

SHINHAN FINANCIAL GROUP CO LTD

Form 6-K

November 15, 2010

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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 November 2010

SHINHAN FINANCIAL GROUP CO., LTD.

(Translation of registrant's name into English)

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

(Address of principal executive offices)

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

Form 20-F Form 40-F

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

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

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

Yes No

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

Summary of 2010 3Q Business Report

On November 15, 2010, Shinhan Financial Group (SFG) filed its 2010 3Q Business Report (the Business Report) with the Financial Supervisory Service of the Republic of Korea (Korea) pursuant to the Financial Investment Services and Capital Market Act of Korea. This is the summary of the Business Report translated into English. Non-material or previously disclosed information are omitted or abridged.

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

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Independent Accountant s Review Report (Non-consolidated Financial Statements) of Shinhan Financial Group as of September 30, 2010

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1. Introduction of the Group

Company History in 2009 through 2010 (as of September 30, 2010)

- § January 2009: Shinhan BNP Paribas Asset Management launched through the merger of Shinhan BNP Paribas ITMC and SH Asset Management
- § June 2009: SH&C separated from SFG after SFG consummated share transfers of SH&C
- § August 2009: Corporate name of Good Morning Shinhan Securities changed to Shinhan Investment Corporation
- § September 2009: Shinhan Bank Japan became an indirect subsidiary of SFG
- § October 2009: Shinhan Vietnam Bank became an indirect subsidiary of SFG
- § November 2009: Liquidated Shinhan Finance Ltd. , an indirect subsidiary of SFG
- § December 2009: Shinhan Capital Petra PEF became an indirect subsidiary of SFG
- § January 2010: Shinhan Data System became a subsidiary of SFG
- § June 2010: CHB Valuemeet 2001 First, Second and 2002 First SPC were disaffiliated from SFG
- § August 2010: Shinhan Macquarie Financial Advisory separated from SFG

Principal Subsidiaries under Korean Law (as of September 30, 2010)

Direct Subsidiaries

| Subsidiaries | Ownership by SFG |
|--|-------------------------|
| Shinhan Bank | 100.0% |
| Shinhan Card | 100.0% |
| Shinhan Investment Corp. | 100.0% |
| Shinhan Life Insurance | 100.0% |
| Shinhan Capital | 100.0% |
| Jeju Bank ¹⁾ | 68.9% |
| Shinhan BNP Paribas Asset Management ²⁾ | 65.0% |
| Shinhan Data System ³⁾ | 100.0% |
| Shinhan Credit Information | 100.0% |
| Shinhan Private Equity | 100.0% |
| SHC Management | 100.0% |

- 1) Jeju Bank is currently listed on the Korea Exchange.
- 2) In January 2009, SH Asset Management and Shinhan BNP Paribas ITMC merged to form Shinhan BNP Paribas Asset Management.
- 3) In January 2010, Shinhan Data System, formerly a subsidiary of Shinhan Bank became a direct subsidiary of the Group.

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

| Direct Subsidiaries | Indirect Subsidiaries | Ownership by the Parent | |
|----------------------------|--------------------------------|---|--------------------|
| Shinhan Bank | Shinhan Asia Limited | 100.0% | |
| | Shinhan Bank America | 100.0% | |
| | Shinhan Bank Europe | 100.0% | |
| | Shinhan Vina Bank | 50.0% | |
| | Shinhan Khmer Bank Limited | 90.0% | |
| | Shinhan Bank Kazakhstan | 100.0% | |
| | Shinhan Bank China Limited | 100.0% | |
| | Shinhan AITAS | 89.6% | |
| | Shinhan Bank Canada | 100.0% | |
| | Shinhan Bank Japan | 100.0% | |
| | Shinhan Vietnam Bank | 100.0% | |
| | Shinhan Card | Shinhan-KT Mobile Card | 50.0% |
| | | Shinhan Investment Corporation Europe Ltd. | 100.0% |
| | Shinhan Investment Corp. | Shinhan Investment Corporation USA Inc. | 100.0% |
| | | Shinhan Investment Corporation Asia Ltd. | 100.0% |
| Shinhan Private Equity | | Shinhan NPS Private Equity Fund 1 st | 5.0% ¹⁾ |
| Shinhan Private Equity | Shinhan Private Equity Fund II | 2.2% ²⁾ | |
| | Shinhan Capital | PETRA PEF | 23.8% |

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

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

Number of Shares (As of September 30, 2010)

| Types of Shares | Number of Shares |
|---|-----------------------------|
| Common Shares | 474,199,587 |
| Redeemable Preferred Shares | 28,990,000 |
| Redeemable Convertible Preferred Shares | 14,721,000 |
| Total | 517,910,587 |

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

(KRW billion)

| | 2010 3Q (Jan. 1 ~ Sept. 30) | 2009 (Jan. 1~Dec. 31) | 2008 (Jan. 1~Dec. 31) |
|--|--|--|--|
| Operating income | 2,759.1 | 2,097.9 | 3,039.2 |
| Non-operating income | 98.4 | 126.2 | 223.6 |
| Non-operating expense | 91.2 | 244.7 | 261.9 |
| Earnings before income tax | 2,766.3 | 1,979.4 | 3,000.9 |
| Income taxes | 737.6 | 666.7 | 971.2 |
| Pre-acquisition income in subsidiaries | 0.0 | 0.0 | (0.4) |
| Consolidated net income | 2,028.7 | 1,328.2 | 2,025.6 |
| Net income in majority interest | 2,019.6 | 1,305.3 | 2,018.6 |
| Net income in minority interest | 9.1 | 22.9 | 7.0 |

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

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

| | 2010 (Jan. 1 ~ Sept. 30) | | | | 2009 (Jan. 1 ~ Dec. 31) | | | | 2008 (Jan. 1 ~ Dec. 31) | | |
|----------------------------|-----------------------------|--------------|------------------|-------------------------|----------------------------|--------------|------------------|-------------------------|----------------------------|--------------|------------------|
| | Average Balance | Ratio (%) | Interest Paid | Interest Rate (%) | Average Balance | Ratio (%) | Interest Paid | Interest Rate (%) | Average Balance | Ratio (%) | Interest Paid |
| KRW billion, (%) | | | | | | | | | | | |
| in KRW | | | | | | | | | | | |
| ts | 136,374.9 | 51.43 | 2,936.4 | 2.88 | 117,649.1 | 45.05 | 3,643.5 | 3.10 | 95,834.7 | 38.71 | 3,911.6 |
| ing | 5,080.7 | 1.92 | 175.4 | 4.62 | 11,462.6 | 4.39 | 644.7 | 5.62 | 15,737.2 | 6.36 | 960.0 |
| ing | 6,489.8 | 2.45 | 141.8 | 2.92 | 7,409.0 | 2.84 | 251.9 | 3.40 | 6,727.7 | 2.72 | 333.2 |
| an | 2,203.9 | 0.83 | 32.5 | 1.97 | 1,328.4 | 0.51 | 33.3 | 2.51 | 2,191.2 | 0.89 | 104.3 |
| ure | 34,324.0 | 12.94 | 1,388.8 | 5.41 | 38,241.6 | 14.64 | 2,084.0 | 5.45 | 41,853.2 | 16.91 | 2,497.0 |
| | 4,180.4 | 1.58 | 95.7 | 3.06 | 6,461.1 | 2.47 | 248.8 | 3.85 | 7,624.3 | 3.08 | 425.9 |
| al | 188,653.7 | 71.15 | 4,770.6 | 3.38 | 182,551.8 | 69.91 | 6,906.2 | 3.78 | 169,968.3 | 68.66 | 8,232.0 |
| in Foreign Currency | | | | | | | | | | | |
| ts | 11,685.2 | 4.41 | 110.7 | 1.27 | 10,550.7 | 4.04 | 218.7 | 2.07 | 6,743.1 | 2.72 | 179.1 |
| ing | 6,302.7 | 2.38 | 63.7 | 1.35 | 7,776.1 | 2.98 | 183.3 | 2.36 | 9,794.5 | 3.96 | 308.3 |
| an | 643.3 | 0.24 | 2.5 | 0.52 | 1,188.4 | 0.46 | 36.7 | 3.09 | 1,091.3 | 0.44 | 46.6 |
| ure | 5,080.8 | 1.92 | 64.3 | 1.69 | 5,292.0 | 2.03 | 97.0 | 1.83 | 4,931.6 | 1.99 | 189.7 |
| | 265.7 | 0.10 | 13.2 | 6.64 | 201.4 | 0.08 | 5.7 | 2.83 | 1,093.8 | 0.44 | 44.5 |
| al | 23,977.7 | 9.04 | 254.4 | 1.42 | 25,008.6 | 9.58 | 541.4 | 2.16 | 23,654.3 | 9.56 | 768.2 |
| t bearing funding | 212,631.4 | 80.19 | 5,025.0 | 3.16 | 207,560.4 | 79.49 | 7,447.6 | 3.59 | 193,622.6 | 78.22 | 9,000.2 |
| older equity | 21,802.7 | 8.22 | 0 | 0.00 | 19,719.7 | 7.55 | 0.0 | 0.00 | 18,184.7 | 7.35 | 0.0 |
| oss reserve | 1,497.2 | 0.56 | 0 | 0.00 | 1,548.8 | 0.59 | 0.0 | 0.00 | 1,570.7 | 0.63 | 0.0 |
| | 29,225.4 | 11.02 | 0 | 0.00 | 32,297.8 | 12.37 | 0.0 | 0.00 | 34,171.0 | 13.80 | 0.0 |
| terest bearing funding | 52,525.3 | 19.81 | 0 | 0.00 | 53,566.3 | 20.51 | 0.0 | 0.00 | 53,926.4 | 21.78 | 0.0 |
| Funding | 265,156.7 | 100.00 | 5,025.0 | 2.53 | 261,126.7 | 100.00 | 7,447.6 | 2.85 | 247,549.0 | 100.00 | 9,000.2 |

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

Table of Contents**Use of Funds**

| | 2010 (Jan. 1 ~ Sept. 30) | | | | 2009 (Jan.1~Dec.31) | | | | 2008 (Jan.1~Dec.31) | | |
|----------------------------------|-----------------------------|--------------|------------------|-------------------------|------------------------|--------------|------------------|-------------------------|------------------------|--------------|------------------|
| | Average Balance | Ratio (%) | Interest Paid | Interest Rate (%) | Average Balance | Ratio (%) | Interest Paid | Interest Rate (%) | Average Balance | Ratio (%) | Interest Paid |
| (in billions of W billion, %) | | | | | | | | | | | |
| RW | 13,170.8 | 4.97 | 87.5 | 0.89 | 11,055.7 | 4.23 | 174.8 | 1.58 | 7,376.0 | 2.98 | 258 |
| | 51,826.2 | 19.55 | 1,556.7 | 4.02 | 48,785.8 | 18.68 | 2,044.4 | 4.19 | 42,543.3 | 17.19 | 2,049 |
| | 132,927.3 | 50.13 | 5,701.5 | 5.73 | 60,544.2 | 23.19 | 3,295.5 | 5.44 | 122,447.1 | 49.46 | 8,960 |
| d) | 62,648.4 | 23.63 | 2,540.2 | 5.42 | 60,544.2 | 23.19 | 3,295.5 | 5.44 | 57,406.1 | 23.19 | 4,092 |
|) | 70,278.9 | 26.50 | 3,161.3 | 6.01 | 70,344.1 | 26.94 | 4,184.6 | 5.95 | 65,041.0 | 26.27 | 4,867 |
| or customers | 34.8 | 0.01 | 0.2 | 0.77 | 81.9 | 0.03 | 1.1 | 1.34 | 39.7 | 0.02 | 1 |
| | 2,964.3 | 1.12 | 47.0 | 2.12 | 1,464.8 | 0.56 | 38.8 | 2.65 | 1,066.7 | 0.43 | 49 |
| | 2,451.9 | 0.92 | 110.9 | 6.05 | 2,825.5 | 1.08 | 164.9 | 5.84 | 3,245.7 | 1.31 | 204 |
| d Assets | 14,472.8 | 5.46 | 2,547.8 | 23.54 | 11,823.6 | 4.53 | 3,148.8 | 26.63 | 10,055.1 | 4.06 | 2,783 |
| d) | 3,046.1 | 1.15 | 381.6 | 16.75 | 2,530.1 | 0.97 | 392.6 | 15.52 | 2,968.1 | 1.20 | 535 |
| | 4,796.8 | 1.81 | 262.6 | 7.32 | 6,219.0 | 2.38 | 401.7 | 6.46 | 6,579.6 | 2.66 | 471 |
| eserve | -3,479.4 | (1.31) | 0 | 0.00 | -3,519.2 | (1.35) | 0.0 | 0.00 | -3,050.2 | (1.23) | 0 |
| | 219,165.5 | 82.66 | 10,314.2 | 6.29 | 209,625.4 | 80.28 | 13,454.6 | 6.42 | 190,303.0 | 76.87 | 14,778 |
| oreign Currency | 2,926.2 | 1.10 | 26.8 | 1.22 | 2,883.5 | 1.10 | 21.4 | 0.74 | 1,657.3 | 0.67 | 39 |
| | 2,278.7 | 0.86 | 22.7 | 1.33 | 2,331.8 | 0.89 | 53.3 | 2.29 | 2,011.7 | 0.81 | 89 |
| | 13,403.1 | 5.05 | 343.3 | 3.42 | 13,368.1 | 5.12 | 518.5 | 3.88 | 14,175.9 | 5.73 | 687 |
| | 1,118.4 | 0.42 | 4.2 | 0.50 | 1,154.1 | 0.44 | 9.4 | 0.81 | 864.0 | 0.35 | 23 |
| t | 3,517.2 | 1.33 | 69.3 | 2.63 | 3,076.0 | 1.18 | 152.1 | 4.94 | 3,962.1 | 1.60 | 179 |
| | 310.3 | 0.12 | 8.4 | 3.62 | 379.9 | 0.15 | 14.7 | 3.87 | 549.3 | 0.22 | 46 |
| eserve | -369.2 | (0.14) | 0 | 0.00 | -273.3 | (0.10) | 0.0 | 0.00 | -234.2 | (0.09) | 0 |
| | 23,184.7 | 8.74 | 474.7 | 2.74 | 22,920.1 | 8.78 | 769.4 | 3.36 | 22,986.1 | 9.29 | 1,065 |
| ning funding | 242,350.2 | 91.40 | 10,788.9 | 5.95 | 232,545.5 | 89.05 | 14,224.0 | 6.12 | 213,289.0 | 86.16 | 15,843 |
| | 2,256.7 | 0.85 | 0 | 0.00 | 2,289.3 | 0.88 | 0.0 | 0.00 | 2,374.6 | 0.96 | 0 |
| | 2,359.1 | 0.89 | 0 | 0.00 | 2,370.0 | 0.91 | 0.0 | 0.00 | 2,419.4 | 0.98 | 0 |
| | 18,190.7 | 6.86 | 0 | 0.00 | 23,921.9 | 9.16 | 0.0 | 0.00 | 29,466.0 | 11.90 | 0 |
| st earning funding | 22,806.5 | 8.60 | 0 | 0.00 | 28,581.2 | 10.95 | 0.0 | 0.00 | 34,260.0 | 13.84 | 0 |
| of funds | 265,156.7 | 100.00 | 10,788.9 | 5.44 | 261,126.7 | 100.00 | 14,224.0 | 5.45 | 247,549.0 | 100.00 | 15,843 |

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

Table of Contents**Other Financial Information**

Financial information for 2010 3Q contained in this section are provisional figures.

Group BIS Ratio

| | | | (KRW million) |
|--|-----------------------|----------------------|----------------------|
| | Sept. 30, 2010 | Dec. 31, 2009 | Dec. 31, 2008 |
| Aggregate Amount of Equity Capital (A) | 23,708,240 | 22,572,130 | 18,723,461 |
| Risk-Weighted Assets (B) | 182,811,400 | 179,083,070 | 183,741,412 |
| BIS Ratio (A/B) ¹⁾ | 12.97% | 12.60% | 10.19% |

1) In accordance with the Financial Holding Company Guidelines of the Financial Service Commission (FSC), the Group BIS Ratio under BASEL I is used as an index for measuring capital adequacy.

Won Liquidity Ratio

| | | | (KRW million) |
|---|-----------------------|-------------|---------------------------|
| | Sept. 30, 2010 | 2009 | 2008 ¹⁾ |
| Won Assets due within 1 months (A) | 695,531 | 470,681 | 920,661 |
| Won Liabilities due within 1 months (B) | 165,117 | 376,446 | 690,397 |
| Won Liquidity Ratio (A/B) | 421.24% | 125.03% | 133.35% |

1) 2008 figures are due within 3 months

Liabilities to Equity Ratio

| | | | (KRW million) |
|-----------------------------------|-----------------------|-------------|---------------|
| | Sept. 30, 2010 | 2009 | 2008 |
| Liabilities (A) | 6,648,620 | 6,392,346 | 8,307,683 |
| Equity (B) | 22,261,667 | 20,728,361 | 17,605,883 |
| Liabilities to Equity Ratio (A/B) | 29.86% | 30.84% | 47.19% |

Capital Adequacy Ratio and Other Ratios of Certain Subsidiaries

(1) BIS Capital Adequacy Ratio (%) ¹⁾

| | Sept. 30, 2010 | Dec. 31, 2009 | Dec. 31, 2008 |
|----------------------------|-----------------------|----------------------|----------------------|
| Shinhan Bank ²⁾ | 16.26 | 15.13 | 13.44 |

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

2) Basel II FIRB Approach was applied in calculating BIS.

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(2) Adjusted Equity Capital Ratio (%)

| | Sept. 30, 2010 | Dec. 31, 2009 | Dec. 31, 2008 |
|--------------|---------------------------|--------------------------|--------------------------|
| Shinhan Card | 25.17 | 26.73 | 20.32 |

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

(3) Net Capital Ratio (%)

| | Sept. 30, 2010 | Mar. 31, 2010 | Mar. 31, 2009 |
|--------------------------|---------------------------|--------------------------|--------------------------|
| Shinhan Investment Corp. | 654.01% | 558.65 | 678.79 |

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

(4) Solvency Margin Ratio (%)

| | Sept. 30, 2010 | Mar. 31, 2010 | Mar. 31, 2009 |
|------------------------|---------------------------|--------------------------|--------------------------|
| Shinhan Life Insurance | 363.96 | 306.24 | 208.60 |

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

* 2010 figures are calculated in Risk-Based Capital solvency ratios and 2009 figure is calculated in solvency margin ratio. Solvency margin ratios for Sept. 30, 2010 & Mar. 31, 2010 are 232.8% and 223.0% respectively.

Non- Performing Loans of Certain Subsidiaries ¹⁾

(1) Non- Performing Loans

(KRW million)

| | Sept. 30, 2010 | | Dec. 31, 2009 | | Dec. 31, 2008 | |
|----------------------------|-----------------------|-----------------------------------|----------------------|-----------------------------------|----------------------|-----------------------------------|
| | Balance of | NPL to total Loans | Balance of | NPL to total Loans | Balance of | NPL to total Loans |
| | NPL | (%) | NPL | (%) | NPL | (%) |
| Shinhan Bank | 1,856,564 | 1.21 | 1,158,985 | 0.77 | 1,306,316 | 0.85 |
| Shinhan Card ²⁾ | 300,613 | 1.85 | 435,083 | 3.08 | 339,101 | 2.91 |

| | Sept. 30, 2010 | | Mar. 31, 2010 | | Mar. 31, 2009 | |
|--|-----------------------|-----------------------------------|----------------------|-----------------------------------|----------------------|-----------------------------------|
| | Balance of | NPL to total Loans | Balance of | NPL to total Loans | Balance of | NPL to total Loans |
| | NPL | (%) | NPL | (%) | NPL | (%) |
| Shinhan Investment Corp. ²⁾ | 173,316 | 14.64 | 230,228 | 17.90 | 125,366 | 12.14 |
| | 35,825 | 1.38 | 38,298 | 1.47 | 40,369 | 1.69 |

Shinhan Life
Insurance ³⁾

- 1) Non-performing loans of banks are defined as those loans are past due longer than 90 days or those are placed on non-accrual status according to the guidelines of the FSC.
- 2) Under the guidelines of the FSC, every securities brokerage company and credit card company shall classify its loans into five categories: normal, precautionary, substandard, doubtful and estimated loss. Under the Group's internal measures, non-performing loans of Shinhan Investment Corp., and Shinhan Card includes loans classified as substandard, doubtful, and estimated loss.
- 3) Non-performing loans of Life Insurance Company are defined as loans past due longer than 90 days

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

(KRW million)

| | Jan. 1, 2010 ~ Sept. 30, 2010 | Jan. 1, 2009 ~ Dec. 31, 2009 | Jan. 1, 2008 ~ Dec. 31, 2008 |
|--|--|---|---|
| Shinhan Bank | | | |
| Allowance for Possible Loan Losses | 3,119,636 | 2,641,918 | 2,661,427 |
| Allowance for doubtful accounts on Acceptance and Guarantees | 153,759 | 105,629 | 113,669 |
| Allowances for Losses Related to Unused Ceiling | 278,075 | 267,859 | 249,442 |
| Other Allowances | 92,392 | 88,337 | 69,557 |
| Allowance for Valuation of Bonds | 7,203 | 7,609 | 8,152 |
| Total | 3,651,065 | 3,111,352 | 3,102,247 |
| Write-offs | 331,504 | 1,006,941 | 340,942 |
| Shinhan Card | | | |
| Allowance for Possible Loan Losses | 593,008 | 793,469 | 773,960 |
| Allowance for reward on credit card use | 283,638 | 273,233 | 246,429 |
| Allowances for Losses Related to Unused Ceiling | 507,367 | 488,559 | 485,738 |
| Other Allowances | 8,833 | 12,619 | 22,325 |
| Total | 1,392,845 | 1,567,880 | 1,528,452 |
| Write-offs | 392,826 | 469,087 | 603,883 |
| | Apr. 1, 2010 ~ Sept. 30, 2010 | Apr. 1, 2009 ~ Mar. 31, 2010 | Apr. 1, 2008 ~ Mar. 31, 2009 |
| Shinhan Investment Corp. | | | |
| Allowance for Possible Loan Losses | 127,158 | 168,257 | 110,753 |
| Other Allowances | 21,942 | 21,942 | |
| Total | 149,100 | 190,199 | 110,753 |
| Write-offs | 7,234 | 14,838 | 502 |
| Shinhan Life Insurance | | | |
| Allowance for Possible Loan Losses | 39,573 | 37,705 | 31,589 |
| Total | 39,573 | 37,705 | 31,589 |
| Write-offs | 3,599 | 6,230 | 1,330 |

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Note that the financial information contained in the following four tables (Twenty Largest Exposures by Borrower, Exposure to Main Debtor Group, Loan Concentration by Industry and Top Twenty Non-Performing Loans) have been formulated under the non-consolidated basis of Shinhan Bank.

Twenty Largest Exposures by Borrower

| | | (KRW billion) | | | | | |
|------|--|-----------------|---------------------|----------------------|--------------------|----------------------------------|--------------------|
| Rank | As of Sept. 30, 2010 | Loans in Won | Loans in | | | Guarantees and Acceptances | Total Exposures |
| | | | Foreign Currency | Equity Securities | Debt Securities | | |
| 1 | Ministry of Strategy & Finance | | | | 9,873 | | 9,873 |
| 2 | Bank of Korea | | | | 3,660 | | 3,660 |
| 3 | Korea Deposit Insurance Corporation | | | | 2,147 | | 2,147 |
| 4 | Hyundai Heavy Industries Co., Ltd. | 100 | 4 | 2 | 10 | 1,886 | 2,002 |
| 5 | Hyundai Samho Heavy Industries Co., Ltd. | 35 | | | | 1,145 | 1,180 |
| 6 | Samsung Heavy Industries Co., Ltd. | 234 | | | | 875 | 1,109 |
| 7 | POSCO | | | 900 | 91 | | 991 |
| 8 | Woori Bank | | | | 940 | | 940 |
| 9 | Hyundai Mipo Dockyard Co., Ltd. | | | 3 | | 879 | 882 |
| 10 | Kookmin Bank | | | | 877 | | 877 |
| 11 | Songdo Cosmopolitan City Development Inc. | 843 | | | | | 843 |
| 12 | Industrial Bank of Korea | | | | 823 | | 823 |
| 13 | Korea Development Bank | | | | 815 | | 815 |
| 14 | Samsung Electronics | | 786 | 6 | | 0 | 792 |
| 15 | STX Offshore & Shipbuilding Co., Ltd. | | | | | 700 | 700 |
| 16 | SK Energy | 199 | 82 | | 36 | 330 | 647 |
| 17 | Korea Land & Housing Corporation | | | | 605 | | 605 |
| 18 | Hynix Semiconductor | 105 | 78 | 317 | | 88 | 588 |
| 19 | KEPCO | | | 28 | 555 | | 584 |
| 20 | Hana Bank | | | | 573 | | 573 |
| | Total | 1,516 | 950 | 1,256 | 21,005 | 5,904 | 30,631 |

1) Shinhan Bank's non-consolidated figures

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

(KRW billion)

| As of Sept. 30, 2010 | Loans in Won | Loans in Foreign | Equity | Debt | Guarantees and | Total |
|--------------------------|--------------|------------------|--------------|------------|----------------|---------------|
| | | Currency | Securities | Securities | Acceptances | Exposures |
| Hyundai Heavy Industries | 300 | 32 | 4 | 10 | 4,003 | 4,350 |
| Samsung | 665 | 968 | 421 | 122 | 1,230 | 3,406 |
| Hyundai Motors | 1,028 | 615 | 29 | 61 | 357 | 2,090 |
| SK | 625 | 282 | 392 | 71 | 507 | 1,876 |
| POSCO | 256 | 100 | 902 | 64 | 364 | 1,686 |
| LG | 510 | 510 | 2 | 10 | 277 | 1,310 |
| STX | 185 | 109 | 48 | | 742 | 1,084 |
| Lotte | 620 | 2 | 1 | 134 | 70 | 827 |
| LS | 367 | 14 | | 82 | 178 | 641 |
| GS | 154 | 21 | | 61 | 368 | 605 |
| Total | 4,711 | 2,653 | 1,799 | 616 | 8,097 | 17,876 |

1) Shinhan Bank's non-consolidated figures

Loan Concentration by Industry

(KRW million)

| As of Sept. 30, 2010 | Loans in Won | | Loans in Foreign | | Others | | Total Loans | |
|---------------------------------|--------------------|---------------|------------------|---------------|-------------------|---------------|--------------------|---------------|
| | Amount | Weight (%) | Amount | Weight (%) | Amount | Weight (%) | Amount | Weight (%) |
| Manufacturing | 20,625,758 | 16.34 | 2,391,558 | 36.28 | 7,586,091 | 54.21 | 30,603,407 | 20.85 |
| Retail and wholesale | 11,769,378 | 9.33 | 549,077 | 8.33 | 1,717,651 | 12.27 | 14,036,106 | 9.56 |
| Real estate and rental service | 15,854,520 | 12.56 | 587,828 | 8.92 | 544,063 | 3.89 | 16,986,411 | 11.57 |
| Construction | 4,870,999 | 3.86 | 16,892 | 0.26 | 742,462 | 5.31 | 5,630,353 | 3.84 |
| Lodging and restaurants | 3,978,462 | 3.15 | 55,354 | 0.84 | 83,667 | 0.60 | 4,117,483 | 2.81 |
| Financial service and insurance | 2,675,825 | 2.12 | 738,259 | 11.20 | 2,535,123 | 18.12 | 5,949,207 | 4.05 |
| Others corporate loans | 6,513,692 | 5.17 | 2,252,391 | 34.17 | 758,549 | 5.60 | 9,551,632 | 6.50 |
| Household loans | 59,913,064 | 47.47 | | | | | 59,913,064 | 40.82 |
| Total | 126,201,698 | 100.00 | 6,591,359 | 100.00 | 13,994,606 | 100.00 | 146,787,663 | 100.00 |

1) Shinhan Bank's non-consolidated figures

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

As of Sept. 30, 2010

(KRW billion)

| Borrower | Industry | Gross Principal Outstanding | Allowance for Loan Losses |
|-----------------|----------------------------------|--|--|
| A | Manufacturing | 42 | 24 |
| B | Manufacturing | 23 | 6 |
| C | Manufacturing | 29 | 13 |
| D | Transportation | 22 | 2 |
| E | Manufacturing | 18 | 3 |
| F | Manufacturing | 16 | 6 |
| G | Transportation | 14 | 5 |
| H | Real estate, leasing and service | 14 | 6 |
| I | Manufacturing | 13 | 10 |
| J | Real estate, leasing and service | 13 | 2 |
| K | Real estate, leasing and service | 13 | 10 |
| L | Manufacturing | 12 | 6 |
| M | Manufacturing | 11 | 5 |
| N | Others | 10 | 3 |
| O | Real estate, leasing and service | 9 | 0 |
| P | Transportation | 9 | 2 |
| Q | Construction | 9 | 4 |
| R | Others | 8 | 1 |
| S | Manufacturing | 8 | 5 |
| T | Others | 8 | 1 |
| | Total | 302 | 114 |

- 1) Non-performing loans are defined as loans past due longer than 90 days
- 2) Shinhan Bank's non-consolidated figures

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

| | | | | |
|---|-------------|-------------|--------------------|--------------------|
| | 2010 | 2009 | FY 2009 | FY 2008 |
| | 3Q | 3Q | Unqualified | Unqualified |
| Audit Opinion | | | | |
| <i>Compensation to the Independent Auditor for Audit and Review Services</i> | | | | |

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

| Year | Auditor | Payment (KRW mil.) | Details | Working hours |
|-------------|-------------------------------|-----------------------------------|--------------------------------------|--------------------------|
| 2010 3Q | KPMG Samjong Accounting Corp. | 366 | Review/Audit of Financial Statements | 2,620 hours |
| 2009 | KPMG Samjong Accounting Corp. | 355 | Review/Audit of Financial Statements | 4,595 hours |
| 2008 | KPMG Samjong Accounting Corp. | 355 | Review/Audit of Financial Statements | 5,106 hours |

4. Directors, Executive Officers and Employees***Directors and Executive Officers***

1) Executive Directors

| Name | Date of Birth | Position | Service Term |
|-----------------------------|----------------------|---|--------------------------------------|
| Shee Yul Ryoo ¹⁾ | Sept. 5, 1938 | Acting Chairman, President & CEO Risk Management Committee chair Board Steering Committee member Compensation Committee member | 1 years starting from March 24, 2010 |
| Sang Hoon Shin | Jul. 1, 1948 | President & CEO ²⁾ | 2 years starting from March 17, 2009 |

1) Mr. Shee Yul Ryoo assumed the roles of former Chairman- Mr. Eung Chan Ra upon his resignation.

Please refer to our Form 6-K filed on November 1, 2010 for details

2) Mr. Sang Hoon Shin has been suspended from his duty since September 14, 2010 by the Board of Directors resolution. Please refer to our Form 6-K filed on September 14, 2010 for details.

2) Non-Executive Directors

Currently, 10 non-executive directors are in office, 8 of which outside directors who are nominated by our Outside

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Director Recommendation Committee and appointed pursuant to the approval of general shareholders meeting on March 24, 2010.

Our non-executive directors are as follows:

| Name | Date of Birth | Outside Director | Sub-Committees | Service Term |
|-------------------|----------------------|-------------------------|--|--------------------------------------|
| Eung Chan Ra | Nov. 25, 1938 | X | | 3 years starting from March 24, 2010 |
| Baek Soon Lee | Oct. 8, 1952 | X | | 3 years starting from March 17, 2009 |
| Byung-il Kim | Sep. 1, 1945 | O | Compensation Committee chair Board Steering Committee member | 1 year starting from March 24, 2010 |
| Yo Koo Kim | Mar. 23, 1950 | O | Audit Committee member | 1 year starting from March 24, 2010 |
| Hui Mook Kim | Aug. 17, 1957 | O | | 1 year starting from March 24, 2010 |
| Ke Sup Yun | May 20, 1945 | O | Audit Committee chair Risk Management Committee member Compensation Committee member | 1 year starting from March 24, 2010 |
| Sung Bin Chun | Jan. 21, 1953 | O | Chairman of Board of Directors Board Steering Committee member | 1 year starting from March 24, 2010 |
| Haeng Nam Chung | Mar. 15, 1941 | O | Audit Committee member Board Steering Committee member | 1 year starting from March 24, 2010 |
| Yoji Hirakawa | Feb. 13, 1953 | O | | 1 year starting from March 24, 2010 |
| Philippe Aguinier | Sep. 26, 1957 | O | Risk Management Committee member | 1 year starting from March 24, 2010 |

For personal profiles of the outside directors, please refer to our Form 6-K filed on February 26, 2010.

3) Executive Officers

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

| Name | Date of Birth | Position | In charge of |
|--------------|----------------------|--|--|
| Buhmsoo Choi | Aug. 8, 1956 | Deputy President & Chief Financial Officer | - Finance Management Team - Investor Relations Team - Strategic Planning Team - Global Business Strategy Team - Shinhan FSB Research Institute - General Affairs Team |
| Sung Ho Wi | Jun. 12, 1958 | Deputy President | - Business Management Team - Public Relations Team |
| Jung Kee Min | Mar. 13, 1959 | | - CSR & Culture Management Team - Synergy Management Team |

| | | | |
|--------------|---------------|-------------------|--|
| | | Executive Vice | - Information & Technology Planning Team |
| | | President | - Audit Team |
| Hyo Il Lee | Sep. 26, 1959 | Managing Director | - Synergy Management Team |
| Yee Yong Jo | Feb. 13, 1957 | Managing Director | - Compliance Team |
| Sam Yong Lee | June 11, 1953 | Managing Director | - Risk Management Team |

Table of Contents**Stock Options (as of Sept. 30, 2010)**

| | No. of Granted Options (A) | No. of Exercised Options (B) | No. of Cancelled Options (C) | No. of Exercisable Options (D = A - B - C) | Exercise Period | Exercise Price |
|-----------------|---|---|---|---|------------------------|---------------------------|
| Granted in 2005 | 2,620,331 | 755,760 | 251,300 | 1,613,271 | 2008.3.30~2012.3.29 | 28,006 |
| Granted in 2006 | 3,206,173 | 191,170 | 480,300 | 2,534,703 | 2009.3.21~2013.3.20 | 38,829 |
| Granted in 2007 | 1,231,169 | 0 | 148,700 | 1,082,469 | 2010.3.20~2014.3.19 | 54,560 |
| Granted in 2008 | 808,700 | 0 | 146,896 | 661,804 | 2011.3.19~2015.3.18 | 49,053 |
| Granted in 2009 | 614,735 | 0 | 614,735 | 0 | 2012.3.17~2016.3.16 | 23,405 |
| Total | 8,481,108 | 946,930 | 1,641,931 | 5,892,247 | | |

Note) The weighted-average exercise price of outstanding exercisable options as of Sept. 30, 2010 is KRW 39,904.
Employees (as of Sept. 30, 2010)

| | Number of Employees | Average length of Service | Total Salaries and wages paid in 2010 (KRW million) | Average Payment per person (KRW million) |
|-------|------------------------------------|----------------------------------|--|---|
| Total | 145 | 2 years 2 months 16 | 8,499 | 58.6 |

Table of Contents**5. Major Shareholders and Market Price Information of our Common Shares and ADRs****Major Shareholders ¹⁾ of Shinhan Financial Group as of Sept. 30, 2010**

| Name | No. of Common Shares owned | Ownership% |
|--------------------------|-------------------------------|------------|
| BNP Paribas Group | 30,106,276 | 6.35 |
| National Pension Service | 23,915,225 | 5.04 |

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

Common Share Traded on the Korea Exchange

(KRW, number of shares)

| | Apr. 2010 | May 2010 | June 2010 | July 2010 | Aug. 2010 | Sept. 2010 |
|-----------------|------------|------------|------------|------------|------------|------------|
| Price per share | | | | | | |
| High | 49,100 | 47,150 | 47,200 | 49,200 | 49,100 | 46,200 |
| Low | 45,150 | 41,050 | 43,300 | 44,300 | 45,100 | 42,300 |
| Avg. | 47,214 | 43,892 | 46,002 | 47,264 | 47,000 | 43,747 |
| Trading Volume | 41,082,098 | 31,413,955 | 29,798,840 | 30,636,767 | 24,140,249 | 54,422,382 |
| Highest Daily | | | | | | |
| Trading Volume | 1,867,368 | 2,542,563 | 2,866,392 | 2,479,092 | 1,675,582 | 8,441,035 |
| Lowest Daily | | | | | | |
| Trading Volume | 970,832 | 924,396 | 825,333 | 680,553 | 731,963 | 1,157,371 |

American Depositary Shares traded on the New York Stock Exchange

(USD, number of shares)

| | Apr. 2010 | May 2010 | June 2010 | July 2010 | Aug. 2010 | Sept. 2010 |
|-----------------|-----------|-----------|-----------|-----------|-----------|------------|
| Price per share | | | | | | |
| High | 88.35 | 85.14 | 79.17 | 83.36 | 84.91 | 79.40 |
| Low | 81.51 | 66.31 | 69.44 | 73.09 | 75.42 | 72.77 |
| Avg. | 84.93 | 74.86 | 75.34 | 79.50 | 79.70 | 75.91 |
| Trading Volume | 949,667 | 1,214,625 | 1,354,999 | 1,010,625 | 804,623 | 849,639 |
| Highest Daily | | | | | | |
| Trading Volume | 84,994 | 142,378 | 115,236 | 96,979 | 72,180 | 86,709 |
| Lowest Daily | | | | | | |
| Trading Volume | 14,565 | 13,715 | 40,118 | 17,688 | 11,592 | 11,067 |

* 1 ADR = 2 Common Shares

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

(KRW billion)

| Subsidiary | Loan Type | Origination Date | Maturity Date | Funding Rate | Lending Rate | Beginning Balance | Increase | Decrease | Ending Balance |
|--------------------------------|-------------|------------------|---------------|--------------|--------------|-------------------|------------|------------|----------------|
| Shinhan Investment Corporation | Loan in KRW | 2005-01-31 | 2010-07-31 | 4.59% | 5.25% | 70 | | 70 | |
| Shinhan Investment Corporation | Loan in KRW | 2006-07-31 | 2012-01-31 | 5.16% | 5.64% | 100 | | | 100 |
| Shinhan Capital | Loan in KRW | 2006-09-26 | 2011-09-26 | 4.91% | 4.99% | 50 | | | 50 |
| Shinhan Capital | Loan in KRW | 2007-03-23 | 2012-03-23 | 5.28% | 5.48% | 50 | | | 50 |
| Shinhan Capital | Loan in KRW | 2007-04-13 | 2010-04-13 | 5.24% | 5.38% | 50 | | 50 | |
| Shinhan Capital | Loan in KRW | 2007-06-08 | 2012-06-08 | 5.54% | 5.95% | 50 | | | 50 |
| Shinhan Capital | Loan in KRW | 2007-09-27 | 2010-09-27 | 5.91% | 6.05% | 100 | | 100 | |
| Shinhan Capital | Loan in KRW | 2007-11-27 | 2010-11-27 | 6.24% | 6.37% | 50 | | | 50 |
| Shinhan Card | Loan in KRW | 2007-11-27 | 2012-11-27 | 6.33% | 6.41% | 100 | | | 100 |
| Shinhan Capital | Loan in KRW | 2007-12-18 | 2010-12-18 | 6.69% | 6.83% | 50 | | | 50 |
| Shinhan Card | Loan in KRW | 2007-12-18 | 2012-12-18 | 6.78% | 6.86% | 50 | | | 50 |
| Shinhan Capital | Loan in KRW | 2008-01-23 | 2011-01-23 | 6.46% | 6.60% | 50 | | | 50 |
| Shinhan Capital | Loan in KRW | 2008-01-23 | 2013-01-23 | 6.51% | 6.60% | 50 | | | 50 |
| Shinhan Card | Loan in KRW | 2008-02-21 | 2011-02-21 | 5.51% | 5.66% | 150 | | | 150 |
| Shinhan Card | Loan in KRW | 2008-03-12 | 2011-03-12 | 5.71% | 5.84% | 200 | | | 200 |
| Shinhan Capital | Loan in KRW | 2008-03-12 | 2011-03-12 | 5.71% | 5.84% | 50 | | | 50 |
| Shinhan Card | Loan in KRW | 2008-06-27 | 2011-06-27 | 6.41% | 6.53% | 200 | | | 200 |
| Shinhan Card | Loan in KRW | 2008-07-31 | 2011-07-31 | 6.76% | 6.90% | 100 | | | 100 |
| Shinhan Capital | Loan in KRW | 2008-07-31 | 2011-07-31 | 6.76% | 6.90% | 50 | | | 50 |
| Shinhan PE | Loan in KRW | 2009-08-13 | 2010-08-13 | 3.93% | 3.99% | 5 | | 5 | 0 |
| Shinhan PE | Loan in KRW | 2010-08-13 | 2011-08-12 | 3.58% | 3.64% | | 5 | | 5 |
| Shinhan Capital | Loan in KRW | 2010-09-28 | 2013-09-28 | 3.95% | 4.12% | | 100 | | 100 |
| Total | | | | | | 1,575 | 105 | 225 | 1,455 |

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SIGNATURES

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

SHINHAN FINANCIAL GROUP CO., LTD.

By /s/ Buhmsoo Choi
Name: Buhmsoo Choi
Title: Chief Financial Officer

Date : November 15, 2010