

SHINHAN FINANCIAL GROUP CO LTD
Form 6-K
April 01, 2019
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

Pursuant to Rule 13a-16 or 15d-16

Under the Securities Exchange Act of 1934

For the Month of April 2019

SHINHAN FINANCIAL GROUP CO., LTD.

(Translation of registrant's name into English)

20, Sejong-daero 9-gil, Jung-gu, Seoul 04513, 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- n/a .

Summary of FY2018 Business Report

On April 1, 2019, Shinhan Financial Group (“SFG”) filed its FY2018 Business Report (the “Business Report”) with the Financial Services Commission of Korea and the Korea Exchange pursuant to the Financial Investment Services and Capital Market Act of Korea. This is the summary of the Business Report translated into English. Non-material or previously disclosed information are omitted or abridged.

The financial information in this report has been prepared in accordance with Korean International Financial Reporting Standards.

Table of Contents

1. Introduction of the Group
2. Business Results
3. Independent Auditor
4. Major Shareholder and Market Price Information of our Common Shares and ADRs
5. Directors, Executive Officers and Employees
6. Related Party Transactions

1. Introduction of the Group

Company History in 2010 through 2018

Jan. 2010 : Shinhan Data System became a direct subsidiary of SFG
Aug. 2010 : Shinhan Macquarie Financial Advisory was disaffiliated from SFG
Feb. 2011 : Shinhan BNP Paribas Asset Management (Hong Kong) Limited became an indirect subsidiary of SFG
Nov. 2011 : Shinhan Bank Vietnam was merged with Shinhan Vina Bank
Dec. 2011 : Shinhan Savings Bank became a direct subsidiary of SFG
Nov. 2012 : Shinhan AITAS Co., Ltd. joined SFG as a direct subsidiary
Jan. 2013 : Yehanbyoul Savings Bank joined SFG as a direct subsidiary
Apr. 2013 : Shinhan Savings Bank merged with Yehanbyoul Savings Bank. As a result of the integration, Shinhan Savings Bank has been liquidated and Yehanbyoul Savings Bank now exists under the name of “Shinhan Savings Bank” as an existing legal entity
Nov. 2014 : LLP MFO Shinhan Finance (Kazakhstan) became an indirect subsidiary of SFG
Jul. 2015 : Shinhan Securities Vietnam Co., Ltd became an indirect subsidiary of SFG
Oct. 2015 : Banco Shinhan de Mexico became an indirect subsidiary of SFG
Nov. 2015 : PT Bank Shinhan Indonesia became an indirect subsidiary of SFG
Dec. 2015 : PT. Shinhan Indo Finance became an indirect subsidiary of SFG
Dec. 2015 : PT Centratama Nasional Bank became an indirect subsidiary of SFG
Mar. 2016 : Shinhan Microfinance Co., Ltd. became an indirect subsidiary of SFG
Jul. 2016 : PT Shinhan Securities Indonesia became an indirect subsidiary of SFG
Dec. 2016 : Launched new integrated PT Bank Shinhan Indonesia
Oct. 2017 : Established Shinhan REITs(Real Estate Investment Trusts) Management Co.,Ltd. as SFG subsidiary
Dec. 2017 : Shinhan K REITs became an indirect subsidiary of SFG
Apr. 2018 : Shinhan Alpha REITs (formerly known as Shinhan K REITs) was disaffiliated from SFG’s indirect subsidiary due to a change in the largest shareholder
May. 2018 : GX SHINHAN INTERVEST 1st PEF became an indirect subsidiary of SFG
May. 2018 : Shinhan DS Vietnam became an indirect subsidiary of SFG
Sep. 2018 : SFG entered into a share purchase agreement with Life Investment Ltd. for the acquisition of its majority shares, 59.15% interest, in Orange Life Insurance, Ltd.
Sep. 2018 : Shinhan Alpha Yongsan REIT became an indirect subsidiary of SFG
Oct. 2018. : SFG entered into a share purchase agreement with Asia Trust Co., Ltd. for the 100% acquisition.

Principal Subsidiaries under Korean Law (as of Dec. 31, 2018)

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 BNP Paribas Asset Management | 65.0% |
| Shinhan Capital | 100.0% |
| Jeju Bank ¹⁾ | 71.9% |
| Shinhan Savings Bank ²⁾ | 100.0% |
| Shinhan DS ³⁾ | 100.0% |
| Shinhan AITAS ⁴⁾ | 99.8% |
| Shinhan Credit Information | 100.0% |
| Shinhan Alternative Investment Management | 100.0% |
| Shinhan REITs Management | 100.0% |
| SHC Management ⁵⁾ | 100.0% |

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

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

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

3) Shinhan Data System changed its company name to Shinhan DS on May 13, 2018.

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

5) Currently in liquidation proceedings

6) On February 1, 2019, Orange Life Insurance, Ltd. became a direct subsidiary of SFG

Edgar Filing: SHINHAN FINANCIAL GROUP CO LTD - Form 6-K

Indirect subsidiaries held through direct subsidiaries (as of Dec. 31, 2018)

| Direct Subsidiaries | Indirect Subsidiaries | Ownership by the Parent |
|---|---|--|
| Shinhan Bank | Shinhan Asia Limited | 100.0% |
| | Shinhan Bank America | 100.0% |
| | Shinhan Bank Japan | 100.0% |
| | Shinhan Bank Europe | 100.0% |
| | Shinhan Bank Cambodia | 97.5% |
| | Shinhan Bank Kazakhstan | 100.0% |
| | Shinhan Bank China Limited | 100.0% |
| | Shinhan Bank Canada | 100.0% |
| | Shinhan Bank Vietnam | 100.0% |
| | Banco Shinhan de Mexico | 100.0% |
| | PT Bank Shinhan Indonesia | 99.0% |
| | LLP MFO Shinhan Finance | 100.0% |
| | Shinhan Card | PT. Shinhan Indo Finance |
| Shinhan Microfinance Co., Ltd. | | 100.00% |
| Shinhan Investment Corp. USA Inc. | | 100.0% |
| Shinhan Investment Corp. Asia Inc. | | 100.0% |
| Shinhan Securities Vietnam Co., Ltd | | 100.0% |
| PT Shinhan Sekuritas Indonesia | | 99.0% |
| Shinhan Investment Corp. | KOFC Shinhan Frontier Champ 2010-4 PEF ¹⁾ | 8.5% |
| | GX SHINHAN INTERVEST 1st PEF ⁵⁾ | 14.5% |
| | Shinhan Praxis K-Growth Global Private Equity Fund 2) | 14.1% |
| | Shinhan BNP Paribas Asset Management | Shinhan BNP Paribas Asset Management (Hong Kong) Limited |
| Shinhan Alternative Investment Management | Shinhan Private Equity Fund 2nd ³⁾ | 2.2% |
| | Shinhan-Stonebridge Petro Private Equity Fund ⁴⁾ | 0.6% |

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

2) Shinhan Financial Group and its subsidiaries currently own 18.9% of Shinhan Praxis K-Growth Global Private Equity Fund.

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

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

5) Shinhan Financial Group and its subsidiaries currently own 25.3% of GX SHINHAN INTERVEST 1st PEF.

Number of Shares (as of Dec. 31, 2018)

| Types of Shares | Number of Shares |
|-----------------|------------------|
| Common Shares | 474,199,587 |
| Total | 474,199,587 |
| Treasury Stocks | 3,548,659 |

1) Based on the completion of settlement after transactions

2. Business Results

Operation Results

| | (KRW billion) | | |
|--|--------------------|--------------------|--------------------|
| | FY2018 | FY2017 | FY2016 |
| | (Jan. 1 ~ Dec. 31) | (Jan. 1 ~ Dec. 31) | (Jan. 1 ~ Dec. 31) |
| Operating income | 4,499.3 | 3,830.0 | 3,108.6 |
| Equity method income | 17.5 | 20.4 | 10.0 |
| Other non-operating income | -50.3 | -52.8 | 51.8 |
| Profit before income taxes | 4,466.5 | 3,797.6 | 3,170.5 |
| Income tax expense | 1,268.3 | 848.4 | 345.6 |
| Consolidated net income | 3,198.2 | 2,949.2 | 2,824.9 |
| Net income attributable to equity holders of the Group | 3,156.7 | 2,918.8 | 2,774.8 |
| Net income attributable to non-controlling interest | 41.5 | 30.4 | 50.1 |

Notes :

Some of the totals may not sum due to rounding.

6

Source and Use of Funds

| Consolidated Basis (KRW billion, %) | FY2018 Jan. 1 ~ Dec. 31 | | | | FY2017 Jan. 1 ~ Dec. 31 | | | | FY2016 Jan. 1 ~ Dec. 31 | | | |
|--|--------------------------------------|--------------------|----------|------|--------------------------------------|--------------------|----------|------|--------------------------------------|--------------------|----------|------|
| | Average Balance ¹⁾ (%) | Proportions (%) | Interest | | Average Balance ¹⁾ (%) | Proportions (%) | Interest | | Average Balance ¹⁾ (%) | Proportions (%) | Interest | |
| | | | Average | Rate | | | Average | Rate | | | Average | Rate |
| | | | Paid | (%) | | | Paid | (%) | | | Paid | (%) |
| Deposits | 257,656.5 | 58.2 | 3,091.7 | 1.20 | 241,523.7 | 58.3 | 2,482.5 | 1.03 | 226,966.8 | 58.7 | 2,586.7 | |
| Borrowings | 19,211.9 | 4.3 | 316.9 | 1.65 | 17,479.8 | 4.2 | 217.3 | 1.24 | 15,047.2 | 3.9 | 176.4 | |
| Debt | 57,284.3 | 12.9 | 1,336.8 | 2.33 | 47,594.6 | 11.5 | 1,085.4 | 2.28 | 42,790.8 | 11.1 | 1,085.8 | |
| Securities Issued | | | | | | | | | | | | |
| Other Liabilities | 73,666.5 | 16.7 | - | - | 74,788.5 | 18.1 | - | - | 70,504.9 | 18.2 | - | |
| Source Total | 407,819.2 | 292.1 | - | - | 381,386.6 | 292.1 | - | - | 355,309.7 | 291.9 | - | |
| Liabilities Total | 34,911.0 | 7.9 | - | - | 32,750.5 | 7.9 | - | - | 31,499.5 | 8.1 | - | |
| Stockholder's Equity Total | 442,730.2 | 100.0 | - | - | 414,137.1 | 100.0 | - | - | 386,809.3 | 100.0 | - | |
| Liabilities & SE | | | | | | | | | | | | |
| Cash & Due from Banks | 20,581.4 | 4.6 | 188.9 | 0.92 | 21,609.4 | 5.2 | 167.8 | 0.78 | 20,933.1 | 5.4 | 185.5 | |
| Loans | 287,925.9 | 65.0 | 11,190.7 | 3.89 | 266,195.4 | 64.3 | 9,681.4 | 3.64 | 252,132.2 | 65.2 | 9,244.0 | |
| Loans in KRW | 224,504.2 | 50.7 | 7,892.5 | 3.52 | 207,439.9 | 50.1 | 6,828.2 | 3.29 | 197,841.4 | 51.2 | 6,541.9 | |
| Loans in Foreign Currency | 19,306.0 | 4.4 | 795.6 | 4.12 | 16,841.6 | 4.1 | 583.2 | 3.46 | 14,936.7 | 3.9 | 482.2 | |
| Credit Card Accounts | 21,543.9 | 4.9 | 1,790.2 | 8.31 | 19,952.8 | 4.8 | 1,680.9 | 8.42 | 18,804.3 | 4.9 | 1,708.5 | |
| Others | 22,571.8 | 5.0 | 712.5 | 3.16 | 21,961.1 | 5.3 | 589.1 | 2.68 | 20,549.8 | 5.3 | 511.4 | |
| FVOCI Financial Assets | 37,064.0 | 8.4 | 754.6 | 2.04 | 34,272.9 | 8.3 | 645.3 | 1.88 | 30,308.9 | 7.8 | 612.1 | |
| AC Financial Assets | 26,456.1 | 6.0 | 730.4 | 2.76 | 22,199.6 | 5.4 | 651.1 | 2.93 | 17,409.7 | 4.5 | 561.8 | |
| Other Assets | 70,702.8 | 16.0 | - | - | 69,859.8 | 16.8 | - | - | 66,025.3 | 17.1 | - | |
| Total Assets | 442,730.2 | 100.0 | - | - | 414,137.1 | 100.0 | - | - | 386,809.3 | 100.0 | - | |

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

Other Financial Information

The main serial financial figures and indices for Dec. 31, 2018 listed herein may be subject to change.

1) Capital Adequacy

Consolidated BIS Ratio (Shinhan Financial Group)

| | (KRW billion) | | |
|--|---------------|---------------|---------------|
| | Dec. 31, 2018 | Dec. 31, 2017 | Dec. 31, 2016 |
| Aggregate Amount of Equity Capital (A) | 33,993.1 | 30,713.5 | 29,786.5 |
| Risk-Weighted Assets (B) | 228,678.1 | 207,768.6 | 198,642.6 |
| BIS Ratio (A/B) | 14.87% | 14.78% | 15.00% |

Note) based on Basel III

Capital Adequacy Ratios (Subsidiaries)

| Subsidiary | Capital Adequacy Ratio | (%) | | |
|--------------------------------------|---|------------------|------------------|------------------|
| | | Dec. 31, 2018 | Dec. 31, 2017 | Dec. 31, 2016 |
| Shinhan Bank | BIS Capital Adequacy Ratio | 16.0 | 15.6 | 15.7 |
| Shinhan Card | Adjusted Equity Capital Ratio | 21.7 | 24.5 | 26.2 |
| Shinhan Investment Corp. | Net Capital Ratio | 796.9 | 706.4 | 892.0 |
| Shinhan Life Insurance | Risk Based Capital Ratio | 238.7 | 175.4 | 178.3 |
| Shinhan BNP Paribas Asset Management | Equity Capital (KRW billion) Minimum Capital Requirement (KRW billion) | 159.0 27.4 | 156.0 23.5 | 148.6 24.0 |
| Shinhan Capital | Adjusted Equity Capital Ratio | 13.2 | 14.0 | 14.9 |
| Jeju Bank | BIS Capital Adequacy Ratio | 14.9 | 14.7 | 12.8 |
| Shinhan Savings Bank | BIS Capital Adequacy Ratio | 14.7 | 14.3 | 14.9 |

Notes :

The BIS Capital Adequacy Ratio is computed in accordance with the guidelines issued by the FSS for commercial banks. Under these guidelines, commercial banks are required to maintain a minimum capital adequacy ratio of 8%. Basel III FIRB was applied in calculating Shinhan Bank's BIS Capital Adequacy Ratio.

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

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

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

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

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

Under the guidelines issued by the FSS, Shinhan BNP Paribas Asset Management is required to hold Equity Capital that exceeds the Minimum Capital Requirement.

8

2) Liquidity

Won Liquidity Ratio

| Company | Dec. 31, 2018 | | | Dec. 31, 2017 | | | (KRW billion, %) Dec. 31, 2016 | | |
|--------------------------|---------------|-----------------|------------------------|---------------|-----------------|------------------------|-----------------------------------|-----------------|------------------------|
| | Won Assets | Won Liabilities | Won Liquidity Ratio(%) | Won Assets | Won Liabilities | Won Liquidity Ratio(%) | Won Assets | Won Liabilities | Won Liquidity Ratio(%) |
| Shinhan Financial Group | 1,860.4 | 138.3 | 1,344.8 | 309.8 | 131.6 | 235.3 | 198.8 | 134.8 | 147.5 |
| Shinhan Card | 17,425.6 | 4,568.9 | 381.4 | 15,768.6 | 4,236.0 | 372.3 | 14,722.9 | 4,069.1 | 361.8 |
| Shinhan Investment Corp. | 13,167.2 | 7,820.2 | 168.4 | 12,873.9 | 9,320.8 | 138.1 | 12,472.3 | 8,227.4 | 151.6 |
| Shinhan Life Insurance | 1,136.0 | 637.3 | 178.3 | 917.5 | 553.3 | 165.8 | 915.8 | 502.0 | 182.4 |
| Shinhan Capital | 637.7 | 543.7 | 117.3 | 768.9 | 560.4 | 137.2 | 684.5 | 521.2 | 131.3 |
| Shinhan Savings Bank | 320.5 | 222.4 | 144.1 | 308.0 | 213.3 | 144.4 | 169.8 | 138.7 | 122.4 |

Notes :

Shinhan Financial Group: Due within 1 month

Shinhan Life Insurance: (Won assets due within 3 months /3 months average of Claim payments)*100

Shinhan Card, Shinhan Investment Corp., Shinhan Capital, and Shinhan Savings Bank : Due within 3 months

Liquidity Ratio for Shinhan Bank and Jeju Bank have been replaced by Liquidity Coverage Ratio from Mar 31, 2015 to reflect the recent amendments to detailed regulations on supervision of banking business.

Liquidity Coverage Ratio

| Company | Dec. 31, 2018 | | | Dec. 31, 2017 | | | (KRW billion, %) Dec. 31, 2016 | | |
|--------------|----------------------------|-------------------|------------------------------|----------------------------|-------------------|-----------------------------|-----------------------------------|-------------------|-----------------------------|
| | High Quality Liquid Assets | Net Cash Outflows | Liquidity Coverage Ratio(%)* | High Quality Liquid Assets | Net Cash Outflows | Liquidity Coverage Ratio(%) | High Quality Liquid Assets | Net Cash Outflows | Liquidity Coverage Ratio(%) |
| Shinhan Bank | 51,326.2 | 52,043.4 | 98.7 | 46,813.9 | 49,493.3 | 94.7 | 35,961.9 | 37,257.5 | 96.7 |
| Jeju Bank | 625.5 | 514.1 | 122.3 | 560.3 | 476 | 117.9 | 563.2 | 401.9 | 142.6 |

* Liquidity Coverage Ratios are the arithmetic mean of daily LCRs.

Foreign Currency (FC) Liquidity Ratio

| Company | (USD millions, %) | | | | | | | | |
|--------------------------|-------------------|----------------|-----------------------|---------------|----------------|-----------------------|---------------|----------------|-----------------------|
| | Dec. 31, 2018 | | | Dec. 31, 2017 | | | Dec. 31, 2016 | | |
| | FC Assets | FC Liabilities | FC Liquidity Ratio(%) | FC Assets | FC Liabilities | FC Liquidity Ratio(%) | FC Assets | FC Liabilities | FC Liquidity Ratio(%) |
| Shinhan Financial Group | - | - | - | - | - | - | - | - | - |
| Shinhan Bank | - | - | - | 49,850.7 | 46,790.4 | 106.5 | 39,631.1 | 35,968.5 | 110.2 |
| Shinhan Investment Corp. | 5,983.65 | 6,641.7 | 106.1 | 7,577.9 | 7,913.3 | 95.8 | 5,635.3 | 5,073.4 | 111.1 |
| Shinhan Capital | 118.3 | 100.4 | 117.8 | 99.8 | 0.3 | 29,325.20 | 80.3 | 1.1 | 7,333.00 |
| Jeju Bank | 34.2 | 17.2 | 198.8 | 43.2 | 37.9 | 114.1 | 13.3 | 10.7 | 124.7 |

Notes :

Foreign currency liquidity ratios are computed with assets and liabilities due within 3 months.

Shinhan Bank's foreign currency liquidity ratio reflected securitization weight with the guidelines issued by the FSS.

Shinhan Bank's foreign currency liquidity ratio has been replaced by Foreign Liquidity Coverage Ratio.

Foreign Currency (FC) Liquidity Coverage Ratio

| Company | (USD millions, %) | | | |
|--------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 2018 4Q Oct. 1 ~ Dec. 31 | 2018 3Q Jul. 1 ~ Sep. 30 | 2018 2Q Apr. 1 ~ Jun. 30 | 2018 1Q Jan. 1 ~ Mar. 31 |
| Shinhan Bank | 123.1 | 124.2 | 117.6 | 107.3 |

Notes :

Under the guidelines issued by the FSS, Shinhan Bank is required to hold a minimum requirement of foreign exchange debt in high-quality liquidity assets to withstand a 30-day net cash outflow in systemic risks. The minimum requirement of the foreign currency liquidity coverage ratio was set at 60% in 2017, 70% in 2018 and will be increased gradually to 80% in 2019.

3) Asset Quality

SFG Consolidated Basis

| | (KRW billion) | | |
|------------------------------------|---------------|---------------|---------------|
| | Dec. 31, 2018 | Dec. 31, 2017 | Dec. 31, 2016 |
| Total Loans | 299,349.9 | 274,719.1 | 259,772.6 |
| Substandard & Below | 1,612.9 | 1,734.1 | 1,927.6 |
| Substandard & Below Ratio | 0.54% | 0.63% | 0.74% |
| Non-Performing Loans | 1,318.4 | 1,467.1 | 1,595.8 |
| NPL Ratio | 0.44% | 0.53% | 0.61% |
| Substandard & Below Coverage Ratio | 170.40% | 135.15% | 125.99% |
| Loan Loss Allowance | 2,748.3 | 2,343.6 | 2,428.7 |
| Substandard & Below Loans | 1,612.9 | 1,734.1 | 1,927.6 |

Separate Basis

| | Dec. 31, 2018 | | | Dec. 31, 2017 | | | Dec. 31, 2016 | | |
|--------------------------------|---------------------------------|--------------|---|---------------------------------|--------------|---|---------------------------------|--------------|---|
| | Substandard & Below Ratio | NPL Ratio | Substandard & Below Coverage Ratio | Substandard & Below Ratio | NPL Ratio | Substandard & Below Coverage Ratio | Substandard & Below Ratio | NPL Ratio | Substandard & Below Coverage Ratio ¹⁾ |
| Shinhan Financial Group | - | - | - | - | - | - | - | - | - |
| Shinhan Bank | 0.45 | 0.39 | 141 | 0.55 | 0.49 | 114 | 0.65 | 0.56 | 96 |
| Shinhan Card | 1.11 | 0.61 | 275 | 1.06 | 0.61 | 238 | 1.16 | 0.76 | 271 |
| Shinhan Investment Corp. | 0.08 | 0.08 | 1,003 | 0.08 | 0.08 | 497 | 0.10 | 0.10 | 413 |
| Shinhan Life Insurance | 0.09 | 0.08 | 414 | 0.09 | 0.07 | 274 | 0.09 | 0.08 | 335 |
| Shinhan Capital | 0.97 | 1.04 | 159 | 1.33 | 1.6 | 129 | 2.61 | 2.93 | 94 |
| Jeju Bank | 0.49 | 0.47 | 102 | 1.09 | 0.8 | 41 | 1.24 | 0.93 | 35 |
| Shinhan Savings Bank | 3.88 | 3.40 | 72 | 3.86 | 2.98 | 62 | 5.42 | 3.45 | 53 |

4) Debt to Equity Ratios

Shinhan Financial Group (Separate Basis)

| | (KRW billion) | | |
|----------------------|---------------|---------------|---------------|
| | Dec. 31, 2018 | Dec. 31, 2017 | Dec. 31, 2016 |
| Debt | 8,464.2 | 7,447.7 | 6,977.7 |
| Equity | 21,650.0 | 20,192.1 | 20,217.9 |
| Debt to Equity Ratio | 39.10% | 36.88% | 34.51% |

Twenty Largest Exposures by Borrower

| | | | | | | (KRW billion) |
|--|----------|------------------|------------|----------------|--------|---------------|
| As of Dec. 31, 2018 | Loans in | Loans in Foreign | Securities | Guarantees and | Others | Total |
| Consolidated basis | Won | Currency | | Acceptances | | Exposures |
| Ministry of Strategy & Finance | 0.0 | - | 17,848.0 | - | - | 17,848.0 |
| Korea Housing Finance Corporation | 0.0 | - | 6,870.3 | - | - | 6,870.3 |
| Bank of Korea | 40.0 | - | 5,608.9 | 0.1 | - | 5,649.0 |
| Korea Development Bank | 10.9 | 11.2 | 5,176.5 | - | - | 5,198.7 |
| Industrial Bank of Korea | 651.8 | - | 3,127.4 | - | - | 3,779.1 |
| Export-Import Bank of Korea | - | 11.2 | 2,431.3 | - | - | 2,442.5 |
| Samsung Electronics Co., Ltd. | 0.0 | 1,432.5 | - | - | 0.0 | 1,432.5 |
| Korea Deposit Insurance Corporation | - | - | 1,355.9 | - | - | 1,355.9 |
| KB Investment & Securities Co., Ltd | 1,100.0 | - | 229.1 | - | - | 1,329.1 |
| Woori Bank | 381.1 | 84.1 | 839.8 | - | - | 1,305.0 |
| Kookmin Bank | 723.4 | - | 532.6 | 31.2 | - | 1,287.3 |
| Korea Securities Finance Corporation | 716.3 | - | 503.8 | - | - | 1,220.1 |
| NongHyup Bank | 627.1 | 10.6 | 536.8 | 15.5 | - | 1,190.0 |
| Korea Land & Housing Corporation | 0.0 | - | 1,106.9 | - | - | 1,107.0 |
| Mirae Asset Daewoo Co., Ltd. | 870.7 | - | 191.7 | - | - | 1,062.5 |
| KEB Hana Bank | 139.6 | 225.2 | 501.1 | 2.1 | - | 868.1 |
| Korea Electric Power Corporation | 2.4 | - | 760.2 | 88.3 | - | 851.0 |
| Small & Medium Business Corporation | 0.0 | - | 722.9 | - | - | 722.9 |
| Korea Investment & Securities Co., Ltd | 631.3 | - | 67.9 | - | - | 699.2 |
| KB Kookmin Card Co., Ltd | 27.4 | - | 660.8 | - | - | 688.2 |
| Total | 5,922.1 | 1,774.9 | 49,071.9 | 137.3 | 0.0 | 56,906.2 |

Note) Some of the totals may not sum due to rounding

Exposure to ten Main Debtor Groups

| As of Dec. 31, 2018 | (KRW billion) | | | | | |
|---------------------------|----------------|---------------------------|----------------|----------------------------|------------|-----------------|
| | Loans in Won | Loans in Foreign Currency | Securities | Guarantees and Acceptances | Others | Total Exposures |
| Consolidated basis | | | | | | |
| Samsung | 545.2 | 2,001.3 | 1,023.7 | 967.9 | 0.1 | 4,538.1 |
| Hyundai Motors | 845.8 | 1,808.6 | 1,029.3 | 331.9 | 0.7 | 4,016.3 |
| SK | 836.6 | 378.2 | 786.5 | 803.9 | 0.0 | 2,805.1 |
| Lotte | 327.8 | 718.0 | 925.6 | 339.4 | 1.6 | 2,312.4 |
| LG | 460.5 | 255.7 | 603.5 | 536.9 | 0.0 | 1,856.6 |
| Hanwha | 341.1 | 264.6 | 571.8 | 328.3 | 0.2 | 1,505.9 |
| Hyundai Heavy Industries | 158.2 | 170.7 | 75.6 | 1,073.9 | - | 1,478.4 |
| LS | 78.2 | 388.0 | 250.0 | 627.2 | - | 1,343.4 |
| Hyosung | 186.4 | 452.9 | 59.7 | 139.2 | 0.0 | 838.1 |
| GS | 55.7 | 198.0 | 216.8 | 193.3 | 0.0 | 663.8 |
| Total | 3,835.4 | 6,635.9 | 5,542.4 | 5,341.9 | 2.6 | 21,358.2 |

Note) Some of the totals may not sum due to rounding

Loans, Due from banks and Securities Concentration by Industry

| As of Dec. 31, 2018 | (KRW billion) | |
|----------------------------------|------------------|---------------|
| | Total Exposures | |
| Consolidated basis | Amount | Weight (%) |
| Finance and Insurance | 88,022.5 | 20.8% |
| Manufacturing | 47,825.0 | 11.3% |
| Retail and Wholesale | 19,287.6 | 4.6% |
| Real Estate, Leasing and Service | 28,676.9 | 6.8% |
| Construction | 4,600.6 | 1.1% |
| Hotel and Restaurant | 5,695.4 | 1.3% |
| Others | 92,157.3 | 21.8% |
| Retail customers | 136,601.0 | 32.3% |
| Total | 422,866.3 | 100.0% |

Note) Some of the totals may not sum due to rounding

Top Twenty Non-Performing Loans

| | | (KRW billion) | | |
|----------|--|--------------------------------|------------------------|------------------------------|
| Borrower | Industry | Gross Principal Outstanding | Substandard & Below | Allowance for Loan Losses |
| A | Manufacture of steel products by cold rolling, cold extrusion and cold drawing | 87.4 | 87.4 | 77.7 |
| B | Manufacture of distilling machinery, heat exchangers and gas generators | 76 | 76 | 54.4 |
| C | Manufacture of plastic products for fabricating of machine | 40.7 | 40.7 | 35.2 |
| D | Manufacture of sections for ships | 41.8 | 39.5 | 27.1 |
| E | Building of steel ships | 24.1 | 24.1 | 25.3 |
| F | Building of steel ships | 23.4 | 23.4 | 7.1 |
| G | Building of steel ships | 22.3 | 22.3 | 0.7 |
| H | Manufacture of sections for ships | 22.1 | 20.7 | 0 |
| I | Other construction of civil engineering projects | 19.7 | 19.7 | 8.3 |
| J | Construction of highways, streets and roads | 17.1 | 17.1 | 14.6 |
| K | Apartment building construction | 16.7 | 15.8 | 14.5 |
| L | Manufacture of sections for ships | 11.5 | 11.5 | 4.4 |
| M | Development and subdividing of other real estate | 8.2 | 8.2 | 0 |
| N | General hospitals | 8.2 | 8.2 | 8.2 |
| O | Manufacture of smelting, refining and alloys of other non-ferrous metals | 6.5 | 6.5 | 3.2 |
| P | Golf course operation | 5.9 | 5.9 | 0 |
| Q | Wholesale of outerwear and shirts | 5.6 | 5.6 | 5.1 |
| R | Other engineering services | 8.3 | 5.5 | 5.5 |
| S | Sea freight water transport | 5.4 | 5.2 | 5.2 |
| T | Operation of Passenger Bus Terminal Facilities | 5.1 | 5.1 | 0.9 |
| Total | | 456.1 | 448.4 | 297.4 |

Notes :

Consolidated basis as of Dec. 31, 2018.

Some of the totals may not sum due to rounding.

3. Independent Auditor

Audit Opinion for the last 3 years

| | FY2018 | FY2017 | FY2016 |
|---------------|-------------|-------------|-------------|
| Audit Opinion | Unqualified | 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 preparation.

| Year | Auditor | Payment ¹⁾ (KRW mil.) | Details | Working hours |
|--------------------|--|-------------------------------------|---|--|
| FY2018 | KPMG Samjong Accounting Corp. | 715 | Review/Audit of Financial Statements | 8,470 |
| | | (annualized basis) | | Hours |
| | | 94 | | K-IFRS Report Package Audit for Shinhan Savings Bank |
| | | (annualized basis) | | Hours |
| FY2017 | KPMG Samjong Accounting Corp. | 626 | Review/Audit of Financial Statements | 7,641 |
| | | (annualized basis) | | Hours |
| | | 78 | | K-IFRS Report Package Audit for Shinhan Savings Bank |
| | | (annualized basis) | | Hours |
| FY2016 | KPMG Samjong Accounting Corp. | 261 | Non-statutory audit for IFRS 9 adoption | 2,896 |
| | | (annualized basis) | | Hours |
| | | 581 | | Review/Audit of Financial Statements |
| (annualized basis) | Hours | | | |
| 73 | K-IFRS Report Package Audit for Shinhan Savings Bank | 807 | | |
| | | (annualized basis) | | Hours |

1) Excluding value-added taxes.

* In addition to above mentioned description of fees for audit and review services, KPMG Samjong Accounting Corp. also provided services related to US listing and ICOFR audit in accordance with the standards of the PCAOB which we agreed to pay KRW1,582 million(excluding value-added taxes) for FY2018 and a comfort letter issuance services between June 11, 2018 and August 13, 2018 which we paid KRW 120 million(excluding value-added taxes).

4. Major Shareholder and Market Price Information of our Common Shares and ADRs

Major Shareholders¹⁾ of Shinhan Financial Group as of Dec. 31, 2018

| Name | No. of Common Shares owned ²⁾ | Ownership% |
|---------------------------------------|--|------------|
| National Pension Service | 44,497,838 | 9.38% |
| BlackRock Fund Advisors ³⁾ | 29,063,012 | 6.13% |

1) Shareholders who own beneficial ownership of 5% or more (common share basis).

2) Based on the results of shareholder registry closing as of December 31, 2018

3) Based on the large equity ownership disclosure by BlackRock Fund Advisors with the Financial Supervisory Service on Sep. 27, 2018.

4) Ownership is based on the total number of shares, 474,199,587

Share ownership of Employee Stock Ownership Association

| Share ownership | Beginning Balance (Jan. 1, 2018) | Increase | Decrease | (Number of shares, %) | |
|--------------------------|-------------------------------------|-----------|-----------|-----------------------------------|-------------------------------|
| | | | | Ending Balance (Dec. 31, 2018) | Ownership% (Dec. 31, 2018) |
| Employee Stock Ownership | 22,211,786 | 3,101,808 | 3,252,637 | 22,060,957 | - |
| ESOA account | 112,241 | 35,699 | 29,668 | 118,272 | - |
| Total | 22,324,027 | 3,137,507 | 3,282,305 | 22,179,229 | 4.68% |

Common Share Traded on the Korea Exchange

| | (KRW, number of shares) | | | | | | |
|------------------------------|-------------------------|------------|------------|------------|------------|------------|--------|
| | Jul. 2018 | Aug. 2018 | Sep. 2018 | Oct. 2018 | Nov. 2018 | Dec. 2018 | |
| High | 45,700 | 43,600 | 45,000 | 45,700 | 43,600 | 45,000 | |
| Price per share | Low | 42,800 | 41,450 | 42,000 | 42,800 | 41,450 | 42,000 |
| | Avg. | 44,143 | 42,859 | 43,015 | 44,143 | 42,859 | 43,015 |
| Trading Volume | 19,688,334 | 19,200,154 | 22,771,013 | 19,688,334 | 19,200,154 | 22,771,013 | |
| Highest Daily Trading Volume | 2,374,170 | 1,613,802 | 2,656,021 | 2,374,170 | 1,613,802 | 2,656,021 | |
| Lowest Daily Trading Volume | 459,214 | 491,336 | 595,359 | 459,214 | 491,336 | 595,359 | |

American Depositary Receipts traded on the New York Stock Exchange

| | (USD, number of shares) | | | | | | |
|-----------------|-------------------------|-----------|-----------|-----------|-----------|-----------|-------|
| | Jul. 2018 | Aug. 2018 | Sep. 2018 | Oct. 2018 | Nov. 2018 | Dec. 2018 | |
| High | 40.43 | 39.42 | 40.13 | 40.68 | 38.71 | 37.64 | |
| Price per share | Low | 38.13 | 36.58 | 37.23 | 37.01 | 34.78 | |
| | Avg. | 39.26 | 38.1 | 38.48 | 39.13 | 37.85 | 35.98 |
| Trading Volume | 1,754,178 | 1,742,128 | 1,830,101 | 2,002,067 | 2,052,878 | 4,531,946 | |

| | | | | | | |
|------------------------------|---------|---------|---------|---------|---------|---------|
| Highest Daily Trading Volume | 128,160 | 152,221 | 194,238 | 124,497 | 266,511 | 630,887 |
| Lowest Daily Trading Volume | 46,876 | 37,392 | 55,291 | 56,620 | 39,956 | 80,891 |

Note) 1 ADR = 1 Common Shares

5. Directors, Executive Officers and Employees

Directors and Executive Officers

1) Executive Director

(As of Mar. 31, 2019)

| Name | Month and Year of Birth | Position | Service Term |
|-----------------|-------------------------|--|--------------------------------------|
| | | - Chairman of Shinhan Financial Group | |
| Cho Yong-byoung | June 1957 | - Board Steering Committee Chair - Corporate Social Responsibility Committee member | 3 years starting from March 23, 2017 |

Note) The date on which the term will end will be the date of the general shareholders' meeting in the relevant year

2) Non-Executive Directors

Currently, 12 non-executive directors are in office, 11 of which outside directors who are nominated by our Outside Director Recommendation Committee and appointed pursuant to the approval of general shareholders' meeting.

9 outside directors were appointed as board of directors at the 18th Annual General Meeting of Shareholders on March 27, 2019, of which 5 directors renewed their terms and 4 directors were newly appointed.

Our non-executive directors are as follows:

(As of Mar. 31, 2019)

| Name | Month and Year of Birth | Outside Director | Sub-Committees | Service Term |
|----------------|-------------------------|------------------|--|--------------------------------------|
| | | | Chairman of Board of Directors | |
| Park Cheul | April 1946 | O | Corporate Governance & CEO Recommendation Committee member Remuneration Committee member Board Steering Committee member Audit Committee chair | 5 years starting from March 25, 2015 |
| Lee Manwoo | November 1954 | O | Corporate Governance & CEO Recommendation Committee chair Outside Director Recommendation Committee member Remuneration Committee member Corporate Governance & CEO Recommendation Committee member | 6 years starting from March 26, 2014 |
| Yuki Hirakawa | October 1960 | O | Corporate Social Responsibility Committee member | 5 years starting from March 25, 2015 |
| Philippe Avril | April 1960 | O | Corporate Governance & CEO Recommendation Committee member Risk Management Committee member | 5 years starting from March 25, 2015 |
| Park Ansoon | January 1945 | O | Corporate Social Responsibility Committee member Corporate Governance & CEO Recommendation Committee member | 3 years starting from March 23, 2017 |
| Kim Hwa-nam | December 1945 | O | Outside Director Recommendation Committee member | 2 years starting from March 22, 2018 |
| Choi Kyong-rok | May 1966 | O | Outside Director Recommendation Committee member | 2 years starting from March 22, 2018 |

| | | | | |
|---------------|----------------|---|---|--------------------------------------|
| | | | Risk Management Committee member | |
| | | | Board Steering Committee member Corporate Social Responsibility Committee chair | |
| Lee Yoon-jae | November 1950 | O | Outside Director Recommendation Committee member | 2 years starting from March 27, 2019 |
| | | | Audit Committee member Risk Management Committee chair | |
| Byeon Yang-ho | July 1954 | O | Corporate Governance & CEO Recommendation Committee member | 2 years starting from March 27, 2019 |
| | | | Board Steering Committee member | |
| Huh Yong-hak | September 1958 | O | Corporate Social Responsibility Committee member Remuneration Committee chair | 2 years starting from March 27, 2019 |
| | | | Risk Management Committee member Outside Director Recommendation Committee chair | |
| Sung Jae-ho | March 1960 | O | Corporate Governance & CEO Recommendation Committee member | 2 years starting from March 27, 2019 |
| | | | Audit Committee member | |
| Jin Ok-dong | February 1961 | X | Board Steering Committee member | 2 years starting from March 27, 2019 |

Note 1) Audit Committee Member Recommendation Committee consists of all the outside directors.

Note2) The date on which the term will end will be the date of the general shareholders' meeting in the relevant year

3) Executive Officers

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

(As of Mar 31, 2019)

| Name | Month and Year of Birth | Position | In charge of |
|------------------|-------------------------|---|--|
| | | | - Strategic Planning Team |
| Park Woo-hyuk | March 1963 | Deputy President and Chief Strategy Officer | - One Shinhan Strategy Team - Digital Strategy Team - Platform Marketing Team - Finance Management Team |
| Yu Sung-hun | January 1965 | Deputy President and Chief Financial Officer | - Accounting Team - Investor Relations Team - Internal Control on Financial Reporting Team |
| Lee Byeong-cheol | January 1963 | Deputy President and Chief Public Relations Officer | - Brand Strategy Division |
| Jeong Woon-jin | April 1964 | Deputy President | - Global Investment Banking Business Group |
| Jang Dong-ki | January 1964 | Deputy President | - Global Markets & Securities Business Group |
| Jeong Jiho | June 1963 | Deputy President | - Global Business Management Group |
| Wang Mi-hwa | October 1964 | Deputy President | - Wealth Management Planning Group - Risk Management Team |
| Kim Im-geun | July 1963 | Deputy President and Chief Risk Officer | - Risk Model Validation Team - Credit Review Team |
| Wang Ho-min | March 1964 | Managing Director and Chief Compliance Officer | - Compliance Team - Shinhan Leadership Center |
| Lee Een-kyoon | April 1967 | Managing Director and Chief Operating Officer | - Management Support Team - Management Innovation Team |

Compensation to Directors

1) Total Amount Approved at the Meeting of Shareholders

(As of Dec. 31, 2018)

| Total number of persons | Total amount approved | Notes |
|-------------------------|-----------------------|--------------------------|
| | | at shareholders' meeting |

(KRW millions)

| | | | |
|---------------------|--------|-------|---|
| Directors | 12(10) | 3,500 | - |
| (Outside directors) | | | |

Note) Represents the aggregate amount for all directors (including outside directors) excluding long-term incentives.

2) Total Amount Paid

(As of Dec. 31, 2018)

| | Total number of Persons | Total Compensation (KRW millions) | Average Compensation per person (KRW millions) | Notes |
|--|-------------------------------|---|--|--------------------------------------|
| Registered Directors | 2 | 1,149 | 574 | Excluding outside directors |
| Outside Directors | 6 | 387 | 62 | Excluding Audit committee members |
| Audit committee members or internal auditor | 4 | 262 | 69 | |
| Total | 12 | 1,798 | 150 | |

Notes :

Represents the total number of applicable persons as of Dec. 31, 2018.

Under the Financial Supervisory Service's standards for preparing corporate disclosure forms, which standards were amended in November 2013, we are required to disclose in our Business Report the individual annual compensation paid by us to our directors and auditors if such individual annual compensation is ₩ 500 million or greater.

In 2018, Cho Yong-byoung, our Chairman and Chief Executive Officer, received ₩ 1,149 million in salaries and wages. He also currently holds 18,200 performance shares. The exercisability of these performance shares will be determined based on business performance evaluation and share price performance during the period from 2018 to 2021. Additionally, in 2018, Woo Young-woong, our former deputy president and Chief Strategy Officer, received ₩ 552 million which consisted of ₩ 517 million in salaries and wages, ₩ 35 million in severance payments. He also currently holds 5,500 performance shares. The exercisability of these performance shares will be determined based on business performance evaluation and share price performance during the period from 2018 to 2021.

Stock Options

(As of Dec. 31, 2018)

| | 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 (KRW) |
|--------------------|----------------------------------|------------------------------------|------------------------------------|--|----------------------------|
| Granted in 2005 | 2,500 | 2,500 | - | - | 28,006 |
| Granted in 2006 | 2,500 | - | - | 2,500 | 38,829 |
| Granted in 2007 | 58,764 | - | - | 58,764 | 54,560 |
| Granted in 2008 | 60,753 | - | 15,125 | 45,628 | 49,053 |
| Total | 124,517 | 2,500 | 15,125 | 106,892 | - |

Notes :

The weighted-average exercise price of outstanding exercisable options as of Dec. 31, 2018 is KRW 51,841.

The closing price of our common stock was KRW 39,600 on Dec. 31, 2018.

As of Dec. 31, 2018, the exercise of 9,466 options granted in 2008 is temporarily suspended.

Employees

| | | (As of Dec. 31, 2018) | |
|--------|---------------------|--|-----------------|
| | | Total Salaries and wages | Average Payment |
| Gender | Number of Employees | Average length of Service paid in 2018 | per person |
| | | (KRW million) | (KRW million) |
| | | 2 yrs 11 mths | |
| Male | 137 | 17,569 | 128 |
| | | (14 yrs 7 mths) ¹⁾ | |
| | | 4 yrs 6 mths | |
| Female | 29 | 2,308 | 79 |
| | | (10 yrs 11 mths) ¹⁾ | |
| | | 3 yrs 1 mths | |
| Total | 166 | 19,878 | 119 |
| | | (13 yrs 3 mths) ¹⁾ | |

1) Average length of service including service within group subsidiaries

6. Related Party Transactions

Loans to Subsidiaries

| Subsidiary | Loan Type | Origination Maturity | | Lending Rate | Beginning Balance (Jan. 1, 2018) | | | | Ending Balance (Dec. 31, 2018) |
|---|-----------|----------------------|------------|--------------|-------------------------------------|------------|------------|-----------|-----------------------------------|
| | | Date | Date | | | Decrease | Increase | Others | |
| Shinhan Card | KRW | 2016-01-26 | 2021-01-26 | 1.98% | 150 | - | - | - | 150 |
| | KRW | 2016-02-24 | 2021-02-24 | 1.84% | 150 | - | - | - | 150 |
| | KRW | 2017-03-22 | 2022-03-22 | 2.22% | 150 | - | - | - | 150 |
| | KRW | 2017-04-20 | 2022-04-20 | 2.21% | 100 | - | - | - | 100 |
| | KRW | 2017-05-12 | 2022-05-12 | 2.35% | 50 | - | - | - | 50 |
| | KRW | 2018-02-22 | 2023-02-22 | 2.90% | - | - | 100 | - | 100 |
| Shinhan Capital | KRW | 2013-01-18 | 2018-01-18 | 3.18% | 50 | 50 | - | - | - |
| | KRW | 2013-09-05 | 2018-09-05 | 3.61% | 80 | 80 | - | - | - |
| | KRW | 2014-01-27 | 2019-01-27 | 3.60% | 50 | - | - | - | 50 |
| | KRW | 2016-03-16 | 2021-03-16 | 1.90% | 50 | - | - | - | 50 |
| | KRW | 2016-04-27 | 2019-04-27 | 1.63% | 100 | - | - | - | 100 |
| | KRW | 2017-03-22 | 2022-03-22 | 2.22% | 50 | - | - | - | 50 |
| | KRW | 2017-04-20 | 2022-04-20 | 2.21% | 50 | - | - | - | 50 |
| | KRW | 2017-05-12 | 2022-05-12 | 2.35% | 50 | - | - | - | 50 |
| | KRW | 2017-08-24 | 2022-08-24 | 2.37% | 50 | - | - | - | 50 |
| | KRW | 2018-01-22 | 2023-01-22 | 2.75% | - | - | 50 | - | 50 |
| Shinhan Alternative Investment Management | KRW | 2017-11-22 | 2018-11-21 | 2.24% | 5 | 5 | - | - | - |
| | KRW | 2018-11-21 | 2019-11-20 | 2.36% | - | - | 5 | - | 5 |
| Shinhan Savings Bank | KRW | 2016-06-17 | 2021-06-17 | 1.61% | 50 | - | - | - | 50 |
| | KRW | 2017-06-23 | 2022-06-23 | 2.27% | 50 | - | - | - | 50 |
| Shinhan Life | USD | 2018-11-30 | 2028-11-30 | 5.10% | - | - | 393 | -1 | 391 |
| Total | | | | | 1,235 | 135 | 548 | -1 | 1,646 |

For more detailed information, please refer to the Independent Accountant's Audit Report, which was reported on Form 6-K on March 11, 2019.

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/ Yu Sung-hun

Name: Yu Sung-hun

Title: Chief Financial Officer

Date: April 1, 2019

23