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**BANCO DE GALICIA Y BUENOS AIRES S.A. REPORTS EARNINGS FOR  
THE QUARTER ENDED SEPTEMBER 30, 2011**

(Buenos Aires, Argentina, November 9, 2011) – Banco de Galicia y Buenos Aires S.A. (the “Bank”, Buenos Aires Stock Exchange: GALI) today announced its financial results for the quarter ended September 30, 2011.

- **Net income for the third quarter of FY2011 amounted to Ps.265.3 million, compared to a Ps.137.8 million profit for the same quarter of FY2010.**
- **This growth was a consequence of a significant increase in the volume of activity with the private sector, together with the improvement of the efficiency ratio as a consequence of a significant growth of operating income<sup>(1)</sup> which more than offset the increase of administrative expenses.**
- **The Bank’s credit exposure to the private sector reached Ps.33,943 million, up 50.0% during the last twelve months, and deposits reached Ps.28,803 million, up 44.2% during the same period. As of September 30, 2011, the Bank’s estimated market share of loans to the private sector was 8.58% while its estimated market share of deposits from the private sector was 8.62%.**
- **During the quarter the Bank continued improving its asset quality. The non-accrual loan portfolio of total loans to the private sector decreased to 2.89% and its coverage with allowances for loan losses increased to 145.37%, from 3.84% and 132.80%, respectively, from the previous year.**

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(1) *Operating income: net financial income<sup>(2)</sup> plus net income from services.*

(2) *Net financial income: includes financial income from security margins of repurchase agreement transactions, recorded under Miscellaneous Income/Loss.*

## NET INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2011

In the third quarter of FY2011, the Bank recorded a Ps.265.3 million profit, compared with a Ps.137.8 million profit for the same quarter of the previous year.

The variation in income was mainly a consequence of the Ps.585.4 million increase in operating income, higher income from equity investments, for Ps.26.9 million, and higher net other income, for Ps.24.4 million. These were partially offset by increases of administrative expenses, for Ps.336.4 million, of loan loss provisions, for Ps.52.3 million, and of income tax, for Ps.110.5 million.

The operating income for the quarter totaled Ps.1,633.8 million, up 55.8% from the Ps.1,048.4 million recorded in the third quarter of the prior year. This positive development was due both to a higher net financial income (up Ps.391.9 million) and a higher net income from services (up Ps.193.5 million).

*In pesos*

<b>Table I</b>	<b>FY2011</b>	<b>FY2010</b>	<b>Nine Months Ended</b>	
<b>Earnings per Share</b>	<b>3<sup>rd</sup> Q</b>	<b>3<sup>rd</sup> Q</b>	<b>09/30/11</b>	<b>09/30/10</b>
Average Shares Outstanding (in thousands)	562,327	562,327	562,327	562,327
Book Value per Share	5.769	4.264	5.769	4.264
Earnings per Share	0.472	0.245	1.331	0.482

## INFORMATION DISCLOSURE

The data shown in the tables of this report and the consolidated financial statements correspond to Banco de Galicia y Buenos Aires S.A. consolidated with the subsidiaries under its direct or indirect control. The “Bank” refers to the consolidated Banco de Galicia y Buenos Aires S.A., except where otherwise noted. (See *Recent Developments – Reorganization of the Societary Structure*)

The Bank’s consolidated financial statements and the figures included in the different tables of this report correspond to Banco de Galicia y Buenos Aires S.A., Banco Galicia Uruguay S.A. (in liquidation), Galicia (Cayman) Limited, Tarjetas del Mar S.A., Tarjetas Regionales S.A. and its subsidiaries, Galicia Valores S.A. Sociedad de Bolsa, Galicia Administradora de Fondos S.A., Compañía Financiera Argentina S.A. and Cobranzas y Servicios S.A.

## THIRD QUARTER OF FY2011 RESULTS

*Percentages*

<b>Table II</b>	<b>FY2011</b>	<b>FY2010</b>	<b>Nine Months Ended</b>	
<b>Profitability and Efficiency</b>	<b>3<sup>rd</sup> Q</b>	<b>3<sup>rd</sup> Q</b>	<b>09/30/11</b>	<b>09/30/10</b>
Return on Average Assets <sup>(*)</sup>	2.70	2.13	2.77	1.58
Return on Average Shareholders’ Equity <sup>(*)</sup>	34.05	23.51	34.31	16.11
Financial Margin <sup>(*) (1)</sup>	10.96	9.58	11.11	9.10
Net Income from Services as a % of Operating Income <sup>(2)</sup>	43.10	48.25	43.12	49.11
Net Income from Services as a % of Administrative Expenses	65.06	68.51	65.64	72.88
Administrative Expenses as a % of Operating Income <sup>(2)</sup>	66.24	70.42	65.69	67.38

(\*) Annualized.

(1) Financial Margin: Financial Income minus Financial Expenses, divided by Average Interest-earning Assets.

(2) Operating Income: Net Financial Income plus Net Income from Services.

Net financial income for the third quarter of FY2011, including the Ps.14.2 million financial income from security margins of repurchase agreement transactions, amounted to Ps.935.8 million, up Ps.391.9 million from the third quarter of the previous fiscal year.

The quarter's net financial income includes a Ps.8.6 million loss from quotation differences, including the results from foreign-currency forward transactions. This loss was composed of a Ps.69.2 million gain from FX brokerage and of a Ps.77.8 million loss from the valuation of the foreign-currency net position and the results from foreign-currency forward transactions. In the same quarter of 2010 gains from quotation differences amounted to Ps.3.5 million (composed of a Ps.32.9 million gain from FX brokerage and of a Ps.29.4 million loss from the valuation of the foreign-currency net position and the results from foreign-currency forward transactions).

The quarter's net financial income before quotation differences amounted to Ps.944.4 million, with a Ps.404.0 million increase as compared to the Ps.540.4 million income of the same quarter of 2010, mainly as a consequence of a significant increase in the volume of activity with the private sector together with an increase in the quarter's net financial margin.

The average interest-earning assets grew Ps.11,020 million as compared to the same quarter of the previous fiscal year, mainly as a consequence of the Ps.9,194 million increase in the average portfolio of loans to the private sector. Interest-bearing liabilities increased Ps.8,586 million during the same period, mainly due to the increase of the average balances of saving accounts, time deposits and debt securities.

The average yield on interest-earning assets increased 258 basis points ("b.p.") compared to the third quarter of FY2010, mainly due to the higher yields on the portfolio of government securities and on assets related to financial trusts, while the average yield on loans to the private sector recorded a 30 b.p. decrease. It is worth mentioning that in the third quarter of FY2010 the yield on the portfolio of government securities was negative as a consequence of the establishment of a valuation allowance for Ps.84.5 million in connection with the holdings of Discount Bonds and GDP-Linked Negotiable Securities, which were subsequently sold.

The average cost of interest-bearing liabilities increased 105 b.p. as compared to the same quarter of the previous fiscal year, primarily due to the 173 b.p. increase in the the average rate of time deposits.

*Average balances in millions of pesos. Yields and rates in annualized nominal %*

Table III Average Balances, Yield and Rates <sup>(*)</sup>	FY2011								FY2010	
	3 <sup>rd</sup> Q		2 <sup>nd</sup> Q		1 <sup>st</sup> Q		4 <sup>th</sup> Q		3 <sup>rd</sup> Q	
	Av. B.	Int.	Av. B.	Int.	Av. B.	Int.	Av. B.	Int.	Av. B.	Int.
<b>Interest-Earning Assets</b>	<b>33,623</b>	<b>17.91</b>	<b>30,939</b>	<b>17.41</b>	<b>27,107</b>	<b>17.52</b>	<b>24,352</b>	<b>18.63</b>	<b>22,603</b>	<b>15.33</b>
Government Securities <sup>(**)</sup>	4,505	16.12	3,593	13.77	2,965	14.00	2,720	21.53	2,857	(0.02)
Loans to the Private Sector	27,120	18.66	24,940	18.75	22,596	18.82	20,046	19.04	17,926	18.96
Financial Trusts Securities	622	9.05	613	1.68	615	(5.06)	681	3.81	756	(4.69)
Other Interest-Earning Assets	1,376	13.01	1,793	11.57	931	12.09	905	11.98	1,064	9.60
<b>Interest-Bearing Liabilities</b>	<b>24,629</b>	<b>7.51</b>	<b>22,175</b>	<b>7.22</b>	<b>19,937</b>	<b>6.94</b>	<b>17,567</b>	<b>6.92</b>	<b>16,043</b>	<b>6.46</b>
Current Accounts	3	-	4	-	4	-	6	(0.14)	6	0.13
Savings Accounts	6,407	0.19	5,518	0.19	5,192	0.20	4,634	0.20	4,287	0.19
Time Deposits	12,315	10.25	11,578	9.62	10,641	9.21	9,394	8.99	8,481	8.52
Debt Securities	3,726	10.53	3,085	10.23	2,180	10.63	1,909	11.27	2,121	10.07
Other Interest-Bearing Liabilities	2,178	8.38	1,990	8.07	1,920	8.46	1,624	9.08	1,148	8.07

*(\*) Does not include quotation differences. Annual nominal rates were calculated using a 360-day denominator.*

*(\*\*) Until August 31, 2010 it included Discount Bonds and GDP-Linked Units, valued in accordance with Communiqué "A" 4270. In September 2010 a valuation allowance for the holdings of said securities was recorded. Since that date the total amount of such holdings was sold.*

Provisions for loan losses for the third quarter of FY2011 amounted to Ps.205.5 million, Ps.52.3 million higher than in the same quarter of the prior year.

Net income from services amounted to Ps.698.0 million, up 38.4% from the Ps.504.5 million recorded in the third quarter of the previous fiscal year. In line with the strategic positioning of the Bank in each segment and with the significant increase in the volume of activity, the increase of fees which stood out were the credit-related fees (55.4%), fees related to national and regional credit cards (42.9%), to foreign trade (37.4%) and to deposits (36.4%).

*In millions of pesos*

<b>Table IV</b> <b>Income from Services, Net</b>	<b>FY2011</b>				<b>FY2010</b>
	<b>3<sup>rd</sup> Q</b>	<b>2<sup>nd</sup> Q</b>	<b>1<sup>st</sup> Q</b>	<b>4<sup>th</sup> Q</b>	<b>3<sup>rd</sup> Q</b>
National Cards	230.5	208.7	193.5	201.4	166.1
Regional Credit Cards	362.7	354.0	305.9	289.4	248.9
CFA	17.3	18.7	17.3	17.0	16.1
Deposit Accounts	119.8	119.4	101.5	95.7	87.8
Insurance	44.4	40.8	36.9	33.3	35.1
Financial Fees	14.1	12.9	11.4	14.2	14.8
Credit-Related Fees	62.3	56.1	50.4	49.1	40.1
Foreign Trade	23.9	21.5	18.8	19.7	17.4
Collections	17.7	16.5	13.6	13.1	11.8
Utility-Bills Collection Services	14.2	12.6	11.2	11.0	9.8
Mutual Funds	2.1	2.4	2.0	1.8	1.6
Other	62.1	49.9	41.7	40.0	40.5
<b>Total Income</b>	<b>971.1</b>	<b>913.5</b>	<b>804.2</b>	<b>785.7</b>	<b>690.0</b>
<b>Total Expenditures</b>	<b>273.1</b>	<b>268.8</b>	<b>217.3</b>	<b>231.4</b>	<b>185.5</b>
<b>Income from Services, Net</b>	<b>698.0</b>	<b>644.7</b>	<b>586.9</b>	<b>554.3</b>	<b>504.5</b>

Administrative expenses for the quarter totaled Ps.1,072.8 million, up 45.7% from the same quarter of the previous year. Personnel expenses amounted to Ps.592.4 million, growing 43.7% as a consequence of the salary increase agreement with the Unions and the growth of staff (361 people in Banco Galicia and 1,024 people in the regional credit card companies and CFA). The remaining administrative expenses amounted to Ps.480.4 million, with a Ps.156.3 million increase (48.2%) as compared to Ps.324.1 million from the third quarter of FY2010, mainly due to the greater level of activity, the expansion of the distribution network (48 branches and points of sale) and the inflation during the period.

Income from equity investments for the quarter amounted to Ps.56.4 million, recording a Ps.26.9 million increase from the Ps.29.5 million for the third quarter of 2010. This increase was mainly the consequence of the accelerated amortization of the negative goodwill (Ps.16.4 million) recorded in Tarjetas Regionales SA, due to the sale of its interest in CFA to Banco Galicia and to Grupo Financiero Galicia SA, and to higher profits from our share in Sudamericana Holding SA.

Net other income for the quarter amounted to Ps.70.7 million, compared to a Ps.34.8 million profit in the same quarter of the prior year. The gain for the quarter was mainly as a consequence of gains from loans recovered (Ps.45.5 million), punitive interests (Ps.21.6 million) and security margins of repurchase agreement transactions (Ps.14.2 million), partially offset by net provisions recorded (Ps.11.8 million). Income for the third quarter of 2010 was mainly due to the profits from loans recovered (Ps.35.0 million), punitive interests (Ps.16.9 million) and net reversal of provisions (Ps.12.7 million), partially offset by the Ps.37.4 million loss from the amortization of deferred losses from *amparo* claims.

The income tax charge was Ps.174.2 million, Ps.110.5 million higher than in the third quarter of FY2010.

## LEVEL OF ACTIVITY

As of September 30, 2011, the Bank's total exposure to the private sector reached Ps.33,943 million, which were 50.0% higher than a year before and recorded a 39.7% annualized increase during the quarter.

Total loans include Ps.5,932 million corresponding to the regional credit card companies, which recorded a 53.7% increase during the last twelve months and a 49.1% annualized increase during the quarter.

They also include Ps.1,730 million from CFA, which were 30.5% up during the last twelve months and recorded a 35.7% annualized increase during the quarter.

The Bank's market share of loans to the private sector as of September 30, 2011, without considering those granted by the regional credit card companies, was of 8.58%, compared to a 8.97% and a 8.64% from June 30, 2011, and September 30, 2010, respectively.

*In millions of pesos*

<b>Table V</b> <b>Exposure to the Private Sector</b>	<b>FY2011</b>				<b>FY2010</b>
	<b>3<sup>rd</sup> Q</b>	<b>2<sup>nd</sup> Q</b>	<b>1<sup>st</sup> Q</b>	<b>4<sup>th</sup> Q</b>	<b>3<sup>rd</sup> Q</b>
Loans	29,527	27,231	24,258	22,369	19,370
Financial Leases	573	516	473	442	388
Corporate Securities	129	113	64	78	26
Other Financing <sup>(*)</sup>	3,714	3,360	3,061	3,013	2,756
<b>Total Credit</b>	<b>33,943</b>	<b>31,220</b>	<b>27,856</b>	<b>25,902</b>	<b>22,540</b>
Securitized Loans	-	-	-	-	91
<b>Total</b>	<b>33,943</b>	<b>31,220</b>	<b>27,856</b>	<b>25,902</b>	<b>22,631</b>

(\*) Includes certain accounts under the balance sheet heading *Other Receivables from Financial Brokerage, Guarantees Granted and Unused Balances of Loans Granted.*

During the year, loans to the private sector by type of borrower registered growth in those granted to large corporations (68.5%), SMEs (54.3%) and individuals (48.6%). By sector of activity, the higher growth was recorded in retail and wholesale trade (74.6%), the manufacturing industry (59.8%), in consumer (49.4%), and in the agriculture and livestock sector (43.8%).

*In millions of pesos*

<b>Table VI</b> <b>Loans by Type of Borrower</b>	<b>FY2011</b>				<b>FY2010</b>
	<b>3<sup>rd</sup> Q</b>	<b>2<sup>nd</sup> Q</b>	<b>1<sup>st</sup> Q</b>	<b>4<sup>th</sup> Q</b>	<b>3<sup>rd</sup> Q</b>
Large Corporations	4,313	4,222	3,027	2,768	2,560
Middle-Market Companies	8,292	7,314	7,235	6,642	5,374
Individuals	16,368	15,145	13,709	12,641	11,012
Financial Sector	554	550	287	318	424
Non-Financial Public Sector	1	1	1	3	1
<b>Total Loans</b>	<b>29,528</b>	<b>27,232</b>	<b>24,259</b>	<b>22,372</b>	<b>19,371</b>
Allowances	1,240	1,175	1,103	1,038	988
<b>Total Loans, Net</b>	<b>28,288</b>	<b>26,057</b>	<b>23,156</b>	<b>21,334</b>	<b>18,383</b>

In millions of pesos

Table VII Loans by Sector of Activity	FY2011				FY2010
	3 <sup>rd</sup> Q	2 <sup>nd</sup> Q	1 <sup>st</sup> Q	4 <sup>th</sup> Q	3 <sup>rd</sup> Q
Financial Sector	554	550	287	318	424
Services	2,156	1,825	1,654	1,484	1,310
- Public Sector	1	1	1	3	1
- Other	2,155	1,824	1,653	1,481	1,309
Agriculture & Livestock	2,721	2,426	2,585	2,268	1,892
Consumer	15,851	14,654	13,269	12,233	10,609
Retail & Wholesale Trade	3,254	2,760	2,607	2,439	1,864
Construction	436	384	313	318	287
Manufacturing	4,336	4,127	3,297	3,012	2,713
Other	220	506	247	300	272
<b>Total Loans</b>	<b>29,528</b>	<b>27,232</b>	<b>24,259</b>	<b>22,372</b>	<b>19,371</b>
Allowances	1,240	1,175	1,103	1,038	988
<b>Total Loans, Net</b>	<b>28,288</b>	<b>26,057</b>	<b>23,156</b>	<b>21,334</b>	<b>18,383</b>

As of September 30, 2011, the Bank's exposure to the public sector amounted to Ps.5,238 million. Excluding debt securities issued by the Argentine Central Bank said exposure reached Ps.1,604 million while as of September 30, 2010, it amounted to Ps.1,902 million. Thus, net exposure to the non-financial public sector decreased by Ps.298 million during the year, representing a 15.7% decrease since the end of September 2010, mainly due to the sale of the holdings of Discount Bonds and GDP-Linked Negotiable Securities.

In millions of pesos

Table VIII Exposure to the Argentine Public Sector (*)	FY2011				FY2010
	3 <sup>rd</sup> Q	2 <sup>nd</sup> Q	1 <sup>st</sup> Q	4 <sup>th</sup> Q	3 <sup>rd</sup> Q
<b>Government Securities' Net Position</b>	<b>4,419</b>	<b>4,493</b>	<b>2,791</b>	<b>3,050</b>	<b>2,687</b>
Held for Trading	3,669	3,797	2,123	2,408	1,638
Bonar 2014 Bonds	-	-	-	-	22
Bonar 2015 Bonds	750	696	668	642	644
Discount Bonds and GDP-Linked Negotiable Securities	-	-	-	-	383
<b>Loans</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>1</b>
<b>Other Receivables Resulting from Financial Brokerage</b>	<b>818</b>	<b>801</b>	<b>799</b>	<b>808</b>	<b>806</b>
Trust Certificates of Participation and Securities	816	799	797	807	805
Other	2	2	2	1	1
<b>Total Exposure</b>	<b>5,238</b>	<b>5,295</b>	<b>3,591</b>	<b>3,861</b>	<b>3,494</b>

(\*) Excludes deposits with the Argentine Central Bank, which constitute one of the items by which the Bank complies with the Argentine Central Bank's minimum cash requirement.

As of September 30, 2011, the Bank's deposits amounted to Ps.28,803 million, representing a 44.2% increase during the last twelve months. During the quarter the evolution of current accounts was negatively affected by the seasonal payment of loans granted by Tarjeta Galicia Rural through funds which were held in said accounts at the end of June 2011.

*In millions of pesos*

<b>Table IX</b> <b>Deposits (*)</b>	<b>FY2011</b>				<b>FY2010</b>
	<b>3<sup>rd</sup> Q</b>	<b>2<sup>nd</sup> Q</b>	<b>1<sup>st</sup> Q</b>	<b>4<sup>th</sup> Q</b>	<b>3<sup>rd</sup> Q</b>
<b>In Pesos</b>	<b>23,146</b>	<b>23,166</b>	<b>20,112</b>	<b>18,368</b>	<b>16,337</b>
Current Accounts	6,834	7,217	5,893	5,582	5,061
Savings Accounts	4,963	4,874	4,217	4,185	3,521
Time Deposits	11,000	10,746	9,715	8,328	7,493
Adjusted Time Deposits	1	1	1	5	5
Other	348	328	286	268	257
<b>In Foreign Currency</b>	<b>5,657</b>	<b>4,664</b>	<b>4,137</b>	<b>3,930</b>	<b>3,634</b>
<b>Total Deposits</b>	<b>28,803</b>	<b>27,830</b>	<b>24,249</b>	<b>22,298</b>	<b>19,971</b>

(\*) Includes deposits from subsidiaries, except Banco Galicia Uruguay SA (in liquidation).

As of September 30, 2011, the Bank's estimated market share of deposits in the Argentine financial system was 6.40%, compared to 6.51% of the prior quarter and to 5.78% of a year before.

Considering only private-sector deposits, the Bank's estimated market share reached 8.62% as of September 30, 2011, compared to 8.87% and 8.14% from June 30, 2011, and September 30, 2010, respectively.

*Percentages*

<b>Table X</b> <b>Market Share (*)</b>	<b>FY2011</b>				<b>FY2010</b>
	<b>3<sup>rd</sup> Q</b>	<b>2<sup>nd</sup> Q</b>	<b>1<sup>st</sup> Q</b>	<b>4<sup>th</sup> Q</b>	<b>3<sup>rd</sup> Q</b>
Total Deposits	6.40	6.51	6.09	5.94	5.78
Private Sector Deposits	8.62	8.87	8.45	8.35	8.14
Total Loans	7.78	8.11	8.11	7.95	7.68
Loans to the Private Sector	8.58	8.97	9.08	8.95	8.64

(\*) Banco de Galicia y Buenos Aires S.A. within the Argentine financial system, according to the daily information on deposits and loans published by the Argentine Central Bank. End-of-period data. Deposits and Loans include only principal. The regional credit-card companies' data is not included.

As of September 30, 2011, other financial liabilities amounted to Ps.11,882 million, Ps.4,612 million or 63.4% higher than the Ps.7,270 million recorded a year before. This increase was mainly as a consequence of repurchase agreement transactions from Banco Galicia, of an increase of financing from merchants in connection with credit card activities and of the balance of negotiable obligations. Regarding the latter, it is worth mentioning that the Ps.1,435 million (or 65.2%) increase as compared to September 30, 2010, was due to: (i) a Ps.643 million increase in negotiable obligations issued by the subsidiaries of Tarjetas Regionales SA, mainly as a consequence of the US\$200 million issued by Tarjeta Naranja SA in January 2011, and of Ps.100 million during June 2011; (ii) the Ps.202 million issued by CFA, Ps.100 million in March 2011 and Ps.102 million in July 2011; and (iii) the US\$300 million issued by Banco Galicia on May 4, 2011. This increase was offset by: (i) the redemption of all the negotiable obligations issued by Banco Galicia due in 2014 carried out in November 2010, for an outstanding principal amount of US\$102.3 million; and (ii) the redemption in February 2011 of the portion of capitalized interests corresponding to Banco Galicia's subordinated negotiable obligations due in 2019, for US\$91.5 million.

In millions of pesos

Table XI Other Financial Liabilities	FY2011				FY2010
	3 <sup>rd</sup> Q	2 <sup>nd</sup> Q	1 <sup>st</sup> Q	4 <sup>th</sup> Q	3 <sup>rd</sup> Q
Domestic Financial Institutions and Credit Entities	777	671	645	613	423
Foreign Financial Institutions and Credit Entities	962	815	748	703	736
Negotiable Obligations <sup>(*)</sup>	3,637	3,627	2,296	1,821	2,202
Obligations in Connection with Spot Transactions Pending Settlement and Repurchase Agreement Transactions	1,059	2,453	1,813	1,180	346
Other <sup>(**)</sup>	5,447	4,783	4,395	4,385	3,563
<b>Total</b>	<b>11,882</b>	<b>12,349</b>	<b>9,897</b>	<b>8,702</b>	<b>7,270</b>

(\*) Includes subordinated negotiable obligations.

(\*\*) Includes, mainly, debt with merchants in connection with credit-card activities.

As of September 30, 2011, the Bank had 2.2 million deposit accounts, which represent an increase of approximately 267 thousand accounts as compared with the same date of the previous year. Likewise, the number of credit cards reached 8.1 million, 1.3 million more than those managed a year before. (See the table *Additional Information*)

## ASSET QUALITY

The Bank's non-accrual loan portfolio amounted to Ps.853 million as of September 30, 2011, representing 2.89% of total loans to the private-sector, recording a 0.95 p.p. decrease from the 3.84% recorded a year before.

The coverage of the non-accrual loan portfolio with allowances for loan losses reached 145.37% as of the end of the third quarter of 2011, higher than the 132.80% as of September 30, 2010.

In millions of pesos, except percentages

Table XII Loan Portfolio Quality	FY2011				FY2010
	3 <sup>rd</sup> Q	2 <sup>nd</sup> Q	1 <sup>st</sup> Q	4 <sup>th</sup> Q	3 <sup>rd</sup> Q
<b>Non-Accrual Loans <sup>(*)</sup></b>	<b>853</b>	<b>833</b>	<b>787</b>	<b>755</b>	<b>744</b>
With Preferred Guarantees	29	30	30	28	27
With Other Guarantees	33	27	25	37	38
Without Guarantees	791	776	732	690	679
<b>Allowance for Loan Losses</b>	<b>1,240</b>	<b>1,175</b>	<b>1,103</b>	<b>1,038</b>	<b>988</b>
<b>Non-Accrual Loans to Private-Sector Loans (%)</b>	<b>2.89</b>	<b>3.06</b>	<b>3.24</b>	<b>3.38</b>	<b>3.84</b>
<b>Allowance for Loan Losses to Private-Sector Loans (%)</b>	<b>4.20</b>	<b>4.31</b>	<b>4.55</b>	<b>4.64</b>	<b>5.10</b>
<b>Allowance for Loan Losses to Non-Accrual Loans (%)</b>	<b>145.37</b>	<b>141.06</b>	<b>140.15</b>	<b>137.48</b>	<b>132.80</b>
<b>Non-Accrual Loans with Guarantees to Non-Accrual Loans (%)</b>	<b>7.27</b>	<b>6.84</b>	<b>6.99</b>	<b>8.61</b>	<b>8.74</b>

(\*) The non-accrual portfolio includes loans classified under the following categories of the Argentine Central Bank classification: With Problems and Medium Risk, High Risk of Insolvency and High Risk, Uncollectible and Uncollectible due to Technical Reasons.

During the quarter, Ps.125 million were charged off against the allowance for loan losses and direct charges to the income statement for Ps.5 million were made.

In millions of pesos

Table XIII Consolidated Analysis of Loan Loss Experience	FY2011				FY2010
	3 <sup>rd</sup> Q	2 <sup>nd</sup> Q	1 <sup>st</sup> Q	4 <sup>th</sup> Q	3 <sup>rd</sup> Q
<b>Allowance for Loan Losses at the Beginning of the Quarter</b>	<b>1,175</b>	<b>1,103</b>	<b>1,038</b>	<b>988</b>	<b>932</b>
<b>Changes in the Allowance for Loan Losses</b>					
Provisions Charged to Income	200	186	169	151	230
Provisions Reversed	(10)	-	-	-	-
Charge Offs	(125)	(114)	(104)	(101)	(174)
<b>Allowance for Loan Losses at Quarter End</b>	<b>1,240</b>	<b>1,175</b>	<b>1,103</b>	<b>1,038</b>	<b>988</b>
<b>Charge to the Income Statement</b>					
Provisions Charged to Income	200	186	169	149	147
Direct Charge Offs	5	5	4	4	5
Bad Debts Recovered	(45)	(44)	(35)	(40)	(35)
Provisions Reversed (*)	(10)	-	-	-	-
<b>Net Charge to the Income Statement</b>	<b>150</b>	<b>147</b>	<b>138</b>	<b>113</b>	<b>117</b>

(\*) Recorded under "Net Other Income/(Loss)".

In the following table, asset quality information is also shown in terms of "total credit." Total credit is defined as loans, certain accounts included in "Other Receivables Resulting from Financial Brokerage" representing credit transactions, assets under financial leases, guarantees granted and unused balances of loans granted.

In millions of pesos, except percentages

Table XIV Asset Quality - Total Credit	FY2011				FY2010
	3 <sup>rd</sup> Q	2 <sup>nd</sup> Q	1 <sup>st</sup> Q	4 <sup>th</sup> Q	3 <sup>rd</sup> Q
<b>Non-Accrual Portfolio (*)</b>	<b>864</b>	<b>844</b>	<b>800</b>	<b>768</b>	<b>758</b>
With Preferred Guarantees	30	32	31	30	29
With Other Guarantees	33	27	26	39	39
Without Guarantees	801	785	743	699	690
<b>Allowance for Credit Losses</b>	<b>1,257</b>	<b>1,192</b>	<b>1,121</b>	<b>1,055</b>	<b>1,001</b>
<b>Non-Accrual Portfolio to Private-Sector Credit (%)</b>	<b>2.55</b>	<b>2.70</b>	<b>2.87</b>	<b>2.97</b>	<b>3.36</b>
<b>Allowance for Credit Losses to Private-Sector Credit (%)</b>	<b>3.70</b>	<b>3.82</b>	<b>4.02</b>	<b>4.07</b>	<b>4.44</b>
<b>Allowance for Credit Losses to Non-Accrual Portfolio (%)</b>	<b>145.49</b>	<b>141.23</b>	<b>140.13</b>	<b>137.37</b>	<b>132.06</b>
<b>Non-Accrual Portfolio with Guarantees to Non-Accrual Portfolio (%)</b>	<b>7.29</b>	<b>6.99</b>	<b>7.13</b>	<b>8.98</b>	<b>8.97</b>

(\*) Includes credits classified under the categories mentioned in the note to Table XII.

## CAPITALIZATION AND LIQUIDITY

As of September 30, 2011, the Bank's consolidated computable capital exceeded by Ps.1,538 million the Ps.2,533 million minimum capital requirement. This excess was of Ps.1,550 million as of September 30, 2010.

The Ps.622 million increase in the minimum capital requirement compared with September 30, 2010, was mainly attributable to the Ps.705 million higher requirements in connection with financing to the private sector, due to the growth of this portfolio, partially offset, mainly, by the Ps.79 million decrease related to the non-financial public sector, mainly due to the sale of government securities during the last twelve months.

The Ps.610 million increase in computable capital, as compared to September 30, 2010, was mainly a consequence of: (i) higher core capital, for Ps.438 million, mainly due to 2010 fiscal year's net income offset by the payment of the Ps.100.1 million cash dividend; (ii) higher supplemental capital, for Ps.493 million, due to the increase in the balance of the Bank's subordinated debt, attributable to the increase in the quotation of the US Dollar and to the quarter's net income; and (iii) the negative goodwill stemming from the acquisition of CFA (included in "Deductions").

*In millions of pesos, except ratios*

Table XV Consolidated Regulatory Capital	FY2011				FY2010
	3 <sup>rd</sup> Q	2 <sup>nd</sup> Q	1 <sup>st</sup> Q	4 <sup>th</sup> Q	3 <sup>rd</sup> Q
<b>Minimum Capital Required (A)</b>	<b>2,533</b>	<b>2,405</b>	<b>2,155</b>	<b>2,007</b>	<b>1,911</b>
Allocated to Financial Assets	2,084	1,920	1,750	1,519	1,379
Allocated to Fixed Assets	182	176	174	165	170
Allocated to Other Assets	138	138	92	99	90
Allocated to Market Risk	6	17	10	6	5
Allocated to Interest-Rate Risk	11	28	16	70	76
Allocated to Lending to the Public Sector	112	126	113	148	191
<b>Computable Capital (B)</b>	<b>4,071</b>	<b>3,901</b>	<b>3,811</b>	<b>3,594</b>	<b>3,461</b>
Core Capital	2,621	2,593	2,719	2,193	2,183
Supplemental Capital	1,674	1,382	1,113	1,333	1,181
Deductions	(206)	(105)	(33)	48	80
Additional Capital – Market Variation	(18)	31	12	20	17
<b>Excess over Required Capital (B) - (A)</b>	<b>1,538</b>	<b>1,496</b>	<b>1,656</b>	<b>1,587</b>	<b>1,550</b>
<b>Total Capital Ratio (%)</b>	<b>13.15</b>	<b>13.37</b>	<b>14.55</b>	<b>15.19</b>	<b>15.60</b>

As of September 30, 2011, the Bank's liquid assets represented 72.39% of the Bank's transactional deposits and 38.32% of its total deposits.

Table XVI Liquidity (unconsolidated)	FY2011				FY2010
	3 <sup>rd</sup> Q	2 <sup>nd</sup> Q	1 <sup>st</sup> Q	4 <sup>th</sup> Q	3 <sup>rd</sup> Q
Liquid Assets (*) as a percentage of Transactional Deposits	72.39	74.08	66.77	63.38	68.97
Liquid Assets (*) as a percentage of Total Deposits	38.32	39.64	34.48	33.98	36.31

(\*) *Liquid assets include cash and due from banks (including deposits with the Argentine Central Bank and the special escrow accounts with the monetary authority), holdings of Lebac and Nobac (Argentine Central Bank's bills and notes, respectively), net call money interbank loans, short-term placements with correspondent banks and reverse repurchase agreement transactions with the local market.*

*This report is a summary analysis of the Bank's financial condition and results of operations as of and for the period indicated. For a correct interpretation, this report must be read in conjunction with the Bank's financial statements, as well as with all other material periodically filed with the National Securities Commission ([www.cnv.gob.ar](http://www.cnv.gob.ar)) and the Buenos Aires Stock Exchange ([www.bolsar.com](http://www.bolsar.com)). In addition, the Argentine Central Bank ([www.bcra.gob.ar](http://www.bcra.gob.ar)) may publish information related to the Bank as of a date subsequent to the last date for which the Bank has published information.*

*Readers of this report must note that this is a translation made from an original version written and expressed in Spanish. Therefore, any matters of interpretation should be referred to the original version in Spanish.*

**SELECTED FINANCIAL INFORMATION – CONSOLIDATED DATA <sup>(\*)</sup>**

*In millions of pesos*

	FY2011				FY2010
	3 <sup>rd</sup> Q	2 <sup>nd</sup> Q	1 <sup>st</sup> Q	4 <sup>th</sup> Q	3 <sup>rd</sup> Q
Cash and Due from Banks	6,882.4	5,536.1	5,282.7	5,634.5	5,196.9
Government and Corporate Securities	3,693.9	5,177.2	3,211.9	2,206.3	2,854.0
Net Loans	28,288.0	26,057.4	23,155.9	21,333.7	18,382.9
Other Receivables Resulting from Financial Brokerage	3,465.5	4,421.2	3,797.8	3,207.0	2,175.3
Equity Investments in Other Companies	74.0	64.5	69.2	65.8	61.9
Bank Premises and Equipment, Miscellaneous and Intangible Assets	1,708.7	1,605.5	1,522.3	1,448.8	1,440.7
Other Assets	1,622.7	1,555.7	1,415.8	1,402.8	1,116.4
<b>Total Assets</b>	<b>45,735.2</b>	<b>44,417.6</b>	<b>38,455.6</b>	<b>35,298.9</b>	<b>31,228.1</b>
Deposits	28,542.3	27,127.0	23,823.2	22,242.7	19,930.5
Other Liabilities Resulting from Financial Brokerage	10,919.0	11,406.0	8,991.5	7,443.9	6,050.3
Subordinated Negotiable Obligations	963.4	943.2	905.0	1,258.0	1,220.1
Other	1,755.6	1,707.8	1,658.1	1,532.7	1,422.8
Minority Interests	311.1	255.1	246.8	225.9	206.6
<b>Total Liabilities</b>	<b>42,491.4</b>	<b>41,439.1</b>	<b>35,624.6</b>	<b>32,703.2</b>	<b>28,830.3</b>
<b>Shareholders' Equity</b>	<b>3,243.8</b>	<b>2,978.5</b>	<b>2,831.0</b>	<b>2,595.7</b>	<b>2,397.8</b>
<b>Foreign-Currency Assets and Liabilities</b>					
Assets	8,367.7	7,498.7	7,089.0	6,703.3	6,010.3
Liabilities	11,551.0	10,475.8	8,341.3	7,495.8	6,996.5
Net Forward Purchases/(Sales) of Foreign Currency <sup>(1)</sup>	3,221.8	3,179.5	1,472.7	853.7	1,009.7

(\*) Banco de Galicia y Buenos Aires S.A., consolidated with subsidiary companies (Section 33 - Law No. 19,550).

(1) Recorded off-balance sheet.

**SELECTED FINANCIAL INFORMATION – CONSOLIDATED DATA <sup>(\*)</sup>**

*In millions of pesos*

	FY2011			FY2010	
	3 <sup>rd</sup> Q	2 <sup>nd</sup> Q	1 <sup>st</sup> Q	4 <sup>th</sup> Q	3 <sup>rd</sup> Q
<b>FINANCIAL INCOME</b>	<b>1,506.9</b>	<b>1,378.2</b>	<b>1,204.3</b>	<b>1,168.5</b>	<b>899.8</b>
Interest on Cash and Due from Banks	0.2	0.1	0.2	0.2	0.2
Interest on Loans to the Financial Sector	6.5	3.8	2.1	3.5	3.2
Interest on Overdrafts	100.4	80.5	58.8	56.2	50.9
Interest on Promissory Notes	196.1	166.3	160.9	142.7	128.3
Interest on Mortgage Loans	27.3	28.9	26.9	26.6	26.2
Interest on Pledge Loans	6.3	5.5	4.9	3.8	2.9
Interest on Credit-Card Loans	421.2	415.1	385.7	342.0	299.0
Interest on Financial Leases	24.4	22.0	19.7	18.3	16.1
Interest on Other Loans	484.5	447.7	403.9	361.8	322.8
Net Income from Government and Corporate Securities	198.5	139.0	95.3	154.7	(5.9)
Interest on Other Receivables Resulting from Financial Brokerage	7.3	7.4	4.5	4.5	2.1
CER Adjustment	0.1	0.1	0.1	0.1	1.3
Other	37.2	44.6	26.1	21.8	22.9
Quotation Differences on Gold and Foreign Currency	(3.1)	17.2	15.2	32.3	29.8
<b>FINANCIAL EXPENSES</b>	<b>585.3</b>	<b>519.5</b>	<b>439.5</b>	<b>401.7</b>	<b>358.6</b>
Interest on Savings-Account Deposits	2.1	1.9	1.8	1.6	1.5
Interest on Time Deposits	311.6	273.7	236.6	208.1	180.1
Interest on Subordinated Obligations	27.7	26.4	32.1	35.3	35.2
Other Interest	4.8	5.5	9.0	3.6	1.0
Interest on Interbank Loans Received (Call Money Loans)	0.1	0.4	0.1	1.4	1.1
Interest on Other Financing from Financial Entities	10.5	9.5	9.3	4.4	2.1
Interest on Other Liabilities Resulting from Financial Brokerage	97.0	77.0	50.1	44.0	38.8
Contributions to the Deposit Insurance Fund	11.9	10.6	9.7	8.6	8.0
CER Adjustment	-	0.1	-	0.1	0.1
Other	119.6	114.4	90.8	94.6	90.7
<b>GROSS FINANCIAL MARGIN</b>	<b>921.6</b>	<b>858.7</b>	<b>764.8</b>	<b>766.8</b>	<b>541.2</b>
<b>PROVISIONS FOR LOAN LOSSES</b>	<b>205.5</b>	<b>191.9</b>	<b>174.4</b>	<b>162.3</b>	<b>153.2</b>
<b>INCOME FROM SERVICES, NET</b>	<b>698.0</b>	<b>644.7</b>	<b>586.9</b>	<b>554.3</b>	<b>504.5</b>
<b>ADMINISTRATIVE EXPENSES</b>	<b>1,072.8</b>	<b>988.8</b>	<b>877.9</b>	<b>838.4</b>	<b>736.4</b>
Personnel Expenses	592.4	565.7	516.7	476.6	412.3
Directors' and Syndics' Fees	3.2	3.1	3.3	3.9	1.7
Other Fees	47.0	39.4	35.6	30.0	28.7
Advertising and Publicity	82.3	69.0	44.2	62.0	48.4
Taxes	70.4	64.5	53.4	52.1	45.8
Depreciation of Premises and Equipment	23.8	22.0	21.3	20.5	19.4
Amortization of Organization Expenses	27.0	22.5	19.6	17.2	16.4
Other Operating Expenses	138.7	125.1	113.8	108.4	102.0
Other	88.0	77.5	70.0	67.7	61.7
<b>MINORITY INTERESTS RESULTS</b>	<b>(28.9)</b>	<b>(23.7)</b>	<b>(25.7)</b>	<b>(19.0)</b>	<b>(18.9)</b>
<b>INCOME FROM EQUITY INVESTMENTS</b>	<b>56.4</b>	<b>22.1</b>	<b>31.0</b>	<b>32.3</b>	<b>29.5</b>
<b>NET OTHER INCOME / (LOSS)</b>	<b>70.7</b>	<b>39.5</b>	<b>60.6</b>	<b>(51.0)</b>	<b>34.8</b>
<b>INCOME TAX</b>	<b>174.2</b>	<b>112.9</b>	<b>130.0</b>	<b>84.9</b>	<b>63.7</b>
<b>NET INCOME / (LOSS)</b>	<b>265.3</b>	<b>247.7</b>	<b>235.3</b>	<b>197.8</b>	<b>137.8</b>

(\*) Banco de Galicia y Buenos Aires S.A., consolidated with subsidiary companies (Section 33 – Law No. 19,550).

**ADDITIONAL INFORMATION**

	FY2011			FY2010	
	3 <sup>rd</sup> Q	2 <sup>nd</sup> Q	1 <sup>st</sup> Q	4 <sup>th</sup> Q	3 <sup>rd</sup> Q
<b>Mutual Funds (In millions of pesos) <sup>(*)</sup></b>	<b>1,790.7</b>	<b>1,561.8</b>	<b>1,693.6</b>	<b>1,417.0</b>	<b>1,197.1</b>
<b>Physical Data (Number of)</b>					
<b>Employees</b>	<b>12,375</b>	<b>11,927</b>	<b>11,529</b>	<b>11,323</b>	<b>10,990</b>
Bank in Argentina	5,501	5,372	5,257	5,185	5,140
Other companies	5,675	5,373	5,109	4,978	4,696
CFA	1,199	1,182	1,163	1,160	1,154
<b>Branches</b>	<b>486</b>	<b>478</b>	<b>475</b>	<b>466</b>	<b>460</b>
Bank Branches	242	241	241	240	238
Regional Credit-Card Companies	185	178	175	167	163
CFA	59	59	59	59	59
<b>Points of Sale</b>	<b>153</b>	<b>156</b>	<b>161</b>	<b>148</b>	<b>131</b>
Regional Credit-Card Companies	117	120	125	112	95
CFA	36	36	36	36	36
<b>Deposit Accounts (in thousands)</b>	<b>2,183</b>	<b>2,080</b>	<b>2,029</b>	<b>1,969</b>	<b>1,916</b>
<b>Credit Cards (in thousands)</b>	<b>8,100</b>	<b>7,659</b>	<b>7,353</b>	<b>7,062</b>	<b>6,779</b>
<b>Inflation and Exchange Rates</b>					
Retail Price Index (%) (**)	<b>2.48</b>	<b>2.30</b>	<b>2.32</b>	<b>2.43</b>	<b>2.28</b>
Wholesale Price Index (IPIM) (%) (**)	<b>2.99</b>	<b>3.21</b>	<b>3.02</b>	<b>2.82</b>	<b>2.93</b>
CER Coefficient (%) (**)	<b>2.34</b>	<b>2.43</b>	<b>2.32</b>	<b>2.32</b>	<b>2.29</b>
Exchange Rate (Pesos per US\$) (***)	<b>4.2045</b>	<b>4.1110</b>	<b>4.0520</b>	<b>3.9758</b>	<b>3.9607</b>

(\*) Market value of the FIMA mutual fund units under custody.

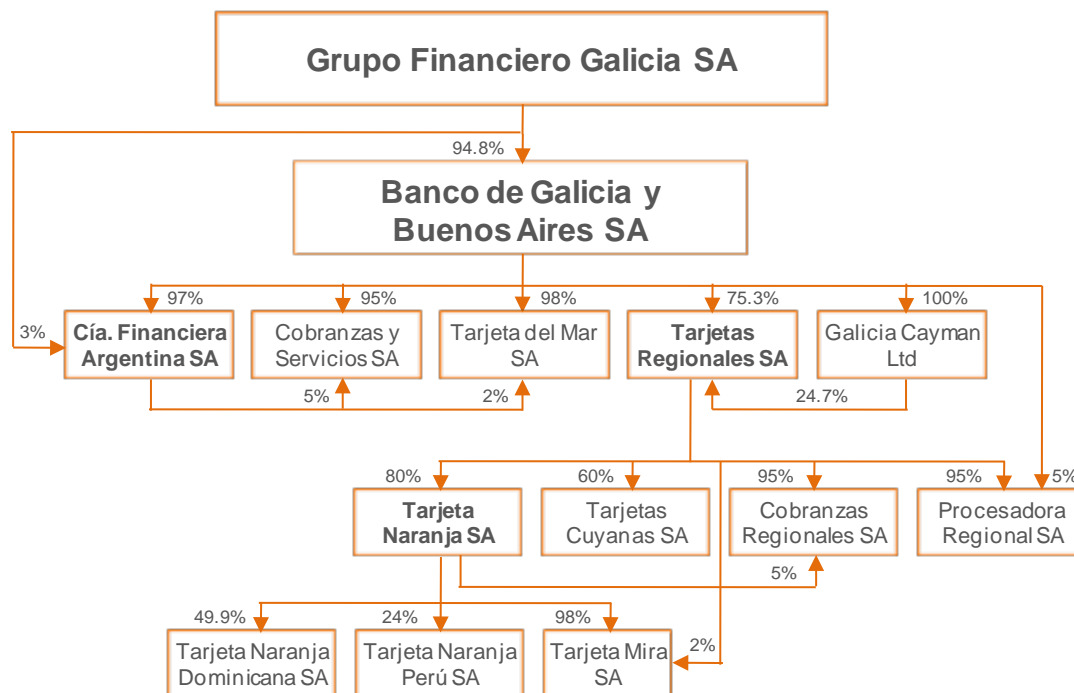
(\*\*) Variation within the quarter.

(\*\*\*) As of the last working day of the quarter.

## RECENT DEVELOPMENTS

### REORGANIZATION OF THE SOCIETARY STRUCTURE

With the purpose of achieving a more efficient societary order of the Bank and its subsidiaries, a series of changes have been made in the ownership interest of certain companies which did not have an impact on the direct and indirect control that the Bank has of the companies involved. Bellow we show the companies in which changes have been made:



- **Compañía Financiera Argentina SA:** the 5% interest owned by Tarjetas Regionales SA was acquired by Grupo Financiero Galicia SA (3%) and by the Bank (2%, which added to its previous interest totaled 97%).
- **Cobranzas y Servicios SA:** the 5% interest owned by Tarjetas Regionales SA was acquired by Compañía Financiera Argentina SA, while the remaining 95% is still owned by the Bank.
- **Tarjeta del Mar SA:** it was spin off, allocating part of its shareholders equity to the creation of Tarjeta Mira SA. The remaining shareholders equity was acquired by the Bank (98%) and by Compañía Financiera Argentina SA (2%).
- **Tarjetas Regionales SA:** the Bank increased its interest from 68.2% to 75.3%, while Galicia Cayman Ltd reduced its interest from 31.8% to 24.7%.
- **Cobranzas Regionales SA:** Tarjetas Regionales SA reached a 95% interest, as a consequence of the acquisition of shares from Tarjeta Naranja SA (82.7%) and from Tarjetas Cuyanas SA (12.3%), while the remaining 5% interest is still owned by Tarjeta Naranja SA.
- **Procesadora Regional SA:** the Bank holds a 5% interest and it sold shares representing a 90% interest to Tarjetas Regionales SA, which reached an ownership of 95%.
- **Tarjeta Mira SA:** created by Tarjeta del Mar SA's spin off, is currently owned by Tarjeta Naranja SA (98%) and by Tarjetas Regionales SA (2%).

## **BANCO GALICIA IN SOCIAL NETWORKS**

Going on with its innovation process and aiming to be close to the people, the Bank launched an exclusive channel for You Tube called *Cultura Financiera* (Financial Culture), which provides financial training, useful advices and answers to frequent asked questions through educational videos.

## **BRANCH NETWORK**

The Bank continued to increase its distribution network, with the opening of two branches in the Autonomous City of Buenos Aires, one in Villa Urquiza (in August) and the other one in Puerto Madero (in October).

*This report is a summary analysis of the Bank's financial condition and results of operations as of and for the period indicated. For a correct interpretation, this report must be read in conjunction with the Bank's financial statements, as well as with all other material periodically filed with the National Securities Commission ([www.cnv.gob.ar](http://www.cnv.gob.ar)) and the Buenos Aires Stock Exchange ([www.bolsar.com](http://www.bolsar.com)). In addition, the Argentine Central Bank ([www.bcra.gob.ar](http://www.bcra.gob.ar)) may publish information related to the Bank as of a date subsequent to the last date for which the Bank has published information.*

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