

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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Exhibit 99.1

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 Corp.	Shinhan Investment Corporation Europe Ltd.	100.0%
	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 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	2009	2008
	(Jan. 1 ~ Sept.	(Jan. 1~Dec.	(Jan. 1~Dec.
	30)	31)	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**

KRW billion, %)	2010 (Jan. 1 ~ Sept. 30)				2009 (Jan. 1 ~ Dec. 31)				2008 (Jan. 1 ~ Dec. 31)		
	Average	Ratio	Interest	Interest	Average	Ratio	Interest	Interest	Average	Ratio	Interest
	Balance	(%)	Paid	Rate (%)	Balance	(%)	Paid	Rate (%)	Balance	(%)	Paid
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
ts	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
ving	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
ban	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
n 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
ving	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
ban	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	Ratio	Interest	Interest	Average	Ratio	Interest	Interest	Average	Ratio	Interest
(in billion, %)	Balance	(%)	Paid	Rate	Balance	(%)	Paid	Rate	Balance	(%)	Paid
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
for 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
reserve	-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
Foreign 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
reserve	-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 (%)