

SHINHAN FINANCIAL GROUP CO LTD

Form 6-K

May 15, 2009

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**SECURITIES AND EXCHANGE COMMISSION**

**Washington, DC 20549**

**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER**

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

**For the Month of May 2009**

**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 2009 1Q Business Report**

On May 15, 2009, Shinhan Financial Group ( SFG ) filed its 2009 1Q Business Report (the Business Report ) with the Financial Supervisory Service of the Republic of Korea ( Korea ) pursuant to the Financial Investment Services and Capital Market Act of Korea. This is the summary of the Business Report translated into English. Non-material or previously disclosed information are omitted or abridged.

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

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1. Introduction of the Group
2. Business Results
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EX-99.1

**Exhibit 99-1**

Independent Accountant s Review Report (Non-consolidated Financial Statements) of Shinhan Financial Group as of March 31, 2009

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**1. Introduction of the Group**

**Company History in 2008 and 2009**

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

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

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

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

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

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

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

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

**Change in Management**

On March 17, 2009, the Board of Directors of Shinhan Financial Group appointed Mr. Sang Hoon Shin as the new President & CEO. Mr. Sang Hoon Shin was formerly the President and CEO of Shinhan Bank. Mr. Shin also served as the Managing Director of Shinhan Financial Group in 2001 and as the Managing Director of Shinhan Bank in 1999.

**Changes in Capital Stock**

The number of our common shares has increased by 78,000,000 shares on March 25, 2009 as a result of a rights offering. The subscription price for the new common shares was KRW 16,800 per share. The aggregate proceed from this offering was KRW 1,310,400 million prior to adjusting for the underwriting commissions and other offering expenses. Please refer to the 6-K filed at February 2, 2009 for more details regarding the rights offering.

**Dividend for FY 2008**

- 1) Dividend Amount for Common Stock: KRW 0
- 2) Dividend Amount for Preferred Stock: KRW 244,987 million
- 3) Total Dividend Amount: KRW 244,987 million

**Table of Contents****Principal Subsidiaries under Korean Law (as of March 31, 2009)***Direct Subsidiaries*

Subsidiaries	Ownership by SFG
Shinhan Bank	100.0%
Shinhan Card	100.0%
SHC Management	100.0%
Good Morning Shinhan Securities	100.0%
Shinhan Life Insurance	100.0%
Shinhan Capital	100.0%
Shinhan BNP Paribas Asset Management <sup>1)</sup>	65.0%
Jeju Bank <sup>2)</sup>	68.9%
SH&C Life Insurance	50.0%
Shinhan Macquarie Financial Advisory	51.0%
Shinhan Credit Information	100.0%
Shinhan Private Equity	100.0%

1) Shinhan BNP Paribas Asset Management launched on January 1, 2009.

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

*Indirect subsidiaries held through direct subsidiaries*

Direct Subsidiaries	Indirect Subsidiaries	Ownership by the Parent
Shinhan Bank	Shinhan Data System	100.00%
	Shinhan Finance Ltd.(Hong Kong) <sup>1)</sup>	100.00%
	Shinhan Asia Limited	100.00%
	Shinhan Bank America	100.00%
	Shinhan Bank Europe GmbH	100.00%
	Shinhan Vina Bank	50.00%
	CHB Valuemeet 2001 year 1 <sup>st</sup> Securitization	50.00%
	CHB Valuemeet 2001 year 2 <sup>nd</sup> Securitization	50.00%
	CHB Valuemeet 2002 year 1 <sup>st</sup> Securitization	50.00%
	Shinhan Khmer Bank Limited	80.1%
	JSC Shinhan Bank Kazakhstan	100.00%
	Shinhan Bank China Limited	100.00%
	Shinhan AITAS	89.6%
	Shinhan Bank Canada	100.00%
Shinhan Card	Shinhan-KTF Mobile Card	50.00%

Good Morning Shinhan Securities	Good Morning Shinhan Securities Europe Ltd.	100.00%
	Good Morning Shinhan Securities USA Inc.	100.00%
	Good Morning Shinhan Securities Asia Ltd.	100.00%
Shinhan Private Equity	Shinhan NPS Private Equity Fund 1 <sup>st</sup>	5.00% <sup>2)</sup>
	Shinhan Private Equity Fund II	2.17% <sup>3)</sup>

1) On November 1, 2006, Shinhan Finance Limited, Shinhan Financial Group's indirect subsidiary, was transferred to a branch of Shinhan Bank. The liquidation process is currently taking place.

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

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

**Table of Contents****Number of Shares**

Types of Shares	Number of Shares	
	As of December 31, 2008	As of March 31, 2009
Common Shares	396,199,587	474,199,587
Redeemable Preferred Shares	47,690,251	47,690,251
Redeemable Convertible Preferred Shares	14,721,000	14,721,000
Total	458,610,838	536,610,838

**2. Business Results****Operation Results**

	(KRW billion)		
	2009 (Jan.1~Mar.31)	2008 (Jan.1~Dec.31)	2007 (Jan.1~Dec.31)
Operating income	204.9	3,032.2	3,737.4
Non-operating income	31.6	223.6	277.7
Non-operating expense	32.5	262.1	102.0
Earnings before income tax	204.0	2,993.7	3,913.1
Income taxes	81.6	968.5	549.0
Pre-acquisition income in subsidiaries	0.0	-0.4	874.1
Consolidated net income	122.4	2,025.6	2,490.0
Net income in majority interest	118.1	2,018.6	2,396.4
Net income in minority interest	4.3	7.0	93.6

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

		2009 (Jan.1~Mar.31)				2008 (Jan.1~Dec.31)				2007 (Jan.1~Dec.31)		
		Average Balance	Interest	Interest	Average Balance	Interest	Interest	Average Balance	Interest	Interest		
		Ratio	Rate	Rate	Ratio	Rate	Rate	Ratio	Rate	Rate		
		(%)	(%)	(%)	(%)	(%)	(%)	Ratio(%)	Rate	Rate		
			Paid	Paid	Paid	Paid	Paid		Paid	Paid		
W 100 million, (%)												
Fund in	Deposits											
KRW		1,080,983	40.68	10,002	3.75	958,347	38.71	39,116	4.08	876,195	40.78	26,967
	CD	130,067	4.89	2,015	6.28	157,372	6.36	9,600	6.10	149,773	6.97	8,076
	Borrowing	68,481	2.58	840	4.97	67,277	2.72	3,332	4.95	60,264	2.81	2,437
	Call Loan	6,459	0.24	34	2.13	21,912	0.89	1,043	4.76	19,148	0.89	1,130
	Debenture	413,718	15.57	5,903	5.79	418,532	16.91	24,970	5.97	369,104	17.18	18,850
	Others	101,972	3.84	1,027	4.08	76,243	3.08	4,259	5.59	57,816	2.69	3,519
	Subtotal	1,801,680	67.79	19,821	4.46	1,699,683	68.66	82,320	4.84	1,532,300	71.32	60,980
Fund in	Deposits											
Foreign												
Currency		95,207	3.58	560	2.39	67,431	2.72	1,791	2.66	49,953	2.33	1,532
	Borrowing	93,661	3.52	660	2.86	97,945	3.96	3,083	3.15	67,179	3.13	2,408
	Call Loan	33,188	1.25	270	3.30	10,913	0.44	466	4.27	10,733	0.50	524
	Debenture	53,611	2.02	388	2.94	49,316	1.99	1,897	3.85	39,398	1.83	2,068
	Others	3,780	0.14	33	3.54	10,938	0.44	445	4.07	23,062	1.07	712
	Subtotal	279,447	10.51	1,911	2.77	236,543	9.56	7,682	3.25	190,324	8.86	7,243
Interest bearing		2,081,127	78.31	21,732	4.23	1,936,226	78.22	90,002	4.65	1,722,624	80.18	68,224
Others	Shareholder equity	185,490	6.98	0	0.00	181,847	7.35	0	0.00	174,937	8.14	0
	Loan loss reserve	16,036	0.60	0	0.00	15,707	0.63	0	0.00	11,147	0.52	0
	Others	374,951	14.11	0	0.00	341,710	13.80	0	0.00	239,699	11.16	0
Interest bearing funding		576,477	21.69	0	0.00	539,264	21.78	0	0.00	425,783	19.82	0
Funding		2,657,604	100.00	21,732	3.32	2,475,490	100.00	90,002	3.64	2,148,408	100.00	68,224

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





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

	2009 (Jan.1~Mar.31)				2008 (Jan.1~Dec.31)				2007 (Jan.1~Dec.31)		
	Average Balance	Interest	Interest	Average Balance	Interest	Interest	Average Balance	Interest	Interest		
	Ratio (%)	Paid	Rate (%)	Ratio (%)	Paid	Rate (%)	Ratio (%)	Paid	Rate (%)		
100 million, (%)											
and in											
Deposits	113,976	4.29	491	1.75	73,760	2.98	2,581	3.50	67,425	3.14	1,501
Securities	474,224	17.84	5,308	4.54	425,433	17.19	20,497	4.82	389,806	18.14	17,014
Loans	1,300,756	48.94	20,331	6.34	1,224,471	49.46	89,602	7.32	1,078,194	50.19	72,320
(Household)	594,107	22.35	8,766	5.98	574,061	23.19	40,925	7.13	528,181	24.58	35,298
(Corporate)	706,649	26.59	11,565	6.64	650,410	26.27	48,677	7.48	550,013	25.60	37,022
Advances											
for											
customers	1,145	0.04	4	1.42	397	0.02	11	2.77	175	0.01	8
Call Loan	19,080	0.72	96	2.04	10,667	0.43	496	4.65	8,609	0.40	442
Debenture	29,408	1.11	424	5.85	32,457	1.31	2,041	6.29	41,847	1.95	2,567
Credit Card											
Receivable	105,519	3.97	7,568	29.09	100,551	4.06	27,839	27.69	94,300	4.39	23,240
(Card Loan)	25,170	0.95	1,118	18.01	29,681	1.20	5,351	18.03	31,215	1.45	5,338
Others	72,714	2.74	1,132	6.31	65,796	2.66	4,715	7.17	72,038	3.35	4,986
Loan loss											
reserve	(33,976)	(1.28)	0	0.00	(30,502)	(1.23)	0	0.00	(28,316)	(1.32)	0
Subtotal	2,082,846	78.37	35,354	6.88	1,903,030	76.87	147,782	7.77	1,724,078	80.25	122,077
and in											
foreign											
currency											
Deposits	24,806	0.93	43	0.70	16,573	0.67	394	2.38	9,343	0.43	292
Securities	23,474	0.88	196	3.39	20,117	0.81	891	4.43	17,486	0.81	727
Loan	147,285	5.54	1,590	4.38	141,759	5.73	6,873	4.85	78,387	3.65	4,564
Call loan	22,115	0.83	32	0.59	8,640	0.35	235	2.72	5,360	0.25	299
Bills bought	31,346	1.18	501	6.48	39,621	1.60	1,791	4.52	35,803	1.67	1,901
Others	4,722	0.18	58	4.98	5,493	0.22	466	8.48	68,846	3.20	1,282
Loan loss											
reserve	(2,652)	(0.10)	0	0.00	(2,342)	(0.09)	0	0.00	(1,441)	(0.07)	
Subtotal	251,096	9.45	2,420	3.91	229,861	9.29	10,650	4.63	213,785	9.95	9,065
earning funding	2,333,942	87.82	37,774	6.56	2,132,890	86.16	158,432	7.43	1,937,864	90.20	131,142
ers											
Cash	21,578	0.81	0	0.00	23,746	0.96	0	0.00	27,901	1.30	0
PP&E	24,065	0.91	0	0.00	24,194	0.98	0	0.00	75,437	3.51	0
Others	278,019	10.46	0	0.00	294,660	11.90	0	0.00	107,206	4.99	0
rest earning	323,662	12.18	0	0.00	342,600	13.84	0	0.00	210,544	9.80	0
of funds	2,657,604	100.00	37,774	5.76	2,475,490	100.00	158,432	6.40	2,148,408	100.00	131,142

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

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

Financial information for 2009 1Q contained in this section is provisional figures.

**Group BIS Ratio**

	(KRW million)		
	2009 1Q	2008	2007
Aggregate Amount of Equity Capital (A)	21,623,661	18,746,446	15,945,940
Risk-Weighted Assets (B)	187,133,717	183,766,217	161,849,385
BIS Ratio (A/B) <sup>1)</sup>	11.56%	10.20%	9.85%

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

**Won Liquidity Ratio**

	(KRW million)		
	2009 1Q	2008	2007
Won Assets due within 3 months (A)	1,630,222	920,661	220,009
Won Liabilities due within 3 months (B)	876,334	690,397	209,888
Won Liquidity Ratio (A/B)	186.03%	133.35%	104.82%

**Liabilities to Equity Ratio**

	(KRW million)		
	2009 1Q	2008	2007
Liabilities (A)	7,722,359	8,307,683	7,349,727
Equity (B)	18,782,611	17,605,119	17,977,801
Liabilities to Equity Ratio (A/B)	41.11%	47.19%	40.88%

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

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

	2009 1Q	2008	2007
Shinhan Bank <sup>2)</sup>	14.45	13.44	12.09

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) 2007 ratios for Shinhan Bank are based on Basel I. Basel II FIRB Approach was applied in calculating BIS for 2008 and 2009 1Q.

(2) Adjusted Equity Capital Ratio (%)

	2009 1Q	2008	2007
Shinhan Card	21.51	20.32	25.31

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\* 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 (%)

	Mar.31 2009	Mar.31 2008	Mar.31 2007
Good Morning Shinhan Securities	678.8	699.80	451.69

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

100%.

## (4) Solvency Margin Ratio (%)

	Mar.31 2009	Mar.31 2008	Mar.31 2007
Shinhan Life Insurance	207.74	222.74	224.70

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

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

(1) Non- Performing Loans

(KRW million)

	Mar. 31, 2009		Dec.31, 2008		Dec.31, 2007	
	Balance of	NPL to total Loans (%)	Balance of	NPL to total Loans (%)	Balance of	NPL to total Loans (%)
	NPL		NPL		NPL	
Shinhan Bank	2,046,184	1.35	1,306,316	0.85	848,846	0.63
Shinhan Card <sup>2)</sup>	367,922	3.20	339,101	2.91	448,866	3.71

  

	Mar.31, 2009		Mar. 31, 2008		Mar. 31, 2007	
	Balance of	NPL to total Loans (%)	Balance of	NPL to total Loans (%)	Balance of	NPL to total Loans (%)
	NPL		NPL		NPL	
GMSH Securities <sup>2)</sup>	125,366	12.14	27,738	2.35	25,888	2.54

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

2) Under the guidelines of the FSC, every securities brokerage

company and  
credit card  
company shall  
classify its loans  
into five  
categories:  
normal,  
precautionary,  
substandard,  
doubtful and  
estimated loss.

Under the  
Group's internal  
measures,  
non-performing  
loans of Good  
Morning  
Shinhan  
Securities, and  
Shinhan Card  
includes loans  
classified as  
substandard,  
doubtful, and  
estimated loss.



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

			(KRW million)		
			Jan. 1, 2009~ Mar. 31, 2009	Jan. 1, 2008~ Dec. 31, 2008	Jan. 1, 2007~ Dec. 31, 2007
Shinhan Bank	Loan Loss Allowance	Domestic	3,251,442	2,945,910	2,317,075
		Overseas	66,253	81,927	76,175
		Total	3,317,695	3,027,837	2,393,250
	Write-offs		130,958	340,942	186,316
Shinhan Card	Loan Loss Allowance	Domestic	849,429	773,961	947,737
		Overseas			
		Total	849,429	773,961	947,737
	Write-offs		106,493	603,883	430,535
GMSH Securities	Loan Loss Allowance	Domestic	Apr. 1, 2008~ Mar. 31, 2009	Apr. 1, 2007~ Mar. 31, 2008	Apr. 1, 2006~ Mar. 31, 2007
		Overseas	104,212	33,005	30,776
		Total	104,212	33,005	30,776
	Write-offs		78,153	983	1,117

**3. Independent Auditor*****Audit Opinion for the last 3 years***

	2009 1Q	FY 2008	FY 2007
Audit Opinion	-	Unqualified	Unqualified

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

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

Year	Auditor	Payment (KRW mil.)	Details	Working hours
2009 1Q	KPMG Samjong Accounting Corp.	355	Review/Audit of Financial Statements	796 hours
2008	KPMG Samjong Accounting Corp.	355	Review/Audit of Financial Statements	5,106 hours

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2007	KPMG Samjong Accounting Corp.	341	Review/Audit of Financial Statements	4,599 hours
	KPMG Samjong Accounting Corp.	399	Review of Financial Statements related to accounting treatment of LG Card acquisition	2,755 hours

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

## 1) Executive Directors

Name	Date of Birth	Position	Service Term
Eung Chan Ra	Nov. 25, 1938	Chairman of BOD Board Steering Committee Chair	3 years starting from March 20, 2007
Sang Hoon Shin	Jul. 1, 1948	President & CEO	2 years starting from March 17, 2009

## 2) Non-Executive Directors

Currently, 13 non-executive directors are in office, 12 of which outside directors, nominated by our Outside Director Recommendation Committee and appointed pursuant to the approval of general shareholders meeting on March 17, 2009.

Our non-executive directors are as follows:

Name	Date of Birth	Outside Director	Sub-Committees	Service Term
Baek Soon Lee	Oct. 8, 1952	X		3 years starting from March 17, 2009
Boo In Go	Dec. 25, 1941	O		1 year starting from March 17, 2009
Young Woo Kim	May 1, 1952	O	Audit Committee member	1 year starting from March 17, 2009
Yo Koo Kim	Mar. 23, 1950	O		1 year starting from March 17, 2009
Shee Yul Ryoo	Sept. 5, 1938	O	Board Steering Committee member Compensation Committee member	1 year starting from March 17, 2009
Ke Sup Yun	May 20, 1945	O	Risk Management Committee member Compensation Committee member	1 year starting from March 17, 2009
Jung Il Lee	Aug. 28, 1952	O		1 year starting from March 17, 2009
Sung Bin Chun	Jan. 21, 1953	O	Audit Committee Chair Board Steering Committee member Compensation Committee member	1 year starting from March 17, 2009
Kap Young Jeong	Aug. 22, 1951	O	Audit Committee member Board Steering Committee member Compensation Committee member	1 year starting from March 17, 2009
Haeng Nam Chung	Mar. 15, 1941	O		1 year starting

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Bong Youn Cho	Mar. 9, 1948	O	Risk Management Committee	from March 17, 2009
			chair	1 year starting
			Audit Committee member	from March 17, 2009
			Compensation Committee	
			member	
Young Seok Choi	July 2, 1929	O	Board Steering Committee	1 year starting
			member	
				from March 17, 2009
Philippe Reynieix	Jun. 24, 1949	O	Risk Management Committee	1 year starting
			member	
				from March 17, 2009

For personal profiles of the outside directors, please refer to our Form 6-K filed on February 19, 2009.  
 Chair of Compensation Committee will be elected in the near future.

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## 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 and Chief Financial Officer	- Finance Management Team - Investor Relations Team - Strategic Planning Team - Global Business Strategy Team
Sung Ho Wi	Jun. 12, 1958	Deputy President	- General Affairs Team - Business Management Team - Public Relations Team
Chan Hee Jin	Jun. 10, 1955	Deputy President	- Synergy Management Team - Information & Technology Planning Team - Audit & Compliance Team - Risk Management Team

**Stock Options (as of March 31, 2009)**

	No. of Granted Options (A)	No. of Exercised Options (B)	No. of Cancelled Options (C)	No. of Exercisable Options (D = A - B - C)	Exercise Price
Granted in 2003	1,020,416	958,207	11,600	50,609	11,800
Granted in 2004	1,258,923	1,243,723	15,200		21,595
Granted in 2005	2,620,331	385,773	251,300	1,983,258	28,006
Granted in 2006	3,206,173		480,300	2,725,873	38,829
Granted in 2007	1,301,050		148,700	1,152,350	54,560
Granted in 2008	808,700		109,690	699,010	49,053
Granted in 2009	614,735		614,735		23,405
Total	10,830,328	2,587,703	1,631,525	6,611,100	

Note) The weighted-average exercise price of outstanding exercisable options as of March 31, 2009 is KRW 39,198.

**Employees**

(As of Mar. 31, 2009)

Number of Employees	Average length of Service	Total Salaries and wages paid in 1Q 2009 (KRW million)	Average Payment per person (KRW million)
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Total	97	3 yrs 3 mths	2,007	21
		12		

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**Table of Contents****5. Major Shareholders and Market Price Information of our Common Shares and ADRs****Major Shareholders<sup>1)</sup> of Shinhan Financial Group as of Mar. 31, 2008**

Name	No. of Common Shares owned	Ownership%
BNP Paribas Group	38,574,239	8.13
Korea Nat 1 Pension Fund <sup>2)</sup>	32,350,153	6.82
Total	70,924,392	14.95

- 1) Shareholders who own ownership of 5% or more.
- 2) Based on the public filing submitted by the Korea National Pension Fund on April 7, 2009 to report changes in beneficial ownership. Number of common shares owned is as of April 7, 2009.

**Common Share Traded on the Korea Exchange**

(KRW, number of shares)

		Oct. 2008	Nov. 2008	Dec. 2008	Jan. 2009	Feb. 2009	Mar. 2009
Price per share	High	42,000	37,600	34,900	32,950	29,700	27,700
	Low	29,000	25,600	29,500	25,500	21,250	20,500
	Avg.	36,452	31,730	31,626	29,603	25,838	24,016
Trading Volume		85,794,289	66,940,466	59,554,052	65,154,136	86,825,512	114,074,594
Highest Daily Trading Volume		8,806,724	5,603,354	7,687,124	5,207,842	7,133,276	9,482,933
Lowest Daily Trading Volume		1,943,420	2,226,739	930,833	1,620,498	2,336,662	2,689,026

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

(USD, number of shares)

		Oct. 2008	Nov. 2008	Dec. 2008	Jan. 2009	Feb. 2009	Mar. 2009
Price per share	High	71.00	61.61	52.73	50.34	43.62	41.46
	Low	43.80	32.68	37.42	36.82	28.00	26.25
	Avg.	55.33	45.63	46.90	43.04	35.93	33.17

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Trading Volume Highest Daily	2,863,845	2,278,490	2,695,983	2,583,218	2,805,315	4,766,767
Trading Volume Lowest Daily	203,500	192,527	277,442	286,052	304,636	347,113
Trading Volume	39,550	46,457	20,417	57,173	76,461	122,175

\* 1 ADR = 2  
Common Shares



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

(KRW billion)

Subsidiary	Loan Type	Origination	Maturity	Funding	Lending	Beginning		Ending	
		Date	Date	Rate	Rate	Balance	Increase	Decrease	Balance
Shinhan Card	Loan in KRW	2003-04-23	2009-04-23	5.47%	5.92%	100			100
Shinhan Capital	Loan in KRW	2004-03-24	2009-03-24	5.11%	5.93%	20		20	
Shinhan Capital	Loan in KRW	2004-06-25	2009-06-25	4.93%	5.22%	50			50
GMSH Securities	Loan in KRW	2005-01-31	2010-07-31	4.59%	5.25%	70			70
Shinhan Card	Loan in KRW	2006-01-24	2009-01-24	5.24%	5.41%	50		50	
Shinhan Capital	Loan in KRW	2006-01-24	2009-01-24	5.24%	5.41%	50		50	
Shinhan Card	Loan in KRW	2006-02-27	2009-02-27	5.07%	5.23%	30		30	
Shinhan Capital	Loan in KRW	2006-02-27	2009-02-27	5.07%	5.23%	70		70	
Shinhan Capital	Loan in KRW	2006-04-24	2009-04-24	5.09%	5.22%	100			100
GMSH Securities	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 Card	Loan in KRW	2008-01-23	2011-01-23	6.46%	6.60%	100			100
Shinhan Capital	Loan in KRW	2008-01-23	2011-01-23	6.46%	6.60%	50			50
		2008-01-23	2013-01-23	6.51%	6.60%	50			50

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Shinhan Capital	Loan in KRW								
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 PE	Loan in KRW	2008-06-27	2009-06-26	5.98%	6.18%	5			5
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	2008-08-13	2009-08-13	6.65%	6.85%	5			5
Shinhan Card	Loan in KRW	2008-12-11	2011-12-11	8.01%	8.12%	100			100
Shinhan Capital	Loan in KRW	2008-12-11	2011-12-11	8.01%	8.12%	30			30
Shinhan Capital	Loan in KRW	2008-12-18	2009-11-11	8.13%	8.20%	120			120
SH&C	Loan in KRW	2008-12-26	2015-12-26		9.00%	10		10	
Shinhan Capital	Loan in KRW	2009-01-06	2010-01-05	6.53%	6.63%		50		50
Total						2,410	50	230	2,230

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**Exhibit 99-1**

Independent Accountant's Review Report (Non-consolidated Financial Statements) of Shinhan Financial Group as of March 31, 2009

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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 : May 15, 2009