

SHINHAN FINANCIAL GROUP CO LTD

Form 6-K

April 10, 2006

Table of Contents

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 April 2006

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 2005 Annual Report

On March 31, 2006, Shinhan Financial Group (SFG) filed the 2005 annual business report (the Business Report) with the Financial Supervisory Service of the Republic of Korea (Korea) pursuant to the Securities and Exchange 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.

Table of Contents

1. Introduction of the Group

2. Business Results

3. Independent Accountant

4. Directors, Executive Officers and Employees

5. Activities of Board of Directors and Sub-committees

6. Market Price Information of Our Common Shares and ADRs

7. Related Party Transactions

EX-99.1 NON-CONSOLIDATED FINANCIAL STATEMENTS

EX-99.2 CONSOLIDATED FINANCIAL STATEMENTS

Exhibit 99-1 Independent Accountant s Review Report (Non Consolidated Financial Statements)

Exhibit 99-2 Independent Accountant s Review Report (Consolidated Financial Statements)

Table of Contents

1. Introduction of the Group

Company History in 2005

§ August 26, 2005

BOD resolution to liquidate e-Shinhan

§ August 29, 2005

Acquisition of Shinhan NPS Private Equity Fund 1 as the Group's indirect subsidiary

§ September 27, 2005

BOD resolution to acquire Shinhan Life Insurance as the Group's subsidiary through a small-scale share swap

§ November 24, 2005

Completion of final Stockholders' Meeting concerning the liquidation of e-Shinhan

§ December 13, 2005

Acquisition of Shinhan Life Insurance as the Group's subsidiary

Principal Subsidiaries under Korean Law as of December 31, 2005

Direct Subsidiaries

Subsidiaries	Ownerships by SFG
Shinhan Bank	100.0%
Chohung Bank	100.0%
Good Morning Shinhan Securities ¹⁾	100.0%
Shinhan Life Insurance ²⁾	100.0%
Shinhan Card	100.0%
Shinhan Capital	100.0%
Shinhan BNP Paribas ITMC	50.0%
Jeju Bank ³⁾	62.4%
SH&C life Insurance	50.0%
Shinhan Macquarie Financial Advisory	51.0%
Shinhan Credit Information	100.0%
Shinhan Private Equity	100.0%

1) Good Morning Shinhan Securities was delisted from the Korea Exchange on January 5, 2005.

2)

Shinhan Life
Insurance joined
Shinhan
Financial Group
as the Group's
subsidiary on
December 13,
2005

- 3) Jeju Bank is
currently listed
on the Korea
Exchange.

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

Direct Subsidiaries	Indirect Subsidiaries	Ownerships by the Parent
Shinhan Bank	Shinhan Data System	100.0%
	Shinhan Finance (Hong Kong)	100.0%
Chohung Bank	Chohung ITMC	79.8%
	Chohung Finance (Hong Kong)	100.0%
	CHB America Bank	100.0%
	Chohung Bank GmbH	100.0%
	Chohung Vina Bank	50.0%
	CHB Valuemeet 2001 year 1 st Securitization	50.0%
	CHB Valuemeet 2001 year 2 nd Securitization	50.0%
	CHB Valuemeet 2002 year 1 st Securitization	50.0%
Good Morning Shinhan Securities	Good Morning Shinhan Securities Europe	100.0%
	Good Morning Shinhan Securities USA	100.0%
Shinhan Private Equity	Shinhan NPS Private Equity Fund 1	5.0 % ¹⁾

1) Shinhan Financial Group currently owns 36.7% of Shinhan Private Equity

Number of Shares by type

The table below shows the number of issued and outstanding shares of the Group as of December 31, 2005

Types of Shares	Number of Shares	Total amount of par value(KRW)
Common Shares	359,207,313	1,796,036,565,000
Redeemable Preferred Shares	52,583,961	262,919,805,000
Redeemable Convertible Preferred Shares	22,360,301	111,801,505,000
Total	434,151,575	2,170,757,875,000

Employee Stock Ownership Plan (ESOP)**(1) Contribution to ESOA (Employee Stock Ownership Association)**

Contributed to	Contribution Date	Contribution Amount (KRW)	Contributor	Use of money
	Apr. 15, 2005	681,779,448	SFG	Stock Purchase
Association Accounts	Apr. 14, 2005	32,550,000,000	SHB	Stock Purchase
		297,775,000		

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Sub-total	Apr. 13, 2005	33,529,554,448	Shinhan Capital	Stock Purchase
Employee Accounts Sub-total	Nov. 28 Dec. 29, 2005	19,894,745,599	Employees	Stock Purchase
Total		53,424,300,047		

4

Table of Contents**(2) Changes in ESOA Share Ownership ¹⁾**

					(Unit: shares)
	Share type	Beginning Balance (Jan.1, 2005)	Increase ²⁾	Decrease ³⁾	Ending Balance (December 31, 2005)
Association Accounts	Common Shares	650,146	1,293,682	1,415	1,942,413
Employee Accounts	Common Shares	0	845,790	2,520	843,270
Total		650,146	2,139,472	3,935	2,785,683

1) Shinhan Financial Group introduced the Employee Stock Ownership Plan (ESOP) on December 5, 2002 and currently, Shinhan Financial Group, Shinhan Bank and Shinhan Capital participate in the ESOP.

2) The increase is attributable to the purchase of shares with the contributions of April 2005.

3) The decrease is attributable to the retirement of Shinhan Bank's employees.

(3) ESOA Share Ownership per each company**(As of December 31, 2005, Unit: shares)**

Company	Association Accounts	Employee Accounts	Total Balance
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Shinhan Financial Group	36,672	8,556	45,228
Shinhan Bank	1,887,334	582,443	2,469,777
Chohung Bank		207,436	207,436
Shinhan Capital	18,407	96	18,503
Shinhan Card		8,989	8,989
Shinhan Life Insurance		31,578	31,578
SH&C Life Insurance		652	652
Shinhan Credit Information		576	576
Shinhan Data System		2,944	2,944
 Total	 1,942,413	 843,270	 2,785,683

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

(in millions of Korean Won)

	2005 (Jan.1~Dec.31)	2004 (Jan.1~Dec.31)	2003 (Jan.1~Dec.31)
Operating Revenue	1,886,806	1,224,147	617,074
Gain using the equity method of accounting	1,789,621	1,108,952	519,287
Interest income	95,812	114,264	97,787
Other income	1,373	931	
Operating Expense	154,873	147,638	251,366
Loss using the equity method of accounting	1,047	212	129,886
Operating Income	1,731,933	1,076,509	365,708

Source and Use of Funds**Source of Funds**

(in millions of Korean Won)

	2005 (Jan.1~Dec.31)		2004 (Jan.1~Dec.31)		2003 (Jan.1~Dec.31)	
	Average Balance ¹⁾	Ratio (%)	Average Balance ¹⁾	Ratio (%)	Average Balance ¹⁾	Ratio (%)
Stockholders Equity	8,463,137	77.36	6,770,562	74.00	4,768,492	73.82
Capital Stock	2,100,646	19.20	2,012,812	22.00	1,660,319	25.70
Capital Surplus	3,846,957	35.16	3,485,465	38.10	2,512,502	38.89
Retained Earnings	2,158,881	19.73	1,130,293	12.35	692,409	10.72
Capital Adjustment	356,653	3.26	141,992	1.55	-96,738	-1.50
Borrowings	2,477,425	22.64	2,378,244	26.00	1,691,375	26.18
Debentures	2,090,759	19.11	2,017,816	22.06	1,434,951	22.21
Other liabilities	386,666	3.53	360,428	3.94	256,424	3.97
Total	10,940,562	100.00	9,148,806	100.00	6,459,867	100.00

- 1) The Average Balance was calculated by averaging the ending balance of each quarter.

Use of Funds

(in millions of Korean Won)

	2005 (Jan.1~Dec.31)		2004 (Jan.1~Dec.31)		2003 (Jan.1~Dec.31)	
	Average Balance ¹⁾	Ratio (%)	Average Balance ¹⁾	Ratio (%)	Average Balance ¹⁾	Ratio (%)
Investments on equity stock	9,060,179	82.81	7,100,773	77.61	5,882,011	77.81
Shinhan Bank	4,198,207	38.37	3,709,669	40.55	3,139,126	41.53

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Chohung Bank	3,393,190	31.01	2,411,868	26.36	1,831,964	24.24
Good Morning Shinhan Securities	867,403	7.93	610,171	6.67	537,265	7.11
Shinhan Life Insurance	147,558	1.35				
Shinhan Card	197,754	1.81	162,378	1.77	191,094	2.53
			6			

Table of Contents

	2005 (Jan.1~Dec.31)		2004 (Jan.1~Dec.31)		2003 (Jan.1~Dec.31)	
	Average Balance ¹⁾	Ratio (%)	Average Balance ¹⁾	Ratio (%)	Average Balance ¹⁾	Ratio (%)
Shinhan Capital	139,108	1.27	112,775	1.23	95,384	1.26
Shinhan BNP Paribas						
ITMC	23,139	0.21	22,435	0.25	22,109	0.29
E-Shinhan	2,197	0.02	2,617	0.03	3,331	0.04
Shinhan Macquarie						
FA	1,641	0.01	1,159	0.01	578	0.01
Jeju Bank	57,606	0.53	49,418	0.54	44,783	0.59
Shinhan Credit						
Information	8,198	0.07	4,628	0.05	2,392	0.03
SH&C Life Insurance	14,879	0.14	13,655	0.15	13,985	0.19
Shinhan Private						
Equity	9,300	0.09	1,958	0.02		
Investment on Bonds					905	0.01
Loans	1,667,537	15.24	1,953,788	21.36	1,618,091	21.41
Fixed Assets	1,296	0.01	1,508	0.02	1,434	0.02
Intangible Assets	1,030	0.01	477	0.01	471	0.01
Cash Deposit in bank	177,313	1.62	55,370	0.61	25,326	0.34
Other Assets	33,207	0.31	36,893	0.40	30,808	0.41
Total	10,940,562	100.00	9,148,809	100.00	7,559,046	100.00

- 1) The Average Balance was calculated by averaging the ending balances of each quarter.

Other Financial Information**Requisite Capital Ratio**

(in billions of Korean Won)

	2005	2004	2003
Aggregate Amount of Equity Capital (A)	11,434.0	9,867.9	8,847.7
Requisite Capital (B)	8,609.1	7,625.3	7,472.0
Requisite Capital Ratio (A/B) ¹⁾	132.81%	129.41%	118.41%

- 1) Under the guidelines issued by the Financial Supervisory Commission applicable to

financial holding companies, we, at the holding company level, are required to maintain a minimum requisite capital ratio of 100%.

Won Liquidity Ratio

(in millions of Korean Won)

	2005	2004	2003
Won Assets due within 3 months (A)	341,547	221,335	16,687
Won Liabilities due within 3 months (B)	332,746	212,081	15,504
Won Liquidity Ratio (A/B) ¹⁾	102.65%	104.36%	107.63%

1) Under the guidelines issued by the Financial Supervisory Commission, we, at the holding company level, are required to maintain a Won liquidity ratio of not less than 100%.

Table of Contents***Liabilities to Equity Ratio***

(in millions of Korean Won)

	2005	2004	2003
Liabilities (A)	2,325,114	2,325,043	2,176,875
Equity (B)	10,137,017	7,747,271	5,523,410
Liabilities to Equity Ratio (A/B)	22.94%	30.01%	39.41%

Capital Adequacy Ratio and Other Ratios of Certain Subsidiaries

(1) Total Capital Adequacy Ratio (%)

	2005	2004	2003
Shinhan Bank	12.23	11.94	10.49
Chohung Bank	10.94	9.40	8.87
Jeju Bank	11.71	10.91	10.96

* The Total Capital Adequacy Ratio is computed in accordance with the guidelines issued by the Financial Supervisory Commission for commercial banks. Under these guidelines, commercial banks are required to maintain a minimum capital adequacy ratio of 8%.

(2) Net Capital Ratio (%)

	Dec.31 2005	Mar.31 2005	Mar.31 2004
Good Morning Shinhan Securities	614.84	629.22	480.69

* Net Capital Ratio is computed in accordance with the guidelines issued by the Financial Supervisory

Service for securities investment trust businesses. Under these guidelines, Good Morning Shinhan Securities is required to maintain a minimum net capital ratio of 100%.

(3) Solvency Margin Ratio (%)

	Dec.31 2005	Mar.31 2005	Mar.31 2004
Shinhan Life Insurance	232.12		

* Shinhan Life Insurance joined Shinhan Financial Group as the Group's subsidiary as of December 13, 2005

(4) Adjusted Equity Capital Ratio (%)

	2005	2004	2003
Shinhan Card	17.68	16.48	13.78

* 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 the Financial Supervisory Commission for credit card companies.

Under these guidelines, Shinhan Card is required to maintain a minimum adjusted equity capital ratio of 8%.

Table of Contents

(5) Non Performing Loans

(in billions of Korean Won)

	Dec. 31. 2005		Dec. 31. 2004 (March 31, 2005 for GMS Securities)		Dec. 31. 2003 (March 31, 2004 for GMS Securities)	
	Balance of NPL	NPL to total Loans (%)	Balance of NPL	NPL to total Loans(%)	Balance of NPL	NPL to total Loans (%)
Shinhan Bank ¹⁾	363.5	0.64	434.4	0.84	398.5	0.82
Chohung Bank ¹⁾	531.3	1.15	814.1	1.89	1,879.6	4.19
Jeju Bank ¹⁾	16.3	1.15	30.3	2.33	29.8	2.27
GMS Securities ²⁾	25.1	5.12	30.7	11.75	38.2	13.48
Shinhan Card ³⁾	33.4	2.71	37.5	4.46	74.7	6.34

- 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 Financial Supervisory Service.
- 2) Under the guidelines of the Financial Supervisory Service, every securities 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 includes loans classified as substandard, doubtful, and estimated loss.
- 3) Under the guidelines of the Financial Supervisory Service, every 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 Card includes loans classified as substandard, doubtful and estimated loss.

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

(in billions of Korean Won)

			Jan. 1, 2005~ Dec. 31, 2005	Jan. 1, 2004~ Dec. 31, 2004	Jan. 1, 2003~ Dec. 31, 2003
			Shinhan Bank	Loan Loss Allowance	Domestic
		Overseas	56.3	80.5	74.5
		Total	683.6	743.5	866.4
	Write-offs		108.2	232.6	70.1
Chohung Bank	Loan Loss Allowance	Domestic	861.2	955.5	1,602.6
		Overseas	27.6	51.2	56.3
		Total	888.8	1,006.7	1,658.9
	Write-offs		571.5	1,400.2	1,781.2
Jeju Bank	Loan Loss Allowance	Domestic	25.3	32.2	34.5
		Overseas			
		Total	25.3	32.2	34.5
	Write-offs		19.1	24.7	17.9

GM Shinhan Securities ¹⁾	Loan Loss Allowance	Domestic	27.2	30.9	30.9
	Write-offs	Overseas Total &n	27.2	30.9	30.9