Net Income</b>	<b>154.8</b>	<b>220.9</b>	<b>-29.9%</b>	<b>-29.8</b>	<b>127.5</b>	<b>n.a.</b>
<b>Financial Product</b> (at the end of period <sup>1</sup> , KRW trn)	<b>100.1</b>	<b>102.2</b>	<b>-2.1%</b>	<b>100.1</b>	<b>104.0</b>	<b>-3.8%</b>
Funds (Beneficiary Certificates)	48.7	46.3	5.3%	48.7	49.3	-1.1%
Trust Account	25.0	33.2	-24.7%	25.0	28.8	-13.1%
ELS	2.8	3.1	-8.7%	2.8	3.2	-11.1%
Others (WRAP + RP + Micro Debentures)	23.5	19.6	19.8%	23.5	22.8	3.1%

NOTE 1 Includes retail and institutional clients

# SFG Subsidiaries Asset

(KRW bn)		2020.12	2019.12	YTD %	2020.09	QoQ %	2020.12 Weight %
<b>Bank</b>		<b>523,700.1</b>	<b>483,644.9</b>	<b>8.3%</b>	<b>512,097.6</b>	<b>2.3%</b>	<b>62.8%</b>
Shinhan Bank		517,111.1	477,289.6	8.3%	505,487.8	2.3%	62.1%
Jeju Bank		6,589.0	6,355.3	3.7%	6,609.8	-0.3%	0.7%
<b>Non-Bank</b>		<b>309,638.6</b>	<b>278,401.9</b>	<b>11.2%</b>	<b>308,093.3</b>	<b>0.4%</b>	<b>37.2%</b>
 <b>Consumer Finance</b>	Shinhan Card	34,885.2	32,917.9	6.0%	34,484.4	1.2%	4.2%
	Shinhan Capital	8,901.3	7,566.4	17.6%	9,516.8	-6.5%	1.1%
	Shinhan Savings Bank	1,842.2	1,602.9	14.9%	1,720.8	7.1%	0.2%
 <b>Insurance</b>	Shinhan Life Insurance	36,777.5	34,133.6	7.7%	35,647.0	3.2%	4.4%
	Orange Life Insurance	33,813.6	32,841.4	3.0%	33,434.8	1.1%	4.1%
 <b>Capital Markets</b>	Shinhan Investment Corp	71,874.1	73,589.7	-2.3%	76,937.4	-6.6%	8.6%
	Shinhan Asset Management <sup>2</sup>	58,869.2	50,466.9	16.6%	57,596.5	2.2%	7.1%
	Shinhan Alternative Investment	5,499.5	4,114.3	33.7%	5,265.7	4.4%	0.7%
	Shinhan REITs Management	2,270.8	1,071.6	111.9%	1,876.5	21.0%	0.3%
	Asia Trust	49,717.1	36,560.7	36.0%	47,985.7	3.6%	6.0%
	Shinhan AI	42.9	42.4	1.2%	42.4	1.1%	0.0%
	Shinhan Venture Investment <sup>3</sup>	527.3	-	n.a	537.1	-1.8%	0.1%
 <b>Others</b>	Shinhan DS	95.1	89.1	6.7%	96.2	-1.1%	0.0%
	Shinhan AITAS	87.4	77.1	13.4%	83.9	4.1%	0.0%
	Shinhan Credit Information	27.8	25.3	9.9%	28.2	-1.3%	0.0%
	Others	4,407.4	3,302.6	33.5%	3,303.0	33.4%	0.5%

NOTE 1 Trust A/C of Shinhan, Jeju Bank, Shinhan Investment Corp., Asia Trust and AUM(including ordinary discretionary assets) of Shinhan Asset Management, Shinhan Alternative Investment, Shinhan REITs are included and period end balances

NOTE 1 Shinhan BNP Paribas Asset Management was renamed to Shinhan Asset Management on JAN 15, 2021

NOTE 3 Neoplux was newly acquired on SEPT 29, 2020; and was renamed to Shinhan Venture Investment on JAN 11, 2021

# Shinhan Bank Loans & Deposit

(KRW bn)	2020.12	2019.12	YTD %	2020.09	QoQ %	2020.12 Weight %
<b>Loans in KRW</b>	<b>248,808</b>	<b>225,002</b>	<b>10.6%</b>	<b>242,284</b>	<b>2.9%</b>	<b>100.0%</b>
<b>Retail</b>	<b>126,262</b>	<b>115,875</b>	<b>9.0%</b>	<b>120,984</b>	<b>4.6%</b>	<b>50.7%</b>
Mortgage	53,355	54,605	-2.3%	52,353	1.8%	21.4%
Others <sup>1</sup>	72,907	61,270	19.0%	68,631	7.0%	29.3%
<b>Corporate</b>	<b>122,546</b>	<b>109,127</b>	<b>12.3%</b>	<b>121,300</b>	<b>1.1%</b>	<b>49.3%</b>
SME	103,974	91,162	14.1%	101,558	2.6%	41.8%
SOHO	54,387	46,785	16.3%	52,680	3.6%	21.9%
Large Corporate etc.	18,572	17,965	3.4%	19,741	-6.5%	7.5%
Loans in FX	13,320	10,779	23.6%	13,322	-0.0%	
<b>Total Deposits</b>	<b>260,212</b>	<b>232,997</b>	<b>11.7%</b>	<b>251,704</b>	<b>3.7%</b>	<b>100.0%</b>
<b>Low cost Deposits</b>	<b>131,223</b>	<b>101,700</b>	<b>29.0%</b>	<b>124,221</b>	<b>6.9%</b>	<b>50.4%</b>
Demand	40,743	30,455	33.8%	39,747	3.3%	15.7%
Savings	90,481	71,245	27.0%	84,474	8.4%	34.8%
<b>Time Savings</b>	<b>128,989</b>	<b>131,297</b>	<b>-1.8%</b>	<b>127,482</b>	<b>1.1%</b>	<b>49.6%</b>
Time Deposits	120,018	122,073	-1.7%	118,489	1.3%	46.1%
Accumulative etc.	8,971	9,225	-2.7%	8,993	-0.2%	3.4%
Certificate of Deposits	4,870	8,602	-43.4%	6,249	-16.0%	
Debentures in KRW	25,507	28,813	-11.5%	23,500	7.0%	
<b>Loan to Deposit Ratio<sup>2</sup></b>	<b>98.2%</b>	<b>95.4%</b>	<b>2.8%p</b>	<b>98.0%</b>	<b>0.2%p</b>	

NOTE 1 Includes Jeonse loans, Secured loans and Unsecured loans, and etc.

NOTE 2 Based on monthly average balance, Excluding CD

# Shinhan Bank Loans (Retail, Large Corporates)

(KRW bn)	2020.12	Weight %	2019.12	YTD %	2020.09	QoQ %	Delinquency				
							2019.12	2020.03	2020.06	2020.09	2020.12
<b>Mortgage Loans</b>	<b>53,355</b>	42.3%	<b>54,605</b>	-2.3%	<b>52,353</b>	1.9%	<b>0.13%</b>	<b>0.14%</b>	<b>0.14%</b>	<b>0.12%</b>	<b>0.10%</b>
<b>Personal Loans</b>	<b>72,907</b>	57.7%	<b>61,270</b>	19.0%	<b>68,631</b>	6.2%	<b>0.43%</b>	<b>0.52%</b>	<b>0.56%</b>	<b>0.44%</b>	<b>0.41%</b>
High credit unsecured	29,739	23.6%	23,167	28.4%	28,023	6.1%					
Secured (Deposits, etc.)	8,583	6.8%	8,660	-0.9%	8,357	2.7%					
Jeonse Loans	24,766	19.6%	19,393	27.7%	23,141	7.0%					
Others <sup>1</sup>	9,819	7.8%	10,049	-2.3%	9,109	7.8%					
<b>Retail Loan Total</b>	<b>126,262</b>	<b>100.0%</b>	<b>115,875</b>	9.0%	<b>120,984</b>	4.4%	<b>0.23%</b>	<b>0.26%</b>	<b>0.28%</b>	<b>0.23%</b>	<b>0.21%</b>
Mortgage loan LTV (%)	45.6%		49.6%	-4.0%p	46.4%	-0.8%p	49.6%	48.5%	47.8%	46.4%	45.6%

NOTE 1 Secured and Unsecured loans, and etc,

NOTE 2 Proportion of collateralized loan as of DEC 2020 is 71% (Real estate 41%, Guarantee 28%), unsecured loan 29%

(KRW bn)	2020.12	Weight %	2019.12	YTD %	2020.09	QoQ %	Delinquency				
							2019.12	2020.03	2020.06	2020.09	2020.12
<b>Large Corporates Loans<sup>3</sup></b>	<b>14,262</b>	<b>100.0%</b>	<b>14,027</b>	<b>1.7%</b>	<b>15,413</b>	<b>-7.5%</b>	<b>0.16%</b>	<b>0.14%</b>	<b>0.06%</b>	<b>0.15%</b>	<b>0.11%</b>
Manufacturing	5,924	41.5%	5,666	4.6%	6,636	-10.7%	0.39%	0.32%	0.06%	0.35%	0.17%
Oil Refinery, Chemical	896	6.3%	959	-6.5%	1,124	-20.2%	2.24%	1.35%	0.27%	0.29%	0.36%
Metal Production	255	1.8%	214	18.9%	267	-4.5%	-	-	-	-	-
Auto	1,279	9.0%	1,161	10.2%	1,321	-3.2%	-	-	-	1.49%	0.54%
Financials and Insurance	2,988	21.0%	2,919	2.4%	3,161	-5.5%	-	-	-	-	-
Construction	380	2.7%	659	-42.3%	474	-19.8%	-	-	-	-	-
Real Estate & Renting	361	2.5%	353	2.1%	342	5.3%	-	-	-	-	-
Wholesalers & Retailers	1,770	12.4%	1,927	-8.1%	1,951	-9.3%	-	-	-	-	-
Hotel & Restaurants	378	2.7%	337	12.1%	419	-9.7%	-	-	-	-	-

NOTE 3 Large Corporates exclude government agencies and others, and total Large Corporate Loans include unused credit lines and others  
The sum of the sub-sector loans does not equal the Large Corporates Loans as only the major sub-sectors are shown in the table

# Shinhan Bank SME Loans

(KRW bn)	2020.12	Weight %	2019.12	YTD %	2020.09	QoQ %	Delinquency				
							2019.12	2020.03	2020.06	2020.09	2020.12
<b>SME Total</b>	<b>103,995</b>	<b>100.0%</b>	<b>91,185</b>	<b>14.0%</b>	<b>101,580</b>	<b>2.4%</b>	<b>0.33%</b>	<b>0.41%</b>	<b>0.39%</b>	<b>0.32%</b>	<b>0.30%</b>
SOHO	54,387	52.3%	46,785	16.3%	52,680	3.2%	0.20%	0.22%	0.22%	0.18%	0.15%
Audited SME	17,097	16.4%	15,543	10.0%	17,287	-1.1%	0.18%	0.22%	0.37%	0.19%	0.21%
Unaudited SME	32,510	31.3%	28,856	12.7%	31,612	2.8%	0.59%	0.80%	0.66%	0.60%	0.58%
<b>By Sectors</b>											
<b>SME Total</b>	<b>103,995</b>	<b>100.0%</b>	<b>91,185</b>	<b>14.0%</b>	<b>101,580</b>	<b>2.4%</b>	<b>0.33%</b>	<b>0.41%</b>	<b>0.39%</b>	<b>0.32%</b>	<b>0.30%</b>
Manufacturing	29,650	28.5%	26,872	10.3%	29,295	1.2%	0.59%	0.73%	0.61%	0.52%	0.54%
Construction	2,281	2.2%	2,025	12.6%	2,305	-1.0%	0.63%	0.76%	0.64%	0.31%	0.39%
Real Estate & Renting	28,272	27.2%	25,251	12.0%	27,725	2.0%	0.08%	0.09%	0.08%	0.08%	0.05%
Wholesalers & Retailers	17,121	16.5%	14,550	17.7%	16,502	3.7%	0.29%	0.41%	0.36%	0.32%	0.32%
Accommodations & Restaurants	7,490	7.2%	6,323	18.5%	7,253	3.3%	0.25%	0.25%	0.67%	0.20%	0.17%
Others	19,181	18.4%	16,163	18.7%	18,499	3.7%					
<b>SOHO</b>	<b>54,387</b>	<b>100.0%</b>	<b>46,785</b>	<b>16.3%</b>	<b>52,680</b>	<b>3.2%</b>	<b>0.20%</b>	<b>0.22%</b>	<b>0.22%</b>	<b>0.18%</b>	<b>0.15%</b>
Manufacturing	6,628	12.2%	6,086	8.9%	6,504	1.9%	0.42%	0.49%	0.42%	0.40%	0.38%
Construction	603	1.1%	473	27.5%	583	3.5%	0.51%	0.46%	0.43%	0.29%	0.25%
Real Estate & Renting	22,832	42.0%	20,527	11.2%	22,428	1.8%	0.07%	0.09%	0.08%	0.09%	0.05%
Wholesalers & Retailers	8,764	16.1%	7,268	20.6%	8,368	4.7%	0.28%	0.34%	0.36%	0.24%	0.22%
Accommodations & Restaurants	6,362	11.7%	5,181	22.8%	6,107	4.2%	0.29%	0.27%	0.36%	0.21%	0.18%
Others	9,199	16.9%	7,251	26.9%	8,690	5.9%					

\* Proportion of Collateralized SME loans as of DEC 2020: 77% (Real Estate 59%, Guarantee 15%, Deposits and others 4%)

\* Proportion of Collateralized SOHO loans as of DEC 2020: 84% (Real Estate 68%, Guarantee 13%, Deposits and others 3%)

# Shinhan Card Assets and Funding

(KRW bn)	2020.12	2019.12	YTD %	2020.09	QoQ %	FY20 Weight %
<b>Earning Assets</b>	<b>31,963.9</b>	<b>30,180.3</b>	<b>5.9%</b>	<b>30,631.6</b>	<b>4.3%</b>	<b>100.0%</b>
Credit Purchase	14,602.3	15,184.4	-3.8%	14,739.9	-0.9%	45.7%
Cash Advances	1,571.0	1,864.1	-15.7%	1,578.0	-0.4%	4.9%
Card Loan	7,371.7	6,760.9	9.0%	7,020.1	5.0%	23.1%
(Re-aged Loan)	307.1	269.2	14.1%	302.3	1.6%	1.0%
Installment Finance	3,591.5	3,211.8	11.8%	3,475.1	3.4%	11.2%
Lease etc.	4,827.3	3,159.1	52.8%	3,818.6	26.4%	15.1%
<b>Total Funding</b>	<b>24,011.4</b>	<b>21,670.2</b>	<b>10.8%</b>	<b>23,037.0</b>	<b>4.2%</b>	<b>100.0%</b>
Debentures	16,700.2	14,945.0	11.7%	15,945.0	4.7%	69.6%
ABS	2,936.0	3,357.0	-12.5%	3,078.6	-4.6%	12.2%
CP	2,340.0	1,850.0	26.5%	2,320.0	0.9%	9.7%
Others	2,035.2	1,518.1	34.1%	1,693.5	20.2%	8.5%

(KRW bn)	FY20	FY19	YoY %	4Q20	3Q20	QoQ %	FY20 Weight %
<b>Transaction Volume</b>	<b>186,734.7</b>	<b>185,591.1</b>	<b>0.6%</b>	<b>48,034.3</b>	<b>47,330.7</b>	<b>1.5%</b>	<b>100.0%</b>
Lump-sum	134,009.0	132,034.2	1.5%	33,963.0	34,081.4	-0.3%	71.8%
(Debit Card)	31,619.3	29,983.6	5.5%	7,585.9	7,760.7	-2.3%	16.9%
Installment Purchase	23,527.0	24,451.9	-3.8%	6,140.3	6,073.5	1.1%	12.6%
Cash Advance	13,073.2	14,622.0	-10.6%	3,230.4	3,173.7	1.8%	7.0%
Card Loan	10,977.3	9,714.8	13.0%	3,185.9	2,841.9	12.1%	5.9%
Others	5,148.2	4,768.2	8.0%	1,514.8	1,160.2	30.6%	2.8%



# Asset Quality

(KRW bn)		Total Loans <sup>1</sup>						Substandard & Below	NPL Ratio	Loan Loss Allowance	NPL Coverage Ratio
			Normal	Precautionary	Substandard	Doubtful	Estimated Loss				
<b>Group<sup>1</sup></b>	<b>2020.12</b>	<b>341,897</b>	<b>337,753</b>	<b>2,238</b>	<b>906</b>	<b>367</b>	<b>633</b>	<b>1,906</b>	<b>0.56%</b>	<b>2,833</b>	<b>149%</b>
	2019.12	312,243	308,565	2,040	621	404	613	1,638	0.52%	2,488	152%
	YTD %	9.5%	9.5%	9.7%	45.9%	-9.1%	3.2%	16.4%	0.03%p	13.9%	-3%p
	2020.09	334,412	330,142	2,458	728	502	582	1,812	0.54%	2,740	151%
	QoQ %	2.2%	2.3%	-8.9%	24.5%	-26.9%	8.7%	5.2%	0.02%p	3.4%	-3%p
<b>Bank</b>	<b>2020.12</b>	<b>279,487</b>	<b>277,541</b>	<b>936</b>	<b>531</b>	<b>203</b>	<b>277</b>	<b>1,010</b>	<b>0.36%</b>	<b>1,444</b>	<b>143%</b>
	2019.12	254,065	251,969	960	566	217	353	1,136	0.45%	1,317	116%
	YTD %	10.0%	10.1%	-2.5%	-6.1%	-6.8%	-21.6%	-11.1%	-0.09%p	9.7%	27%p
	2020.09	272,035	269,976	982	570	233	274	1,077	0.40%	1,422	132%
	QoQ %	2.7%	2.8%	-4.7%	-6.8%	-13.0%	0.8%	-6.2%	-0.03%p	1.6%	11%p
<b>Card</b>	<b>2020.12</b>	<b>32,812</b>	<b>31,551</b>	<b>911</b>	<b>-</b>	<b>133</b>	<b>216</b>	<b>349</b>	<b>1.06%</b>	<b>1,009</b>	<b>289%</b>
	2019.12	30,597	29,414	838	-	146	199	345	1.13%	961	278%
	YTD %	7.2%	7.3%	8.8%	n.a.	-9.0%	8.8%	1.2%	-0.06%p	5.0%	10%p
	2020.09	32,119	30,917	839	-	121	242	363	1.13%	988	272%
	QoQ %	2.2%	2.1%	8.6%	n.a.	10.2%	-10.6%	-3.7%	-0.06%p	2.3%	17%p

NOTE 1 Group Total Loans are sum of Shinhan Bank, Jeju Bank, Shinhan Card, Shinhan Investment Corp. Shinhan Life Insurance, Orange Life, Shinhan Capital, Shinhan Savings Bank and Asia Trust.

# Provisioning and Write-Offs

## Provision for Credit Losses and Credit Cost Ratio

(KRW bn)	FY20	1Q20	2Q20	3Q20	4Q20	FY19	1Q19	2Q19	3Q19	4Q19
<b>Shinhan Bank<sup>1</sup></b>	<b>592.4</b>	<b>96.8</b>	<b>239.3</b>	<b>118.1</b>	<b>138.1</b>	<b>284.3</b>	<b>75.9</b>	<b>135.0</b>	<b>64.4</b>	<b>9.0</b>
Retail	210.4	47.6	49.0	58.2	55.5	217.2	52.8	57.9	53.3	53.3
Corporate	382.0	49.2	190.3	59.9	82.6	67.0	23.1	77.1	11.2	-44.3
<b>Shinhan Card</b>	<b>483.4</b>	<b>161.8</b>	<b>103.7</b>	<b>90.7</b>	<b>127.3</b>	<b>562.2</b>	<b>157.4</b>	<b>129.0</b>	<b>141.1</b>	<b>134.6</b>
<b>Provision for Credit Loss Total</b>	<b>1,075.8</b>	<b>258.6</b>	<b>343.0</b>	<b>208.8</b>	<b>265.4</b>	<b>846.4</b>	<b>233.3</b>	<b>263.9</b>	<b>205.6</b>	<b>143.6</b>
<b>Credit Cost Ratio<sup>2</sup></b>										
Group	0.41%	0.35%	0.50%	0.42%	0.41%	0.30%	0.34%	0.35%	0.33%	0.30%
Bank	0.24%	0.16%	0.29%	0.25%	0.24%	0.14%	0.15%	0.19%	0.16%	0.14%
Card	1.47%	2.15%	1.70%	1.48%	1.47%	1.84%	2.28%	1.99%	1.91%	1.84%

NOTE 1 Shinhan Bank figures are on a separate basis, NOTE 2 Credit Cost Ratio based YTD basis

## Write-Offs and NPL Sales

(KRW bn)	FY20	1Q20	2Q20	3Q20	4Q20	FY19	1Q19	2Q19	3Q19	4Q19
<b>Shinhan Bank</b>	<b>788.1</b>	<b>134.6</b>	<b>186.1</b>	<b>277.7</b>	<b>189.7</b>	<b>860.6</b>	<b>197.9</b>	<b>197.7</b>	<b>151.7</b>	<b>313.2</b>
Write-Off	455.1	88.8	74.4	174.8	117.2	448.6	82.7	107.7	80.3	177.8
Retail	206.0	37.5	23.5	88.5	56.5	223.4	47.8	59.3	29.5	86.8
Corporate	249.1	51.4	50.9	86.2	60.7	225.2	34.9	48.4	50.8	91.0
Sale	333.0	45.8	111.8	102.9	72.6	411.9	115.2	89.9	71.4	135.4
Retail	68.7	19.1	16.7	14.7	18.2	92.4	21.9	19.8	20.5	30.2
Corporate	264.3	26.7	95.1	88.2	54.4	319.5	93.2	70.1	51.0	105.2
<b>Shinhan Card</b>	<b>595.4</b>	<b>147.6</b>	<b>163.1</b>	<b>136.2</b>	<b>148.4</b>	<b>636.4</b>	<b>157.2</b>	<b>124.4</b>	<b>155.7</b>	<b>199.1</b>
<b>Total</b>	<b>1,383.5</b>	<b>282.2</b>	<b>349.3</b>	<b>413.9</b>	<b>338.2</b>	<b>1,496.9</b>	<b>355.1</b>	<b>322.1</b>	<b>307.5</b>	<b>512.3</b>

NOTE Write-Offs and NPL Sales data for Shinhan Bank on a separate basis, Card on a consolidated basis