

SHINHAN FINANCIAL GROUP CO LTD

Form 6-K

August 14, 2007

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 August 2007

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 2007 1H Business Report

On August 14, 2007, Shinhan Financial Group (SFG) filed the 2007 1H 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 Auditor

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 INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Exhibit 99

Independent Accountant s Review Report (Non Consolidated Financial Statements) of Shinhan Financial Group as of June 30, 2007

Table of Contents

1. Introduction of the Group

Company History in 2007

March 2007: LG Card joined Shinhan Financial Group as subsidiary

July 2007: Good Morning Shinhan Securities Asia Ltd., an overseas subsidiary of Good Morning Shinhan Securities, joined Shinhan Financial Group as indirect subsidiary

Principal Subsidiaries under Korean Law as of August 14, 2007

Direct Subsidiaries

| Subsidiaries | Ownership by SFG |
|--------------------------------------|---------------------|
| Shinhan Bank | 100.0% |
| LG Card ^{1) 2)} | 86.3% |
| Good Morning Shinhan Securities | 100.0% |
| Shinhan Life Insurance | 100.0% |
| Shinhan Card | 100.0% |
| Shinhan Capital | 100.0% |
| Shinhan BNP Paribas ITMC | 50.0% |
| Jeju Bank ²⁾ | 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) LG Card joined Shinhan Financial Group as a subsidiary on March 23, 2007.

At the time of acquisition, Shinhan Financial Group owned 85.7% of total LG Card shares.

Following the second tender offer, consummated on July 6, 2007, Shinhan Financial Group currently owns 86.3% of total LG Card shares.

- 2) Jeju Bank and LG Card are currently listed on the Korea Exchange.

Indirect subsidiaries held through direct subsidiaries

(As of August 14, 2007)

| Direct Subsidiaries | Indirect Subsidiaries | Ownership by the Parent |
|---------------------|--|----------------------------|
| Shinhan Bank | Shinhan Data System | 100.0% |
| | Shinhan Finance Ltd.(Hong Kong) ¹⁾ | 100.0% |
| | SH Asset Management | 99.97% ⁴⁾ |
| | Shinhan Asia Limited | 100.0% |
| | Shinhan Bank America | 100.0% |
| | Shinhan Bank Europe GmbH | 100.0% |
| | Shinhan 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% |

3

Table of Contents

| Direct Subsidiaries | Indirect Subsidiaries | Ownership by the Parent |
|---------------------------------|--|----------------------------|
| Good Morning Shinhan Securities | Good Morning Shinhan Securities Europe Ltd. Good Morning Shinhan Securities USA Inc. Good Morning Shinhan Securities Asia Ltd. ³⁾ | 100.0% 100.0% 100.0% |
| Shinhan Private Equity | Shinhan NPS Private Equity Fund 1 st | 5.0% ²⁾ |

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 and is expected to be finalized during the first half of 2007.

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

3) Good Morning Shinhan Securities Asia Ltd., an overseas subsidiary of Good Morning Shinhan Securities, joined the

Group as an indirect subsidiary on July 19, 2007.

- 4) On July 13 2007, Shinhan Bank acquired an additional 20.2% of SH Asset Management from minority shareholders and as a result, the bank's ownership in SH Asset Management increased to 99.97 %.

Number of Shares by Type

Number of issued and outstanding shares of the Group as of June 30, 2007

| | Types of Shares | Number of Shares |
|---|-----------------|------------------|
| Common Shares | | 381,567,614 |
| Redeemable Preferred Shares | | 68,757,169 |
| Redeemable Convertible Preferred Shares | | 14,721,000 |
| Total | | 465,045,783 |

* The Group will redeem its series 2 preferred shares (9,316,792 shares) on August 20, 2007.

* On September 21, 2007, the number of the Group's common shares will increase by 14,631,973 shares, as a result of the

small scale
share swap with
LG Card.

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

| Employee Accounts | Contribution Date | Contribution Amount (KRW) | Contributor | Objective |
|-----------------------------------|-------------------|---------------------------|-----------------|----------------|
| Contributed by relevant companies | | | | |
| | March 23, 2007 | 2,049,000,000 | Shinhan Card | Stock Purchase |
| | March 27, 2007 | 611,500,000 | Shinhan Capital | Stock Purchase |
| | April 6, 2007 | 66,813,174 | Shinhan Bank | Deposit Fees |
| Sub-total | | 2,727,313,174 | | |
| Contributed by employees | | | | |
| Sub-total | | | | |
| Total | | 2,727,313,174 | | |

(2) Changes in ESOA Share Ownership**(As of June 30, 2007, Unit: shares)**

| | Share type | Beginning Balance (Jan.1, 2007) | Increase | Decrease | Ending Balance (June 30, 2007) |
|----------------------|------------|---------------------------------|----------|----------|--------------------------------|
| Association Accounts | Common | | | | 1,508,402 |
| | Shares | 1,939,973 | | 431,571 | |
| Employee Accounts | Common | | | | 3,610,527 |
| | Shares | 2,786,962 | 936,272 | 112,707 | |
| Total | | 4,726,935 | 936,272 | 544,278 | 5,118,929 |

* Subsequent events: On August 7, 2007 Shinhan Financial Group contributed KRW 336,457,052 to purchase 5,520 shares, in relation to 2006 operating results.

(3) ESOA Share Ownership per each company**(As of June 30, 2007, Unit: shares)**

| Company | Association Accounts | Employee Accounts | Total Balance |
|---------------------------------|----------------------|-------------------|---------------|
| Shinhan Financial Group | 31,274 | 23,735 | 55,009 |
| Shinhan Bank | 1,465,568 | 3,391,262 | 4,856,830 |
| Good Morning Shinhan Securities | | 20,280 | 20,280 |

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| | | | |
|----------------------------|-----------|-----------|-----------|
| Shinhan Capital | 11,560 | 40,913 | 52,473 |
| Shinhan Card | | 74,898 | 74,898 |
| Shinhan Life Insurance | | 54,961 | 54,961 |
| SH&C Life Insurance | | 947 | 947 |
| Shinhan Credit Information | | 1,074 | 1,074 |
| Shinhan Data System | | 2,457 | 2,457 |
| Total | 1,508,402 | 3,610,527 | 5,118,929 |

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

| | (KRW million) | | |
|--|----------------------------|------------------------|------------------------|
| | 2007 1H (Jan.1~June 30) | 2006 (Jan.1~Dec.31) | 2005 (Jan.1~Dec.31) |
| Operating Revenue | 1,799,272 | 2,003,752 | 1,718,950 |
| Gain using the equity method of accounting | 1,720,137 | 1,917,268 | 1,618,314 |
| Interest income | 78,743 | 79,151 | 95,812 |
| Gain on Foreign Currency Transaction | 92 | 5,838 | 3,451 |
| Other income | 300 | 1,495 | 1,373 |
| Operating Expense | 175,795 | 182,889 | 158,321 |
| Loss using the equity method of accounting | 2,888 | | 1,047 |
| Interest Expense | 142,538 | 129,644 | 114,544 |
| Loss on Foreign Currency Transaction | 93 | 5,838 | 3,449 |
| Commission Expense | 97 | 269 | 124 |
| SG&A Expense | 30,179 | 47,138 | 39,157 |
| Operating Income | 1,623,477 | 1,820,863 | 1,560,629 |

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

| | (KRW million) | | | | | |
|---------------------|----------------------------------|--------------|----------------------------------|--------------|----------------------------------|--------------|
| | 2007 1H (Jan.1~June 30) | | 2006 (Jan.1~Dec.31) | | 2005 (Jan.1~Dec.31) | |
| | Average Balance ¹⁾ | Ratio (%) | Average Balance ¹⁾ | Ratio (%) | Average Balance ¹⁾ | Ratio (%) |
| Stockholders Equity | 12,875,083 | 73.18 | 10,376,235 | 76.70 | 8,463,137 | 77.36 |
| Capital Stock | 2,258,180 | 12.84 | 2,170,758 | 16.05 | 2,100,646 | 19.20 |
| Capital Surplus | 5,767,161 | 32.78 | 4,360,100 | 32.23 | 3,846,957 | 35.16 |
| Capital Adjustment | 30,434 | 0.17 | 25,520 | 0.19 | 11,475 | 0.10 |
| Comprehensive | | | | | | |
| Income | 1,182,294 | 6.72 | 840,704 | 6.21 | 345,178 | 3.16 |
| Retained Earnings | 3,637,014 | 20.67 | 2,979,153 | 22.02 | 2,158,881 | 19.73 |
| Liabilities | 4,717,549 | 26.82 | 3,152,497 | 23.30 | 2,477,425 | 22.64 |
| Borrowings | 4,364,729 | 24.81 | 2,769,824 | 20.47 | 2,230,681 | 20.39 |
| Other liabilities | 352,820 | 2.01 | 382,673 | 2.83 | 246,744 | 2.26 |
| Total | 17,592,632 | 100.00 | 13,528,732 | 100.00 | 10,940,562 | 100.00 |

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

Table of Contents**Use of Funds**

(KRW million)

| | 2007 1H (Jan.1~June 30) | | 2006 (Jan.1~Dec.31) | | 2005 (Jan.1~Dec.31) | |
|------------------------------------|----------------------------------|--------------|----------------------------------|--------------|----------------------------------|--------------|
| | Average Balance ¹⁾ | Ratio (%) | Average Balance ¹⁾ | Ratio (%) | Average Balance ¹⁾ | Ratio (%) |
| | Investments on equity stock | 15,607,575 | 88.71 | 11,646,253 | 86.09 | 9,060,179 |
| Shinhan Bank | 9,721,661 | 55.26 | 8,997,565 | 66.50 | 7,591,397 | 69.39 |
| LG Card | 2,725,445 | 15.49 | | | | |
| Shinhan Card | 902,473 | 5.13 | 639,038 | 4.72 | 197,754 | 1.81 |
| Good Morning Shinhan Securities | 1,148,597 | 6.53 | 943,203 | 6.97 | 867,403 | 7.93 |
| Shinhan Life Insurance | 791,816 | 4.50 | 768,599 | 5.68 | 147,558 | 1.35 |
| Shinhan Capital | 184,153 | 1.05 | 170,264 | 1.26 | 139,108 | 1.27 |
| Jeju Bank | 71,119 | 0.40 | 66,809 | 0.49 | 57,606 | 0.53 |
| Shinhan Credit Information | 10,147 | 0.06 | 9,179 | 0.07 | 8,198 | 0.07 |
| Shinhan Private Equity | 9,174 | 0.05 | 8,987 | 0.07 | 9,300 | 0.09 |
| Shinhan BNP Paribas ITMC | 24,367 | 0.14 | 24,152 | 0.18 | 23,139 | 0.21 |
| SH&C Life Insurance | 18,113 | 0.10 | 17,322 | 0.13 | 14,879 | 0.14 |
| Shinhan Macquarie FA | 510 | 0.00 | 1,135 | 0.01 | 1,641 | 0.01 |
| E-Shinhan | | | | | 2,197 | 0.02 |
| Loans | 1,171,966 | 6.66 | 1,299,633 | 9.61 | 1,667,537 | 15.24 |
| Premises and Equipment | 784 | 0.00 | 959 | 0.01 | 1,296 | 0.01 |
| Cash Deposit in bank | 639,005 | 3.63 | 422,201 | 3.12 | 177,313 | 1.62 |
| Other Assets | 173,302 | 1.00 | 159,686 | 1.18 | 34,237 | 0.31 |
| Total | 17,592,632 | 100.00 | 13,528,732 | 100.00 | 10,940,562 | 100.00 |

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

Other Financial Information**Group BIS Ratio**

(KRW billion)

2007 1H (E)

| | |
|--|---------|
| Aggregate Amount of Equity Capital (A) | 15,781 |
| Risk-Weighted Assets (B) | 149,976 |
| BIS Ratio (A/B) ¹⁾ | 10.5% |

- 1) Following amendments in the Financial Holding Company Guidelines of the Financial Supervisory Commission, 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) | | |
|---|---------------|---------|---------|
| | 2007 1H | 2006 | 2005 |
| Won Assets due within 3 months (A) | 426,285 | 605,415 | 341,547 |
| Won Liabilities due within 3 months (B) | 237,007 | 248,661 | 332,746 |
| Won Liquidity Ratio (A/B) ¹⁾ | 179.86% | 243.47% | 102.65% |

- 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 no less than 100%.

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

| | (KRW million) | | |
|-----------------------------------|---------------|------------|------------|
| | 2007 1H | 2006 | 2005 |
| Liabilities (A) | 7,287,244 | 3,642,106 | 2,325,114 |
| Equity (B) | 16,691,154 | 11,361,526 | 10,137,017 |
| Liabilities to Equity Ratio (A/B) | 43.66% | 32.06% | 22.94% |

Capital Adequacy Ratio and Other Ratios of Certain Subsidiaries(1) BIS Capital Adequacy Ratio (%)¹⁾

| | 2007 1H | 2006 | 2005 |
|----------------------------|---------|-------|-------|
| Shinhan Bank ²⁾ | 11.89 | 12.01 | 10.94 |
| Jeju Bank | 10.93 | 11.26 | 11.71 |

1) The BIS 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) The integrated Shinhan Bank was launched on April 1, 2006 and the figure for 2005 is of pre-merger Chohung Bank, the surviving entity.

(2) Net Capital Ratio (%)

| June 30 2007 | Mar.31 2007 | Mar.31 2006 |
|-----------------|----------------|----------------|
|-----------------|----------------|----------------|

| | | | |
|---------------------------------|--------|--------|--------|
| Good Morning Shinhan Securities | 624.68 | 451.69 | 558.60 |
|---------------------------------|--------|--------|--------|

* Net Capital Ratio is computed in accordance with the guidelines issued by the Financial Supervisory Commission 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 (%)

| | June 30 2007 | Mar.31 2007 | Mar.31 2006 |
|------------------------|-----------------|----------------|----------------|
| Shinhan Life Insurance | 228.6 | 224.7 | 230.8 |

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

(4) Adjusted Equity Capital Ratio (%)

| | 2007 1H | 2006 | 2005 |
|--------------|---------|-------|-------|
| LG Card | 38.96 | 34.25 | 25.55 |
| Shinhan Card | 15.50 | 17.47 | 17.68 |

* 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 and LG Card are required to maintain a minimum adjusted equity capital ratio of 8%.

Table of Contents**Non- Performing Loans of Certain Subsidiaries ¹⁾**

(1) Non- Performing Loans

(KRW million)

| | June 30, 2007 | | Dec.31. 2006 | | Dec.31. 2005 | |
|----------------------------|---------------|-----------------------|--------------|-----------------------|--------------|-----------------------|
| | Balance of | NPL to | Balance of | NPL to | Balance of | NPL to |
| | NPL | total Loans (%) | NPL | total Loans (%) | NPL | total Loans (%) |
| Shinhan Bank ²⁾ | 817,953 | 0.64 | 729,655 | 0.62 | 531,349 | 1.15 |
| Jeju Bank | 20,791 | 1.03 | 13,120 | 0.74 | 16,287 | 1.15 |
| LG Card ³⁾ | 433,257 | 5.12 | 493,236 | 6.05 | 544,705 | 8.22 |
| Shinhan Card ³⁾ | 71,785 | 2.19 | 111,770 | 3.50 | 33,420 | 2.71 |

| | June 30, 2007 | | March 31, 2007 | | March 31, 2006 | |
|------------------------------|---------------|--------------------|----------------|--------------------|----------------|--------------------|
| | Balance of | NPL to | Balance of | NPL to | Balance of | NPL to |
| | NPL | total Loans (%) | NPL | total Loans (%) | NPL | total Loans (%) |
| GMS Securities ³⁾ | 29,758 | 2.26% | 25,888 | 2.54% | 26,943 | 5.68% |

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 Commission.

2) Figures for 2005 are of pre-merger Chohung Bank, the surviving entity.

3) Under the guidelines of the Financial Supervisory Commission, 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,
Shinhan Card,
and LG Card
includes loans
classified as
substandard,
doubtful, and
estimated loss.

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

(KRW million)

| | | | Jan. 1, 2007~ June 30, 2007 | Jan. 1, 2006~ Dec. 31, 2006 | Jan. 1, 2005~ Dec. 31, 2005 |
|--------------|------------------------|----------|--------------------------------|--------------------------------|--------------------------------|
| Shinhan Bank | Loan Loss Allowance | Domestic | 2,069,040 | 1,911,843 | 905,000 |
| | | Overseas | 61,052 | 59,758 | 27,600 |
| | | Total | 2,130,092 | 1,971,601 | 932,600 |
| | Write-offs | | 49,072 | 160,636 | 571,500 |
| Jeju Bank | Loan Loss Allowance | Domestic | 34,023 | 26,313 | 25,329 |
| | | Overseas | | | |
| | | Total | 34,023 | 26,313 | 25,329 |
| | Write-offs | | 1,764 | 8,325 | 19,145 |
| LG Card | Loan Loss Allowance | Domestic | 725,930 | 894,173 | 911,739 |
| | | Overseas | | | |
| | | Total | 725,930 | 894,173 | 911,739 |
| | Write-offs | | 104,117 | 533,403 | 1,528,629 |
| Shinhan Card | Loan Loss Allowance | Domestic | 138,387 | 148,724 | 46,269 |
| | | Overseas | | | |
| | | Total | 138,387 | 148,724 | 46,269 |
| | Write-offs | | 65,783 | 179,351 | 117,583 |

Table of Contents

| | | | Apr. 1, 2007~ June 30, 2007 | Apr. 1, 2006~ Mar. 31, 2007 | Apr. 1, 2005~ Mar. 31, 2006 |
|--------------------|------------|----------|--------------------------------------|--------------------------------------|--------------------------------------|
| GM | Loan Loss | Domestic | 34,012 | 30,776 | 28,900 |
| Shinhan Securities | Allowance | Overseas | | | |
| | | Total | 34,012 | 30,776 | 28,900 |
| | Write-offs | | | 1,117 | 2,300 |

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

| | 2007 2Q | FY 2006 | FY 2005 |
|---------------|---------|-------------|-------------|
| 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 |
|---------|----------------------------------|-----------------------|--|------------------|
| 2007 1H | KPMG Samjong Accounting Corp. | 341 (annual) | Review/Audit of Financial Statements | 1,480 hours |
| | KPMG Samjong Accounting Corp. | 399 | Review of Financial Statements related to accounting treatment of LG Card acquisition | 2,755 hours |
| 2006 | KPMG Samjong Accounting Corp. | 304 | Review/Audit of Financial Statements | 3,150 hours |
| 2005 | KPMG Samjong Accounting Corp. | 288 | Review/Audit of Financial Statements | 3,073 hours |

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 Head | 3 years starting from March 20, 2007 |
| In Ho Lee | Nov. 2, 1943 | President & CEO Board Steering Committee member | 2 years starting from March 20, 2007 |

2) Non-Executive Directors

Currently, 13 non-executive directors are in office, of which 12 members are outside directors, nominated by our Outside Director Recommendation Committee and appointed pursuant to the approval of general shareholders meeting on March 20, 2007.

Our non-executive directors are as follows:

| Name | Date of Birth | Outside Director | Sub-Committees | Service Term |
|-------------------|----------------|------------------|---|-------------------------------------|
| Sang Hoon Shin | July 1, 1948 | X | | 1 year starting from March 20, 2007 |
| Si Jong Kim | Apr. 16, 1937 | O | | 1 year starting from March 20, 2007 |
| Young Woo Kim | May 1, 1952 | O | Audit Committee member | 1 year starting from March 20, 2007 |
| Byung Hun Park | Sept. 10, 1928 | O | Board Steering Committee member | 1 year starting from March 20, 2007 |
| Yong Woong Yang | Aug. 4, 1948 | O | | 1 year starting from March 20, 2007 |
| Haeng Nam Chung | Mar. 15, 1941 | O | | 1 year starting from March 20, 2007 |
| Young Hoon Choi | Nov. 8, 1928 | O | | 1 year starting from March 20, 2007 |
| Philippe Reynieix | Jun. 24, 1949 | O | Risk Management Committee member | 1 year starting from March 20, 2007 |
| Pyung Joo Kim | Feb. 6, 1939 | O | Board Steering Committee member Risk Management Committee Head | 1 year starting from March 20, 2007 |

| | | | | |
|---------------|----------------|---|----------------------------------|-------------------------------------|
| | | | Compensation Committee member | |
| | | | Board Steering Committee member | |
| Shee Yul Ryoo | Sept. 5, 1938 | O | Risk Management Committee member | 1 year starting from March 20, 2007 |
| | | | Compensation Committee Head | |
| Yoon Soo Yoon | Mar. 5, 1946 | O | Audit Committee member | 1 year starting from March 20, 2007 |
| | | | Compensation Committee member | |
| Sang Yoon Lee | Sept. 13, 1942 | O | Audit Committee member | 1 year starting from March 20, 2007 |
| | | | Compensation Committee member | |
| Sung Bin Chun | Jan. 21, 1953 | O | Audit Committee Head | 1 year starting from March 20, 2007 |
| | | | Compensation Committee member | |

For personal profiles of the outside directors, please refer to our Form 6-K filed on February 21, 2007.

Table of Contents

3) Executive Officers

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

| Name | Date of Birth | Position | In charge of |
|---------------|----------------|--|--|
| Jae Woo Lee | July 2, 1950 | Deputy President | General Affairs Team, Business Management Team, Credit Card Business Support Team |
| Jae Woon Yoon | July 22, 1951 | Deputy President | Synergy Management Team, Information & Technology Planning Team, Risk Management Team, Audit & Compliance Team |
| Buhmsoo Choi | August 8, 1956 | Deputy President and Chief Financial Officer | Finance Management Team, Investor Relations Team, Strategic Planning Team, Public Relations Team |

Stock Options (as of August 7, 2007)

| | Guarantee | No. of Granted Options | Number of Changes | | |
|-----------------|---|------------------------------|--------------------------------|--------------------------------|----------------------------------|
| | | | No. of Exercised Options | No. of Cancelled Options | No. of Exercisable Options |
| Granted in 2002 | Management, Head of Department | 864,576 | 490,626 | 0 | 373,950 |
| Granted in 2003 | Management, Head of Department | 1,020,416 | 536,649 | 11,600 | 472,167 |
| Granted in 2004 | Management, Head of Department | 1,258,923 | 469,284 | 15,200 | 774,439 |
| Granted in 2005 | Management, Head of Department, Outside Directors | 2,620,331 | 0 | 251,300 | 2,369,031 |
| Granted in 2006 | Management, Head of Department, Outside Directors | 3,296,200 | 0 | 166,800 | 3,129,400 |
| Granted in 2007 | Management, Head of Department, Outside Directors | 1,301,050 | 0 | 0 | 1,301,050 |
| | Total | 10,361,496 | 1,496,559 | 444,900 | 8,420,037 |

Employees

(As of June 30, 2007)

| Number of Employees | Average length of Service | Total Salaries and wages paid in 1H 2007 (KRW million) | Average Payment per person (KRW million) |
|---------------------------|---------------------------|---|--|
| | | | |

| | | | | |
|--------|-----|---------------|-------|----|
| Male | 86 | 2 yrs 7 mths | 3,393 | 39 |
| Female | 17 | 3 yrs 2 mths | 298 | 18 |
| Total | 103 | 2 yrs 10 mths | 3,691 | 36 |

Directors and Officers Liability Insurance (for SFG and subsidiaries)

| Name of Insurance | Insurance Premium | Insured Amount | Insurance Period |
|---|--------------------------|-------------------|----------------------------------|
| Directors and Officers Liability Insurance | KRW 592 mil. (annual) | Up to KRW 50 bil. | April 1, 2007~ March 31, 2008 |

* Of the total insurance premium (KRW 592 mil.), KRW 121 mil. was paid by SFG, and the remaining amount, by its subsidiaries

Table of Contents**5. Activities of Board of Directors and sub-committees during 2007 2Q*****1) Meetings of Board of Directors***

| Date | Agenda | |
|--------------|--|----------|
| May 28, 2007 | 1. Alteration of 2007 Group Business Plan | Approved |
| | 2. Tender Offer and small scale share swap for 100% ownership of LG Card | Approved |
| | 3. Funding for LG Card tender offer and financial support for subsidiaries - Approval for corporate bond issuance and other borrowings | Approved |
| | 4. Establishment of overseas subsidiary of Shinhan Bank - Approval for incorporation of Shinhan Bank's overseas subsidiary in Cambodia and China as an indirect subsidiary of SFG | Approved |
| | 5. Redemption of redeemable preferred shares - Redemption of redeemable preferred shares due in August 2007 (issued in relation to the acquisition of Chohung Bank) | Approved |
| | 6. Appointment of non-director management - Buhmsoo Choi, Deputy President | Approved |

2) Board Steering Committee

| Date | Agenda | |
|--------------|--|----------|
| May 28, 2007 | 1. Appointment of Board Steering Committee Head - Eung Chan Ra | Approved |
| | 2. Deliberation of non-director management - Buhmsoo Choi, Deputy President | Approved |

3) Risk Management Committee

| Date | Agenda | |
|--------------|--|----------|
| May 28, 2007 | 1. Appointment of Risk Management Committee Head - Pyung Joo Kim | Approved |
| | 2. Alteration of Good Morning Shinhan Securities' risk limits by type and LG Card's Minimum Equity Capital Ratios for 2007 | Approved |

* Reporting item: Status of the Group's Capital Adequacy Ratios and Risk Limit

4) Meetings of Audit Committee

| Date | Agenda | |
|----------------|--|----------|
| April 18, 2007 | 1. Appointment of Audit Committee Head - Head: Sung Bin Chun | Approved |
| | 2. Approval of K-GAAP audit remuneration | Approved |
| | 3. Audit contract related to accounting treatment related to LG Card - Approved contract with Samjung | Approved |

4. Ratification of the Company and its Subsidiaries Non-audit Contracts Approved
- Audit of reports filed to Hong Kong s local Financial Authorities (Shinhan Bank s
Hong Kong Branch - Samjung)

June 26, 2007 1. Ratification of subsidiaries audit and non-audit contracts Approved
- Draft Comfort Letter in relation to foreign bond issuance (Shinhan Card-Samjong)
- Audit of special accounts (Shinhan Life-Samjong)
- Consulting services relating to tax audits by US tax authorities
(New York Branch, Shinhan Bank -Samjong)

Table of Contents**5) Compensation Committee**

| Date | Agenda | |
|------------------|--|----------|
| June 26, 2007 | 1. Appointment of Compensation Committee Head - Shee Yul Ryoo | Approved |
| | 2. Alteration of 2007 Group KPI Target | Approved |
| | 3. Re-establishment of executive MBO for 2007 | Approved |

6. Market Price Information of our Common Shares and ADRs**Common Share Traded on the Korea Exchange**

(KRW, number of shares)

| | Jan. 2007 | Feb. 2007 | Mar. 2007 | Apr. 2007 | May 2007 | June 2007 |
|-----------------------|------------|------------|------------|------------|------------|------------|
| Price per share | | | | | | |
| High | 49,900 | 57,800 | 57,100 | 56,600 | 57,300 | 59,200 |
| Low | 45,450 | 51,500 | 51,800 | 52,100 | 50,600 | 54,600 |
| Trading Volume | 23,229,216 | 48,203,956 | 24,411,554 | 27,055,056 | 34,202,457 | 46,235,370 |

American Depositary Shares traded on the New York Stock Exchange

Shinhan Financial Group listed its American Depositary Shares on the New York Stock Exchange on September 16, 2003.

(USD, number of shares)

| | Jan. 2007 | Feb. 2007 | Mar. 2007 | Apr. 2007 | May 2007 | June 2007 |
|-------------------|-----------|-----------|-----------|-----------|----------|-----------|
| Price per share | | | | | | |
| High | 106.73 | 123.65 | 122.39 | 122.75 | 123.06 | 129.90 |
| Low | 96.75 | 110.25 | 106.99 | 112.16 | 110.08 | 119.49 |
| Trading Volume | 575,100 | 896,200 | 694,800 | 511,500 | 477,100 | 632,600 |

Table of Contents**7. Related Party Transactions***Loans to Subsidiaries*

(As of June 30, 2007, Unit: KRW 100 million)

| Subsidiary | Loan Type | Origination | Maturity | Funding | Lending | Beginning | | Ending | |
|-----------------|---------------------------|-------------|------------|------------------------|------------------------|-----------|----------|----------|---------|
| | | Date | Date | Rate | Rate | Balance | Increase | Decrease | Balance |
| Shinhan Capital | Loans in KRW | 2002-03-29 | 2007-04-04 | 7.47% | 8.12% | 200 | | 200 | |
| Shinhan Capital | Loans in KRW | 2002-07-29 | 2007-07-29 | 6.30% | 6.65% | 200 | | | 200 |
| Shinhan Capital | Loans in KRW | 2002-11-21 | 2007-11-21 | 5.88% | 6.18% | 200 | | | 200 |
| Shinhan Capital | Loans in KRW | 2002-12-16 | 2007-12-16 | 5.96% | 6.22% | 200 | | | 200 |
| Shinhan Card | Loans in KRW | 2003-04-23 | 2009-04-23 | 5.47% | 6.28% | 1,000 | | | 1,000 |
| Shinhan Capital | Loans in KRW | 2003-06-24 | 2008-06-24 | 5.69% | 5.95% | 300 | | | 300 |
| Shinhan Capital | Loans in KRW | 2003-07-24 | 2008-07-24 | 5.87% | 6.13% | 200 | | | 200 |
| Shinhan Capital | Loans in KRW | 2004-03-24 | 2009-03-24 | 5.11% | 5.93% | 200 | | | 200 |
| Shinhan Capital | Loans in KRW | 2004-03-24 | 2007-03-24 | 4.76% | 5.16% | 300 | | 300 | |
| Shinhan Capital | Loans in KRW | 2004-06-25 | 2009-06-25 | 0.0493 | 0.0522 | 500 | | | 500 |
| Shinhan Capital | Loans in Foreign Currency | 2004-07-15 | 2007-06-15 | 3M Libor + 0.70% | 3M Libor + 0.90% | 372 | | 372 | |
| Shinhan Capital | Loans in KRW | 2005-01-31 | 2008-01-31 | 4.21% | 4.58% | 300 | | | 300 |
| GMSH Securities | Loans in KRW | 2005-01-31 | 2010-07-31 | 4.59% | 5.25% | 700 | | | 700 |
| Shinhan Card | Loans in KRW | 2005-03-18 | 2007-03-18 | 4.13% | 4.49% | 500 | | 500 | |

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| | | | | | | | | | |
|------------------------|-------------------------------|------------|------------|-----------|-----------|--------|-------|-------|--------|
| Shinhan Card | KRW Loans in KRW | 2005-03-18 | 2008-03-18 | 4.23% | 4.54% | 500 | | 500 | |
| Shinhan Capital | KRW Loans in KRW | 2005-03-18 | 2007-03-18 | 4.23% | 4.49% | 500 | 500 | | |
| Shinhan Capital | KRW Loans in KRW | 2005-05-09 | 2008-05-09 | 3.99% | 4.33% | 500 | | 500 | |
| Shinhan Capital | KRW Loans in KRW | 2005-12-16 | 2008-12-16 | 5.48% | 5.67% | 400 | | 400 | |
| Shinhan Card | KRW Loans in KRW | 2006-01-24 | 2009-01-24 | 5.24% | 5.41% | 500 | | 500 | |
| Shinhan Capital | KRW Loans in KRW | 2006-01-24 | 2009-01-24 | 5.24% | 5.41% | 500 | | 500 | |
| Shinhan Card | KRW Loans in KRW | 2006-02-27 | 2009-02-27 | 5.07% | 5.23% | 1,000 | | 1,000 | |
| Shinhan Card | KRW Loans in KRW | 2006-04-24 | 2009-04-24 | 5.09% | 5.22% | 1,000 | | 1,000 | |
| GMSH Securities | KRW Loans in KRW | 2006-07-31 | 2012-01-31 | 5.16% | 5.64% | 1,000 | | 1,000 | |
| Shinhan Capital | KRW Loans in KRW | 2006-09-26 | 2011-09-26 | 4.91% | 4.99% | 500 | | 500 | |
| Shinhan Capital | Loans in KRW | 2006-12-29 | 2009-12-29 | 3ML+0.25% | 3ML+0.38% | 279 | 279 | | |
| Shinhan Capital | Foreign Currency Loans in KRW | 2007-03-23 | 2012-03-23 | 5.28% | 5.48% | | 500 | 500 | |
| Shinhan Capital | KRW Loans in KRW | 2007-04-13 | 2010-04-13 | 5.24% | 5.38% | | 500 | 500 | |
| Shinhan Capital | KRW Loans in KRW | 2007-06-08 | 2012-06-08 | 5.54% | 5.95% | | 500 | 500 | |
| Shinhan Private Equity | Loans in KRW | 2007-06-28 | 2008-06-27 | 5.31% | 5.51% | | 50 | 50 | |
| | | | | | | 11,851 | 1,550 | 2,151 | 11,250 |

Exhibit 99 Independent Accountant's Review Report (Non Consolidated Financial Statements) of Shinhan Financial Group as of June 30, 2007

Table of Contents

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 : August 14, 2007