



Galicia

July 2009

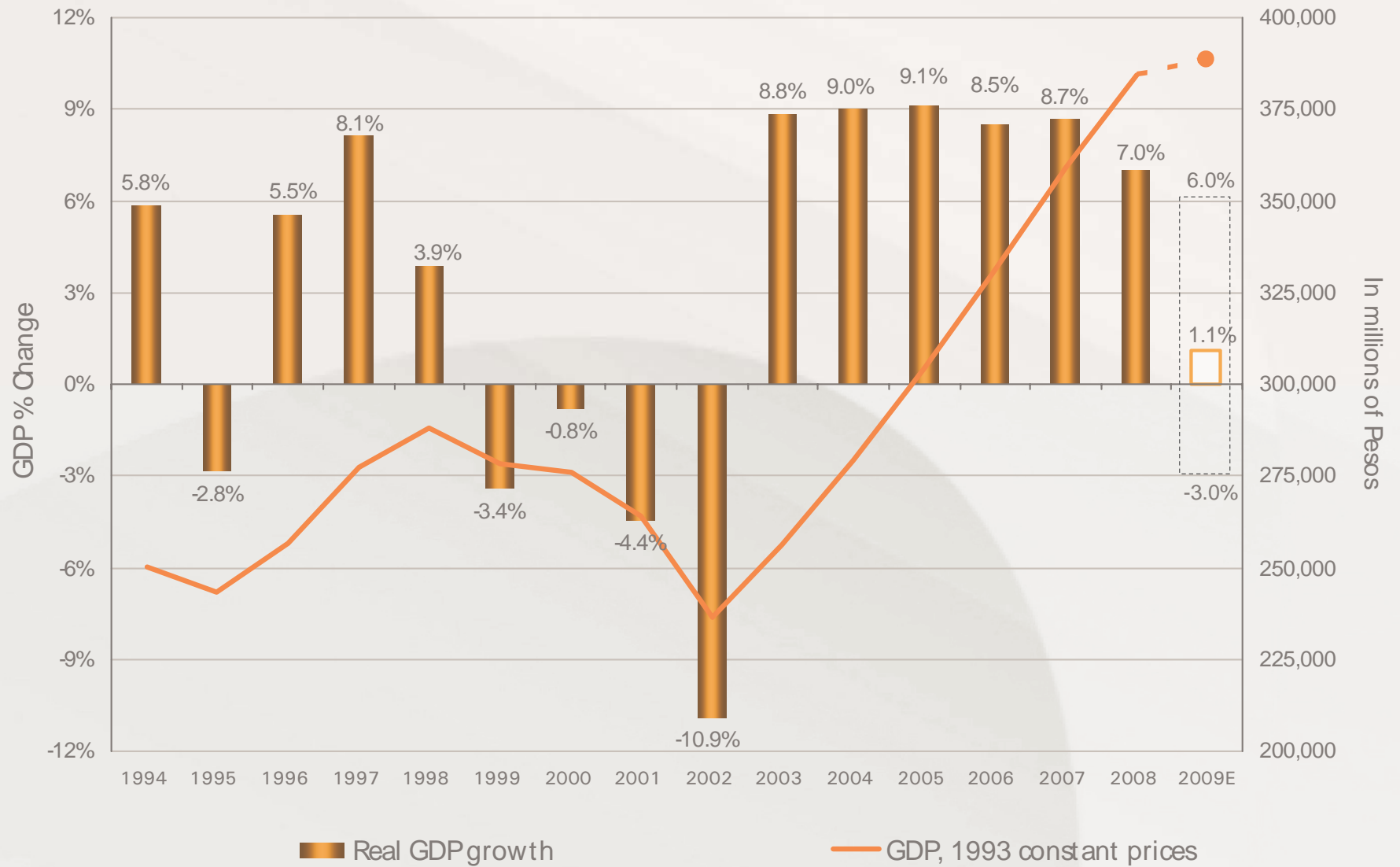
ABCDEFGHIJKLMNÑOPQRSTUVWXYZ
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- **The Argentine Economy**
- **The Argentine Financial System**
- **Banco Galicia**



The Argentine Economy



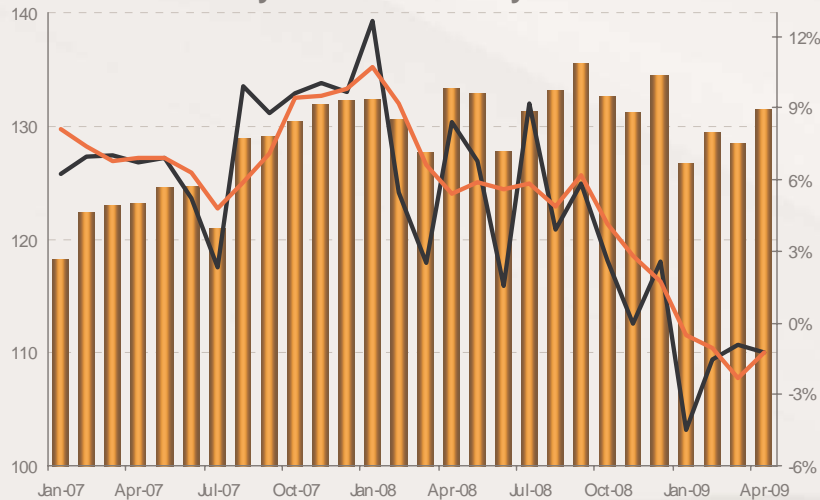
E: Last available median of market forecasts published by the Argentine Central Bank, as of June 3, 2009.

Economic Activity



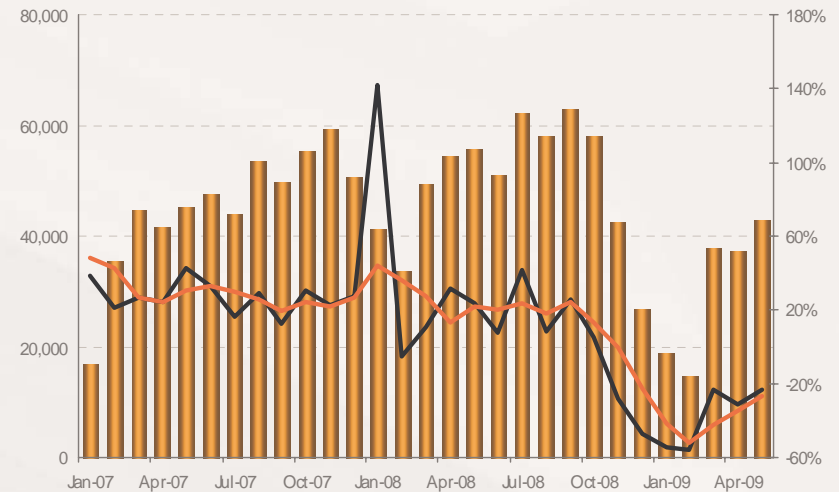
Galicia

Monthly Industrial Activity Estimate



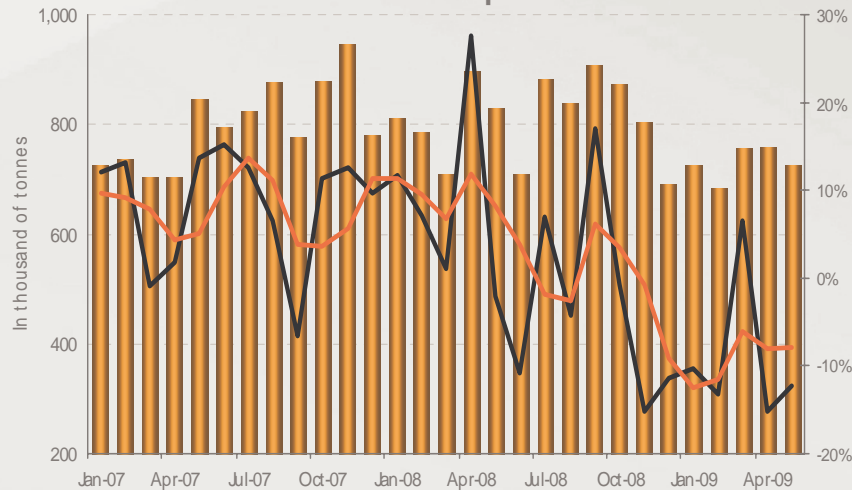
■ Monthly Industrial Estimator — Y-o-Y % Change — Y-o-Y % Change (3mo Mov. Avg.)
 Dec'04=100.
 INDEC
 As of April 30, 2009

Automotive Production



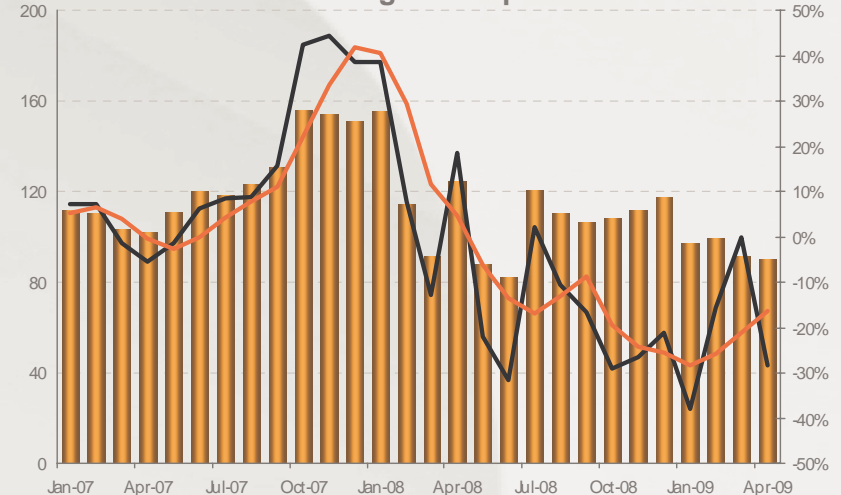
■ Production — Y-o-Y % Change — Y-o-Y % Change (3mo Mov. Avg.)
 ADEFA
 As of May 31, 2009

Cement Dispatch



■ Cement Dispatch — Y-o-Y % Change — Y-o-Y % Change (3mo Mov. Avg.)
 AFCP
 As of May 31, 2009

Cargo Transport



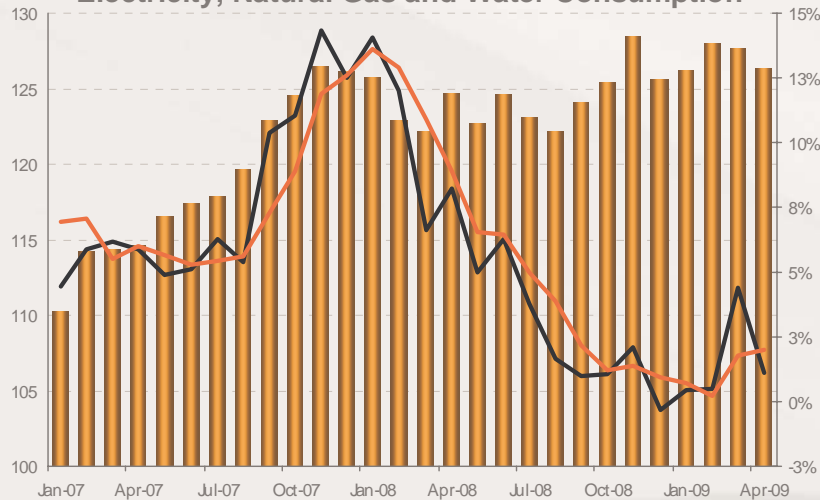
■ Cargo Transport — Y-o-Y % Change — Y-o-Y % Change (3mo Mov. Avg.)
 Dec'04=100.
 As of April 30, 2009

Economic Activity



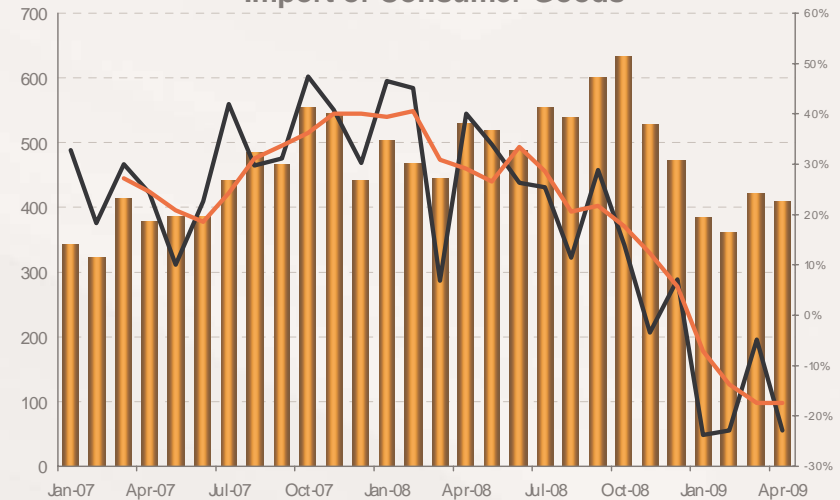
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Electricity, Natural Gas and Water Consumption



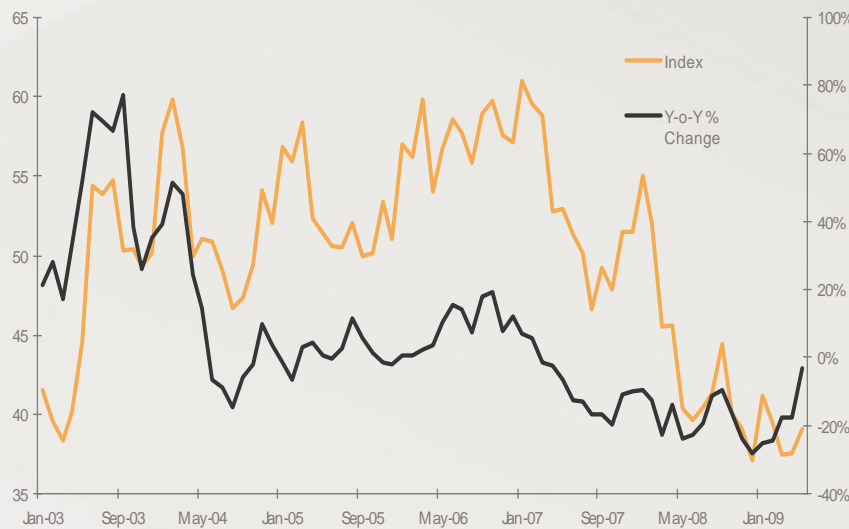
■ Electricity, Natural Gas and Water
 — Y-o-Y % Change
 — Y-o-Y % Change (3mo Mov. Avg.)
 Dec'04=100.
 As of April 30, 2009.

Import of Consumer Goods



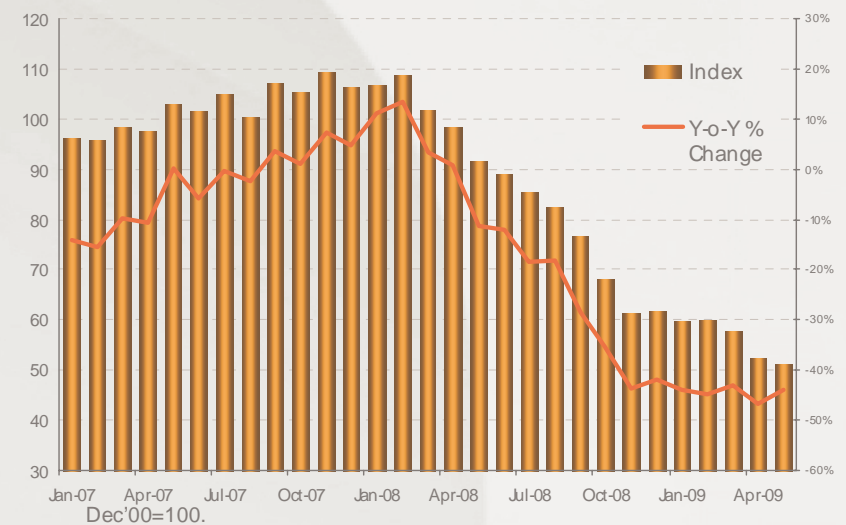
■ Imports
 — Y-o-Y % Change
 — Y-o-Y % Change (3mo Mov. Avg.)
 Dec'93=100.
 As of April 30, 2009.

Consumer Confidence Index

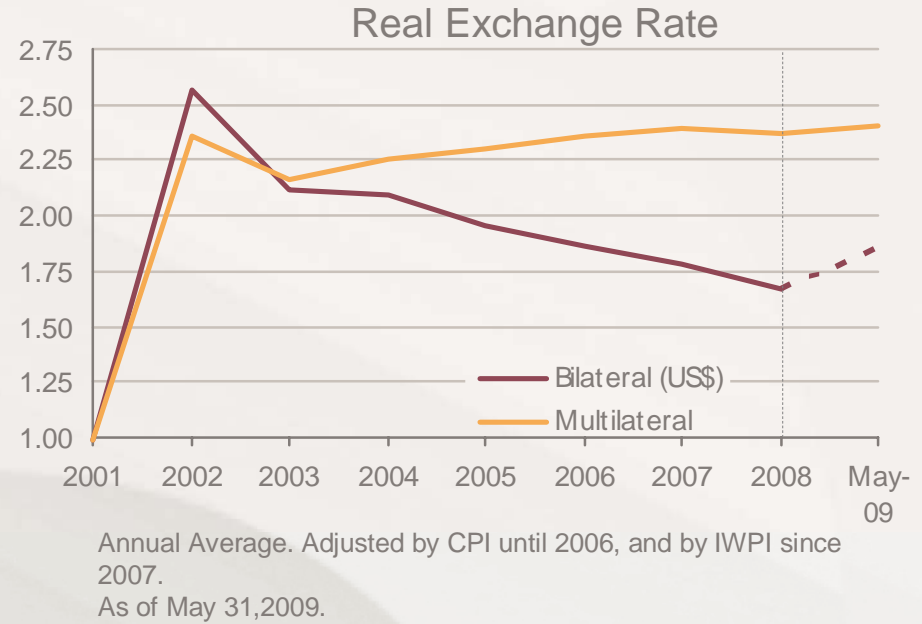


Universidad Di Tella. As of May 31, 2009.

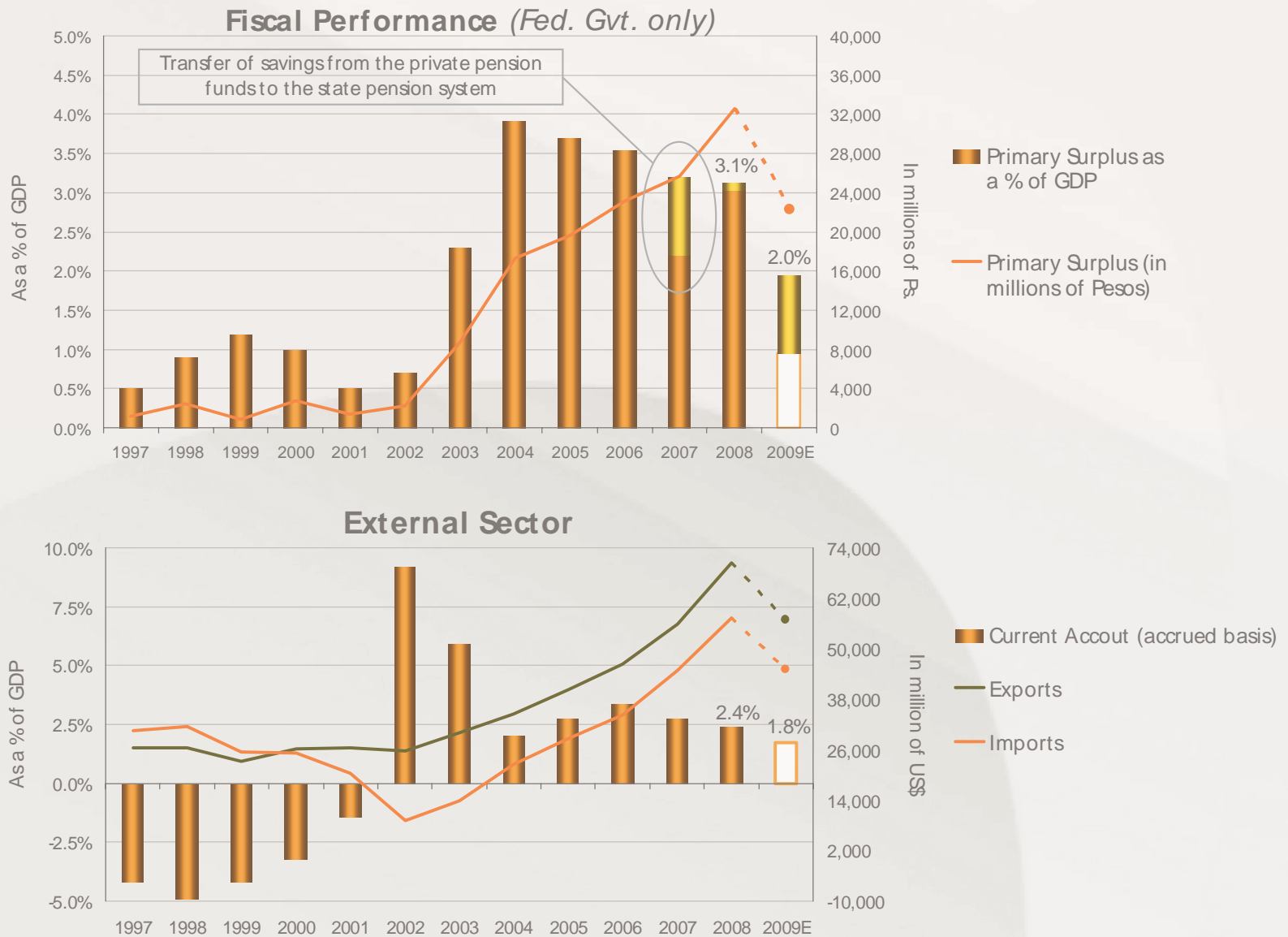
Labor Demand Index



Universidad Di Tella. As of May 31, 2009.



International Monetary Fund: World Economic Outlook, April 2009.



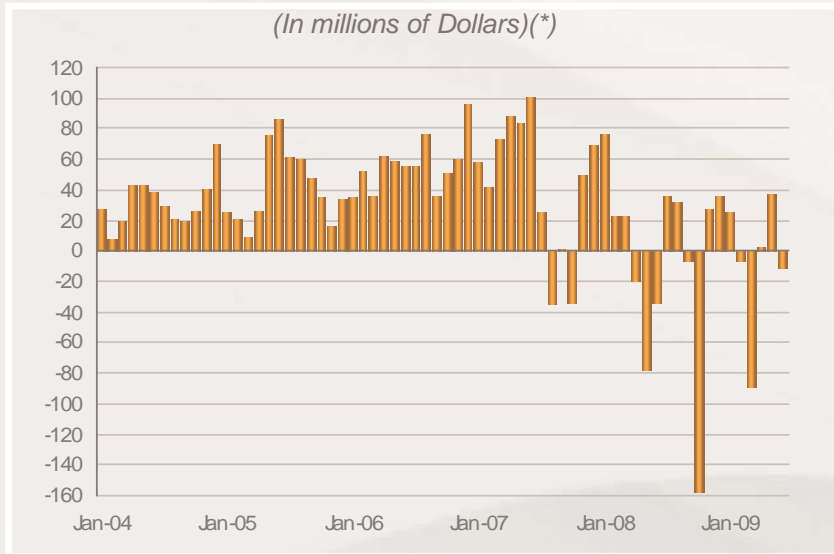
E: Last available median of market forecasts published by the Argentine Central Bank, as of June 3, 2009.

Monetary Performance

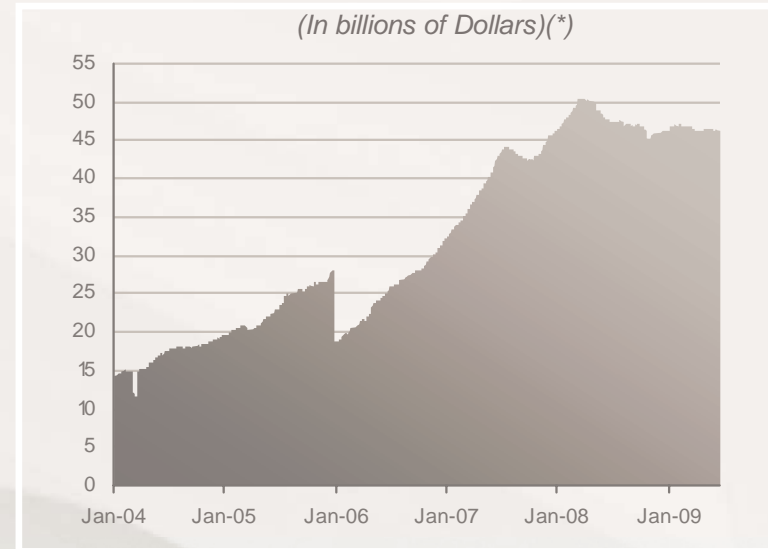


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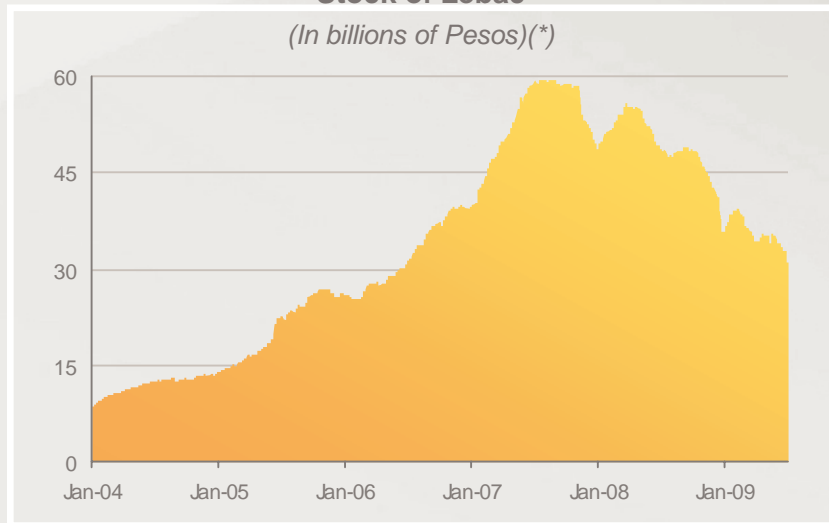
Central Bank's FX Market Average Daily Intervention



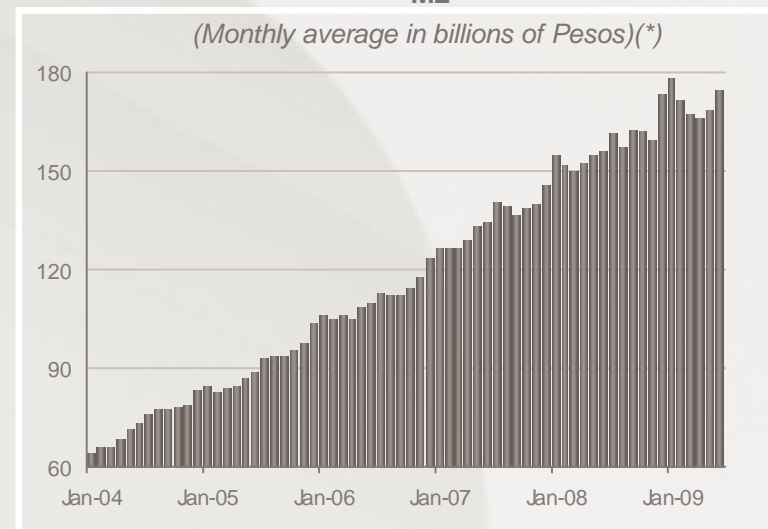
International Reserves



Stock of Lebac



M2



(*) As of June 19, 2009.



Coverage of Monetary Aggregates



IR: international reserves of the Argentine Central Bank.

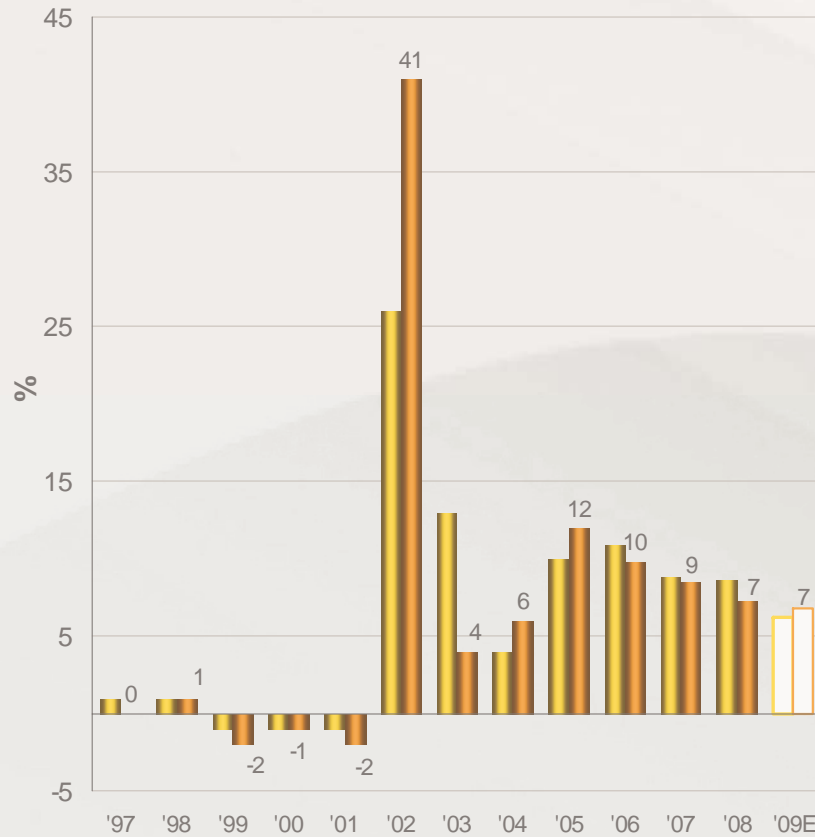
BMB: monetary base + "quasi-monies" + net position of the Argentine Central Bank in securities sold/bought under repurchase/resell agreements.

M2: currency held by the public + transactional deposits in pesos.

As of June 19, 2009.



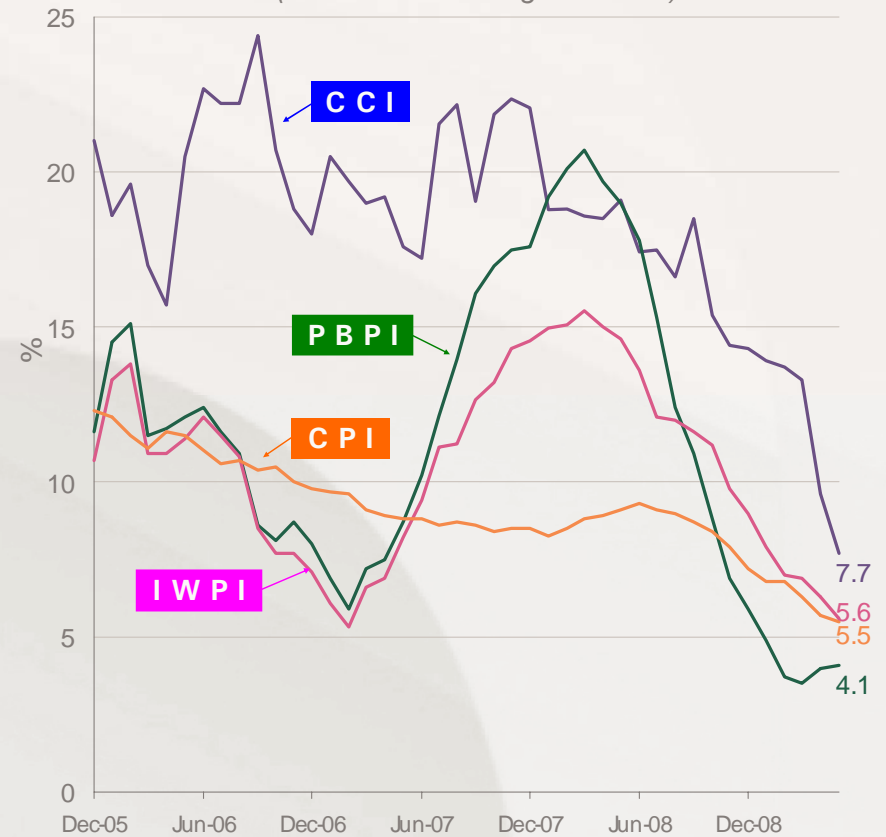
CPI (annual variation)



■ CPI (average) ■ CPI (end of period)

E: Last available median of market forecasts published by the Argentine Central Bank, as of June 3, 2009.

**Other Measures
(12 months trailing variation)**

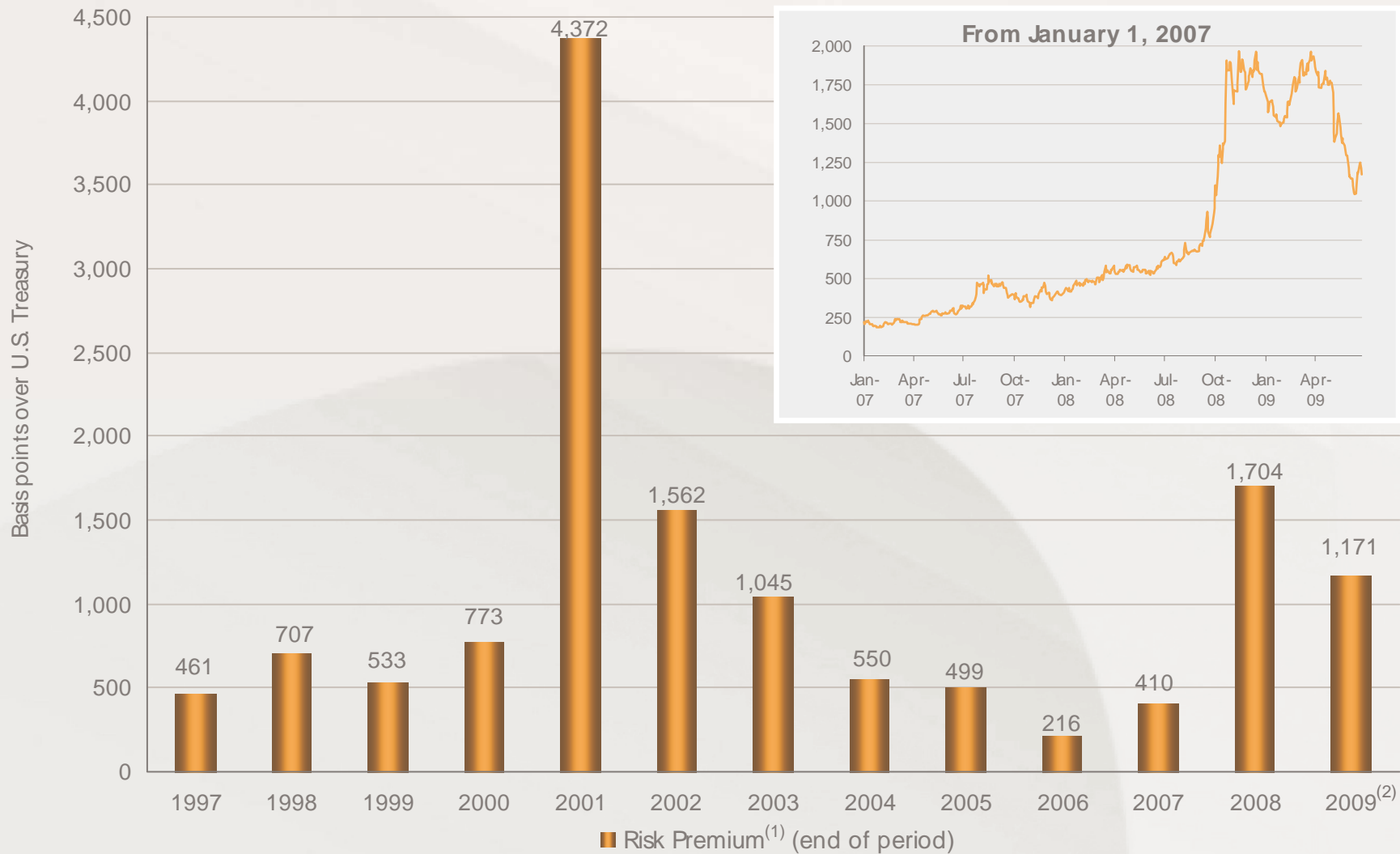


CCI: Cost of Construction Index
 PBPI: Producers Basic Prices Index
 CPI: Consumer Prices Index
 IWPI: Internal Wholesale Prices Index

Country Risk Premium



Galicia



(1) As measured by the EMBI+ for Argentina except for the period between 2002 and 2004 when it corresponds to the spread over Treasury of the Boden 2012.

(2) As of June 25, 2009.

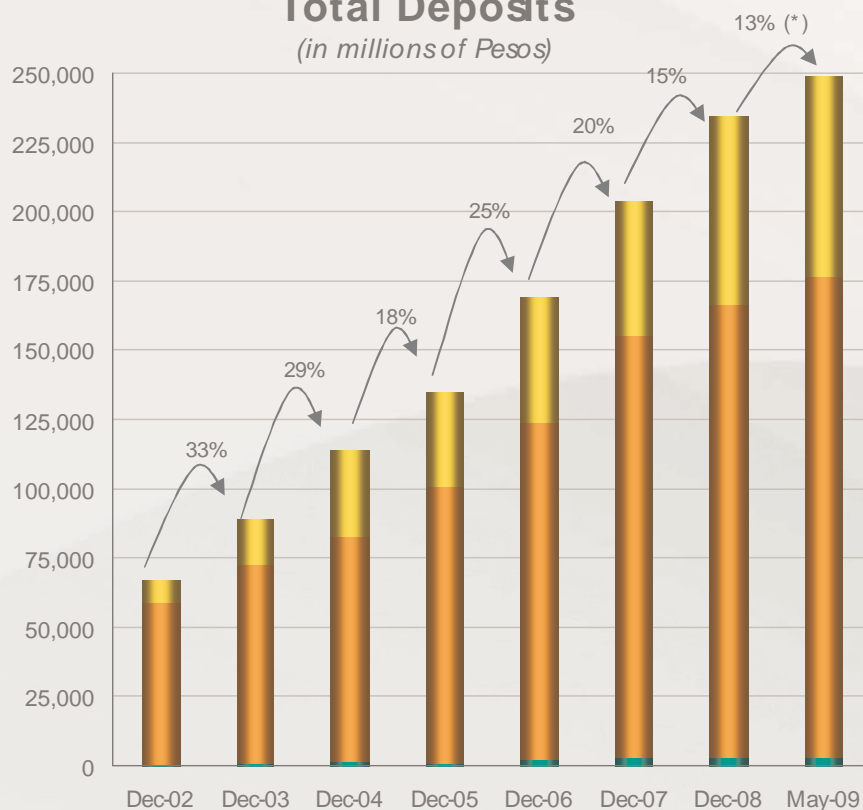


The Argentine Financial System



Total Deposits

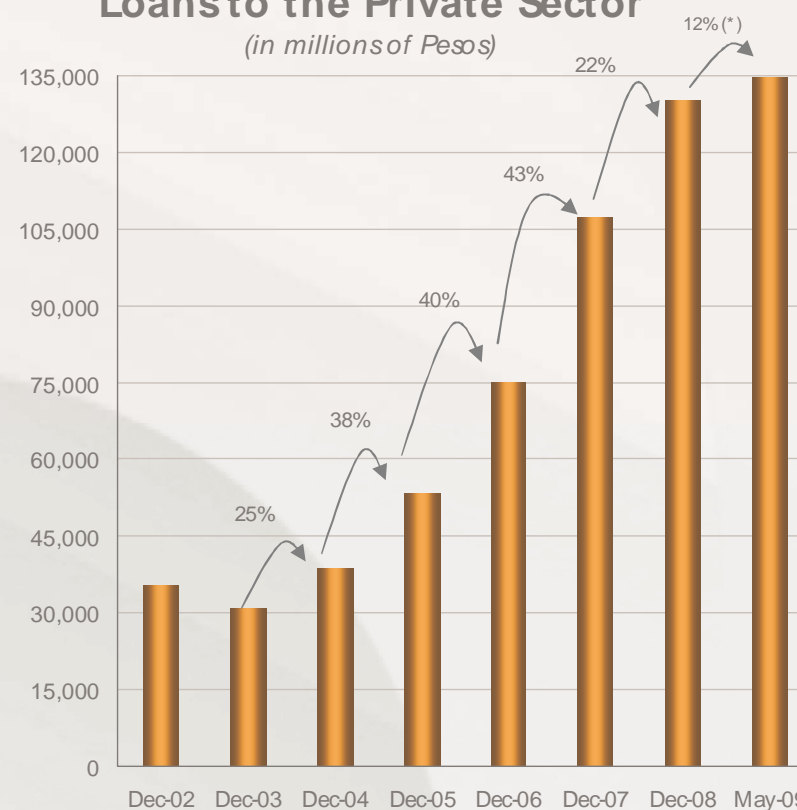
(in millions of Pesos)



- From the Public Sector (CAGR: 41.8%)
- From the Private Sector (CAGR: 18.5%)
- From the Financial Sector and Res. Abroad (CAGR: 28.1%)

Loans to the Private Sector

(in millions of Pesos)



CAGR: 23.2%

(*) May-09 vs. May-08 variation.

CAGR: Dec-02 / May-09.

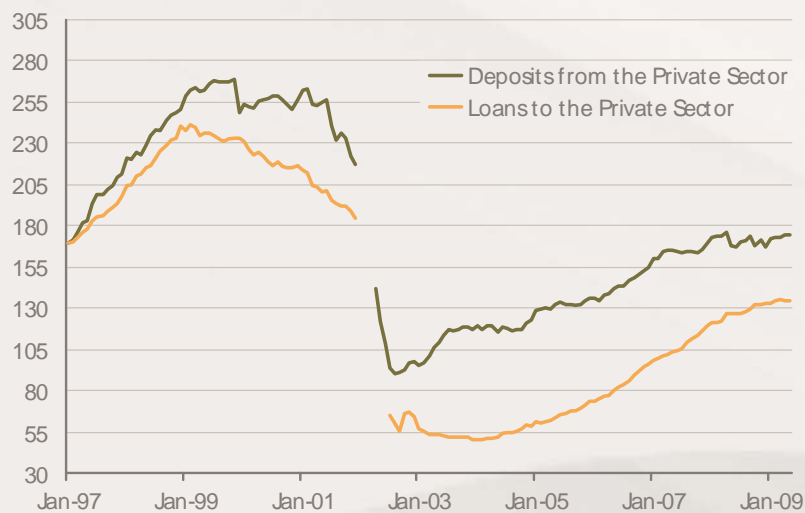
As of May 31, 2009.

But Still Low Financial Depth



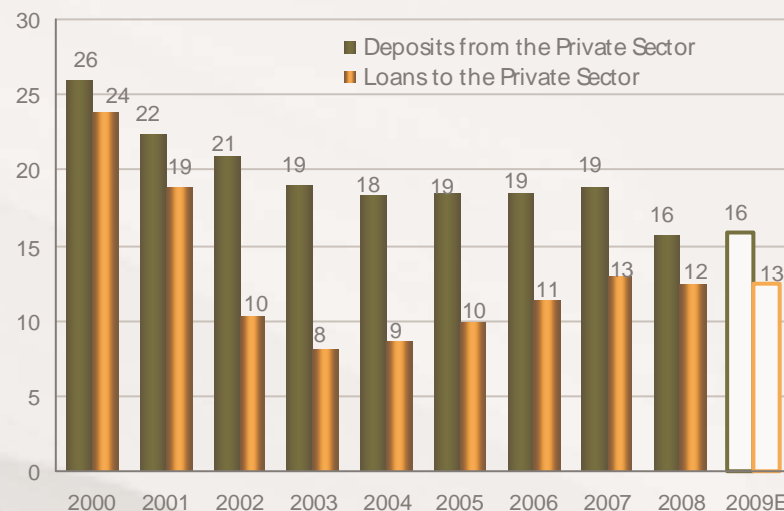
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In billions of constant Pesos (*)



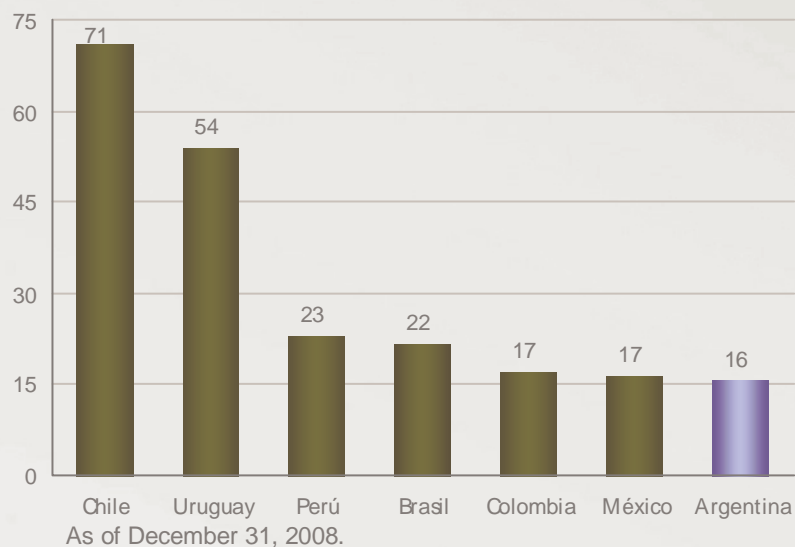
(*) Adjusted by IWPI. In millions of Pesos of May 09.
As of May 31, 2009.

As a % of GDP

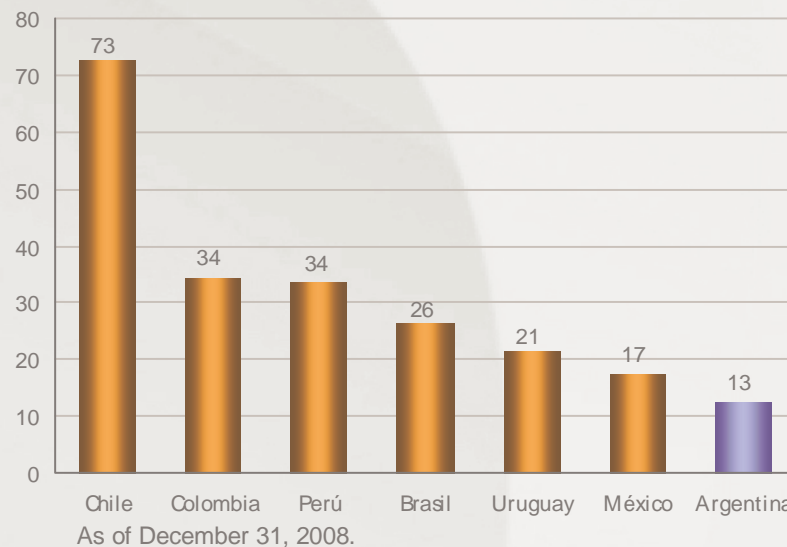


E: Last available median of market forecasts published by the Argentine Central Bank, as of June 3, 2009.

Deposits from the Private Sector (as a % of GDP)



Loans to the Private Sector (as a % of GDP)

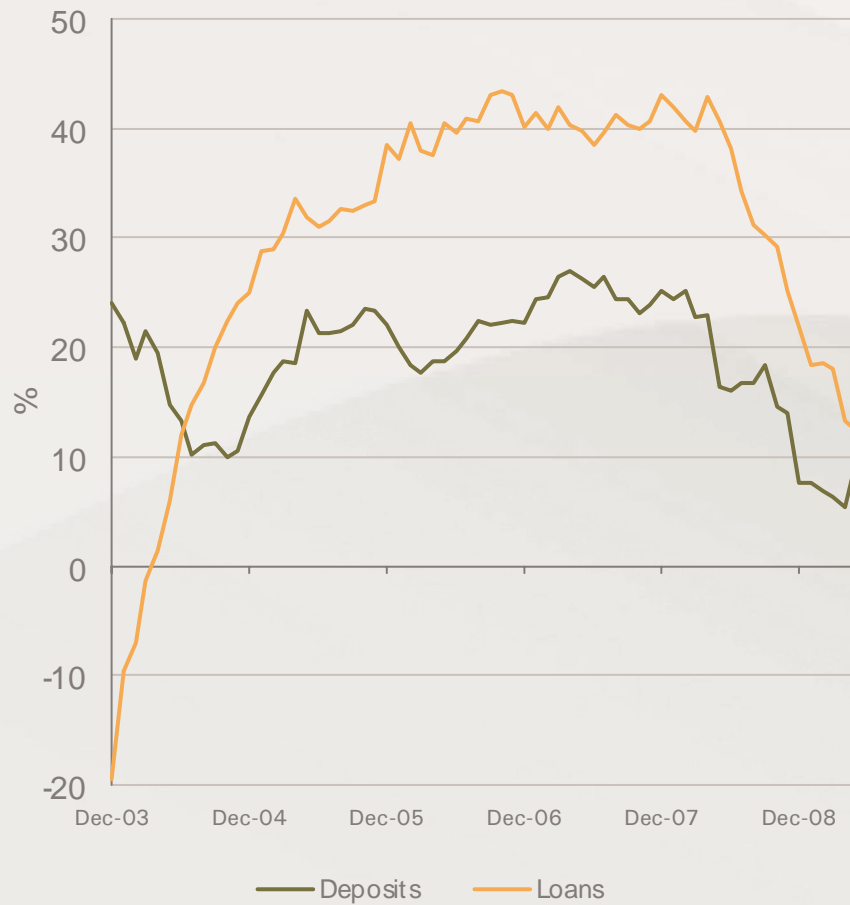


Private-Sector Loans and Deposits Growth

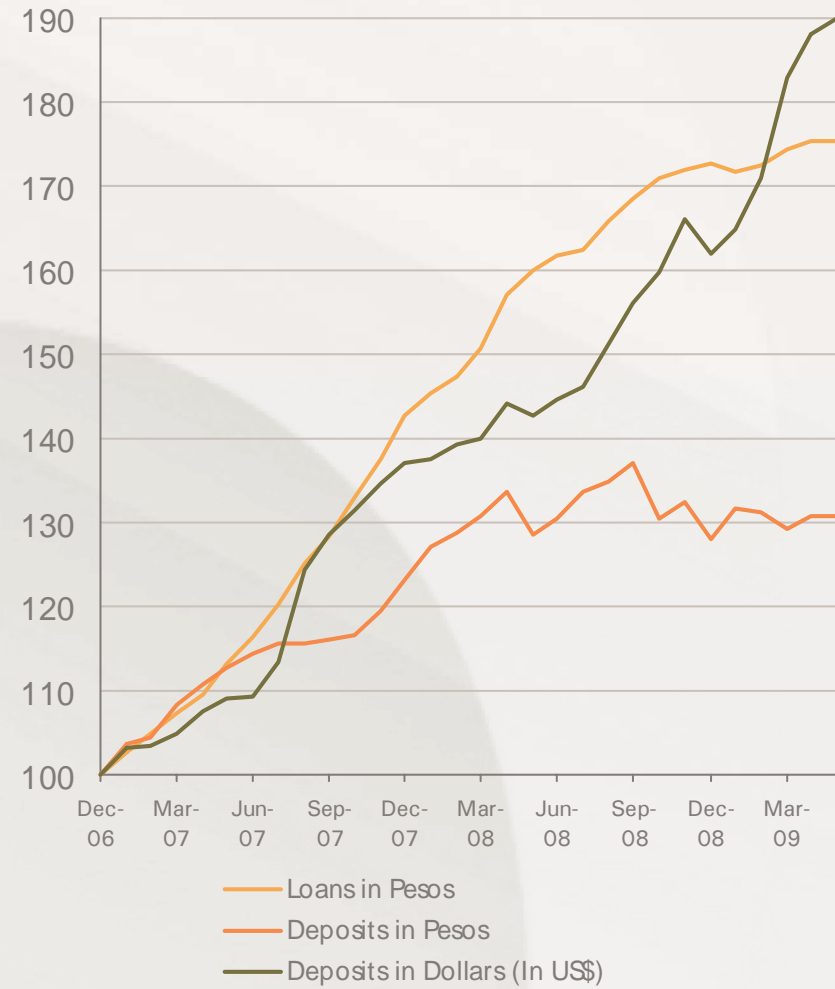


Galicia

Y-O-Y Monthly % Change



Dec'06=100



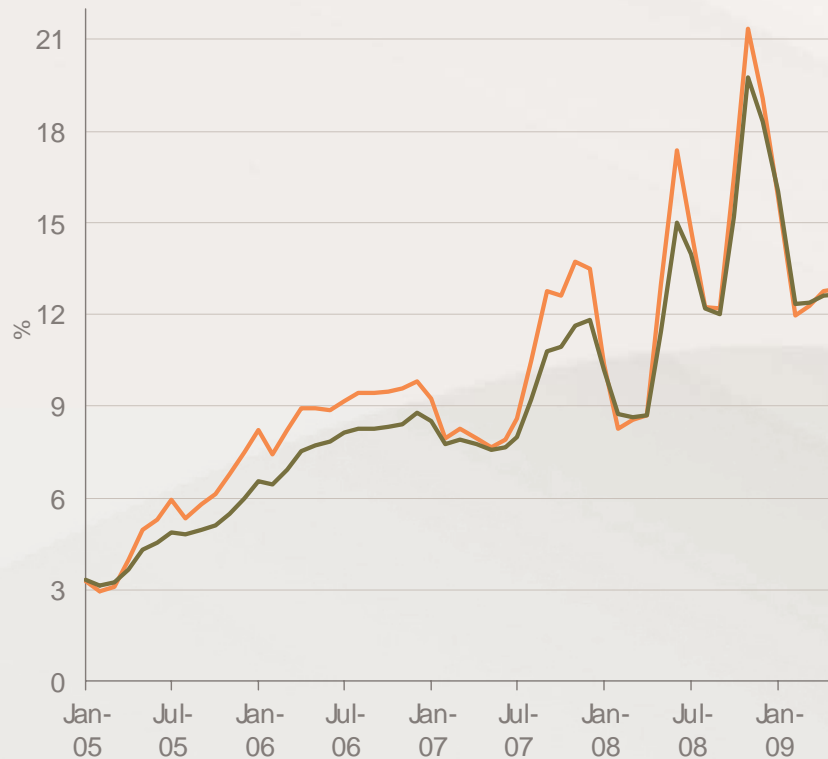
As of May 31, 2009.

Increase in Interest Rates



Galicia

Nominal Interest Rates
(monthly averages)



Real Interest Rates
(monthly averages, adjusted by IWPI)⁽²⁾

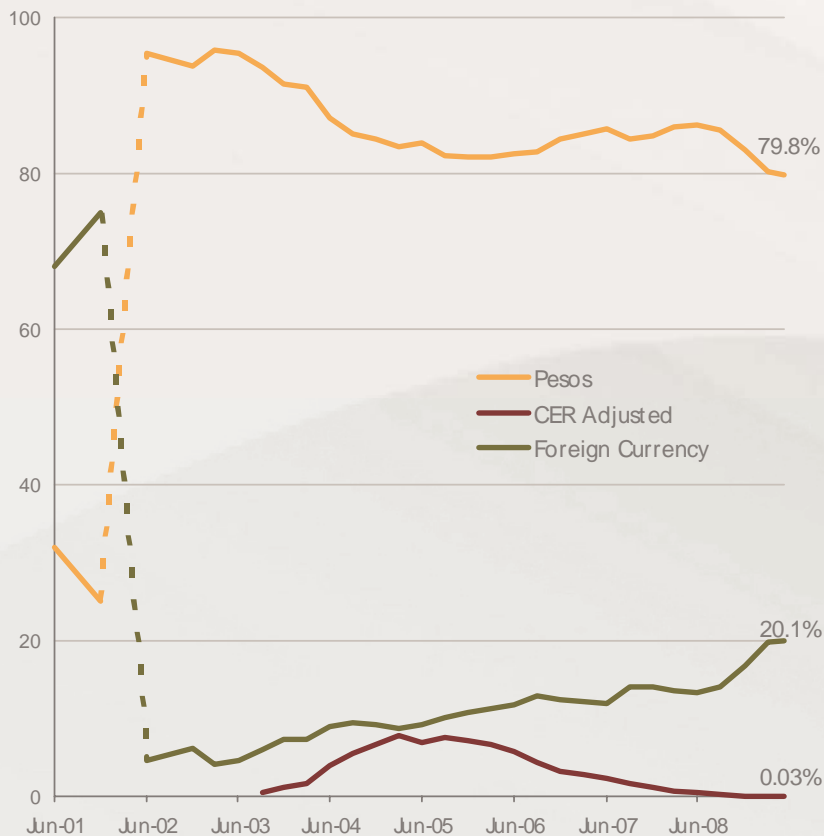


— BADLAR Private Banks ⁽¹⁾
— Private Bank's 30-Day Time Deposits

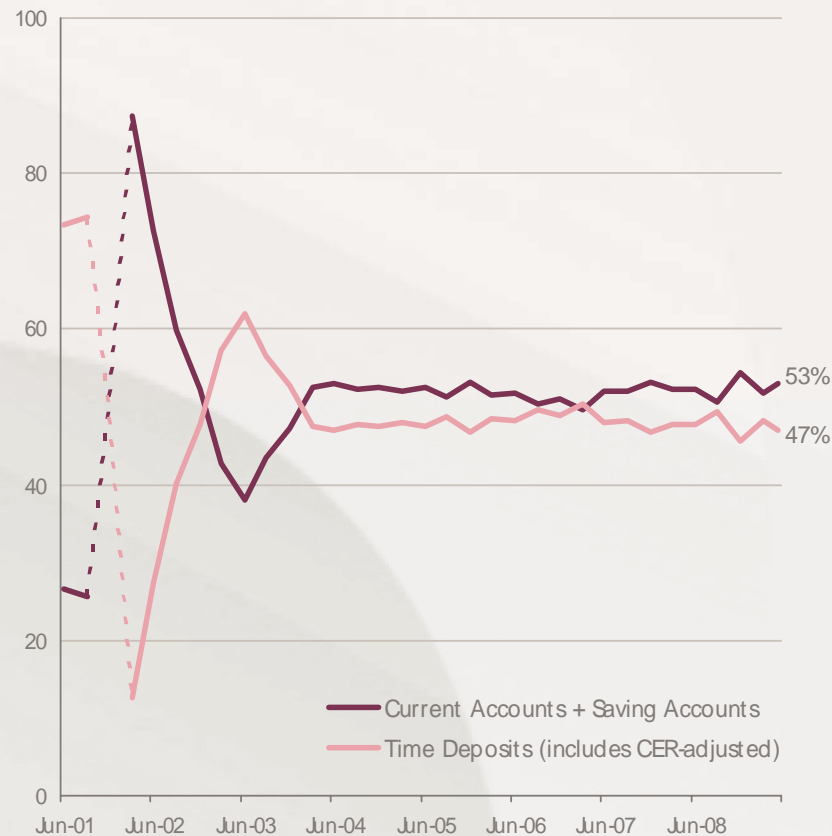
- (1) Private Banks' 30-day time deposits rate, for deposits over Ps. 1 million.
- (2) Using the monthly IWPI annualized.

Breakdown of Deposits by Currency and Type

By Currency
(asa % of CA+SA+Time Deposits)



By Type of Deposit
(asa % of CA+SA+Time Deposits)



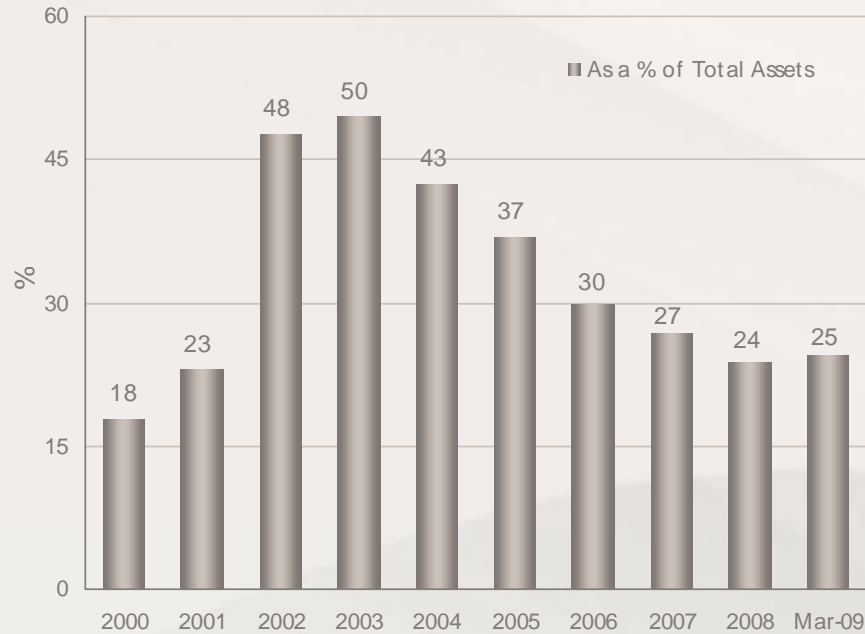
Deposit data is not shown for the period January-March 2002, because as a result of the devaluation and the pesification measures, figures are not homogeneous for that period.

Change in the Composition of the Banking System Galicia

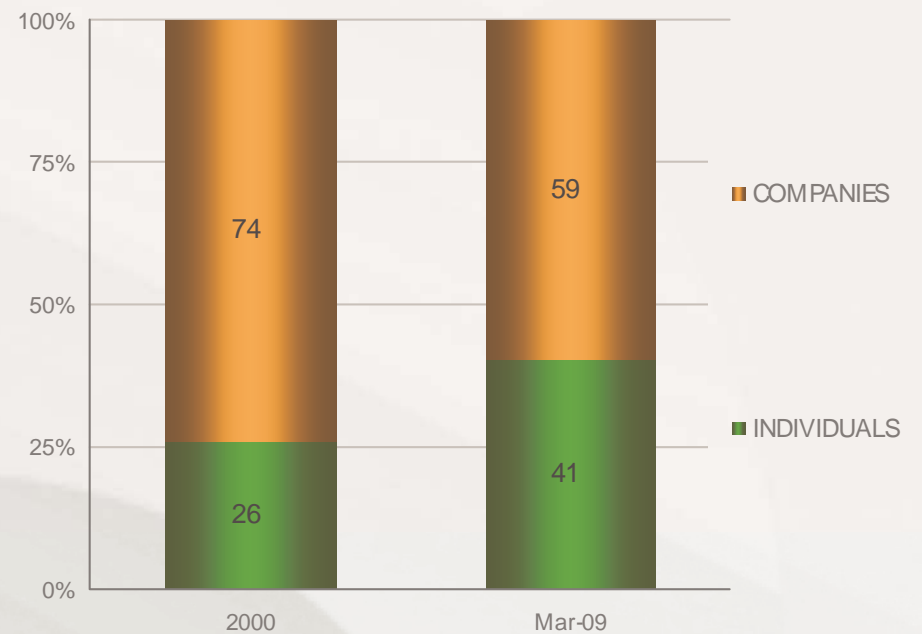
	December 2001		March 2009	
	Number	Market Share Private-Sector Deposits (%)	Number	Market Share Private-Sector Deposits (%)
Banking Institutions	86	100	67	100
Government-Owned Banks	13	30	12	31
Private-Sector Banks	73	70	55	69
- Domestic Banks	34	15	34	32
- Foreign Banks	39	55	21	37



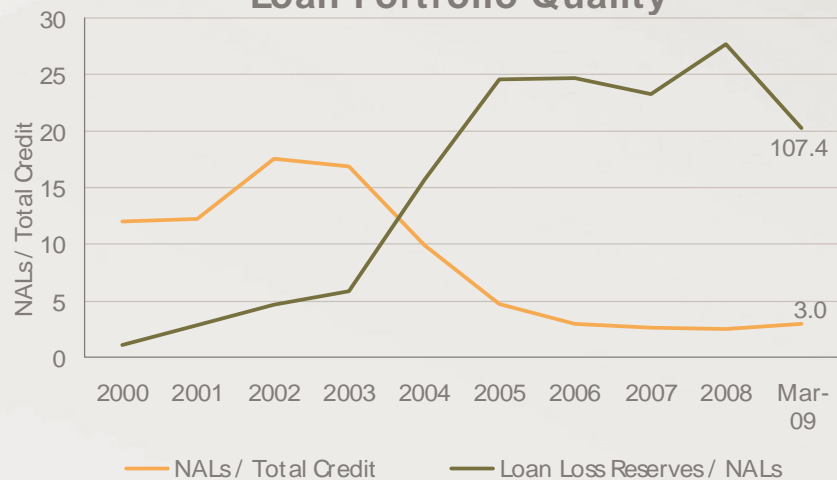
Exposure to the Public Sector



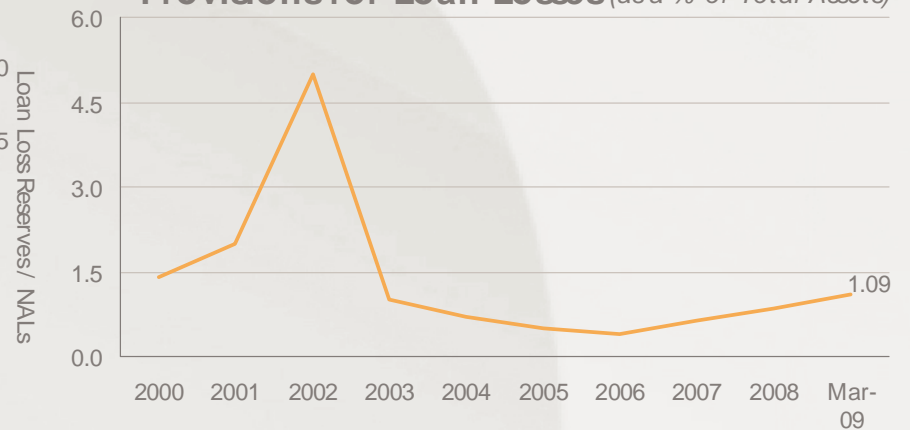
Composition of Loans to the Private Sector



Loan Portfolio Quality



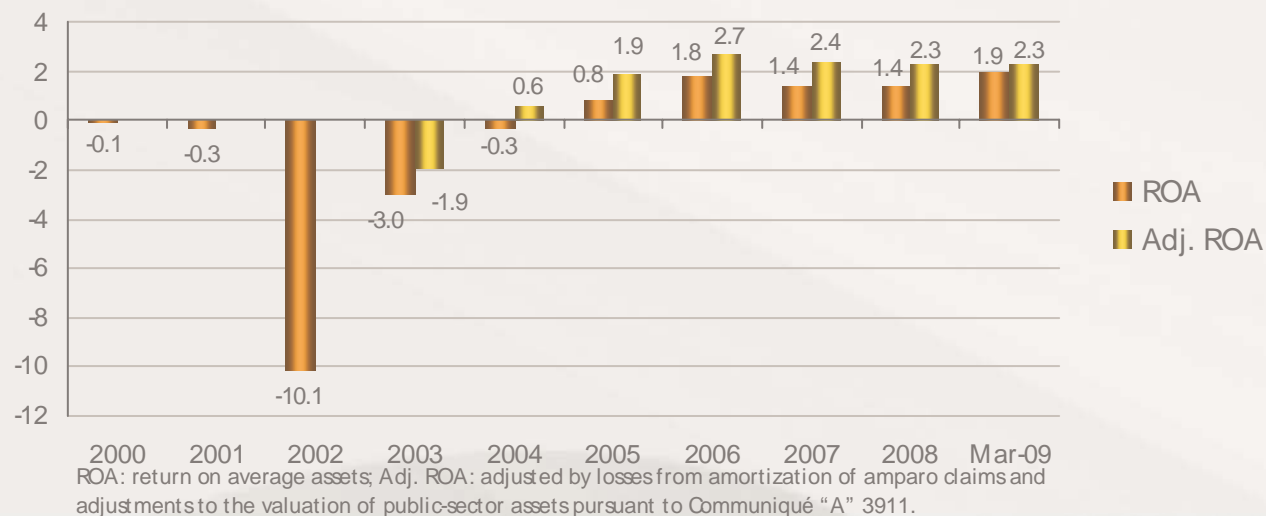
Provisions for Loan Losses (as a % of Total Assets)



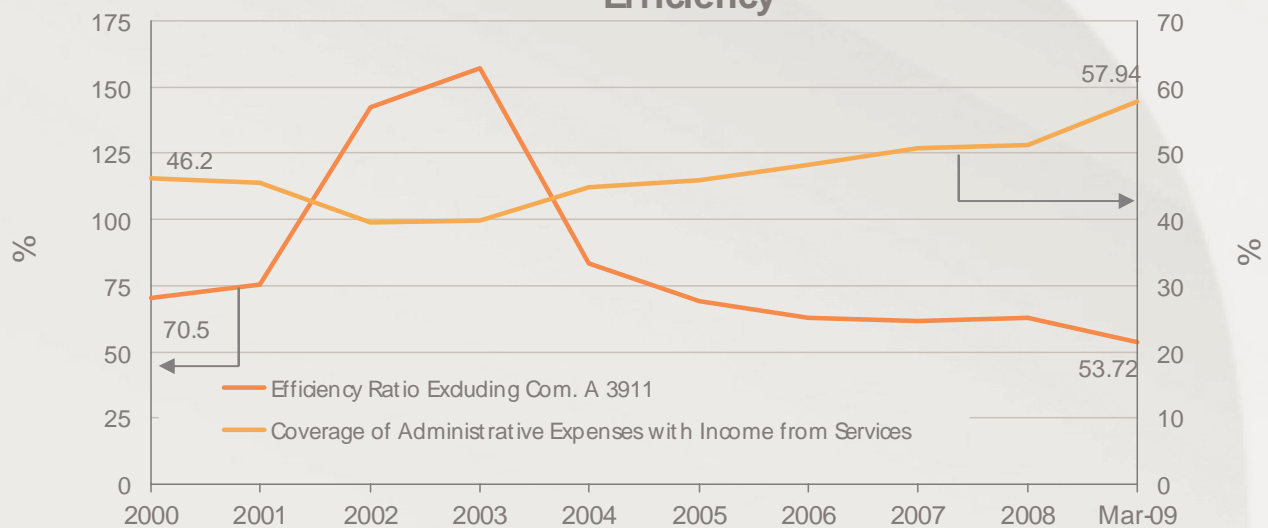
As of March 31, 2009.

Improvement in Profitability

Return on Assets



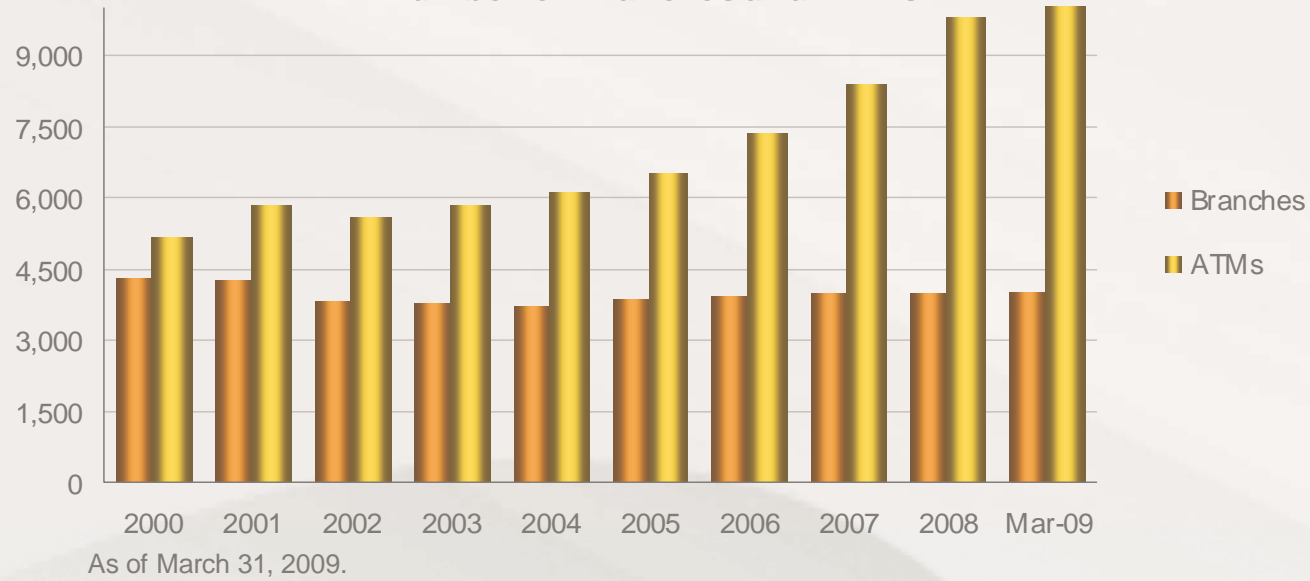
Efficiency



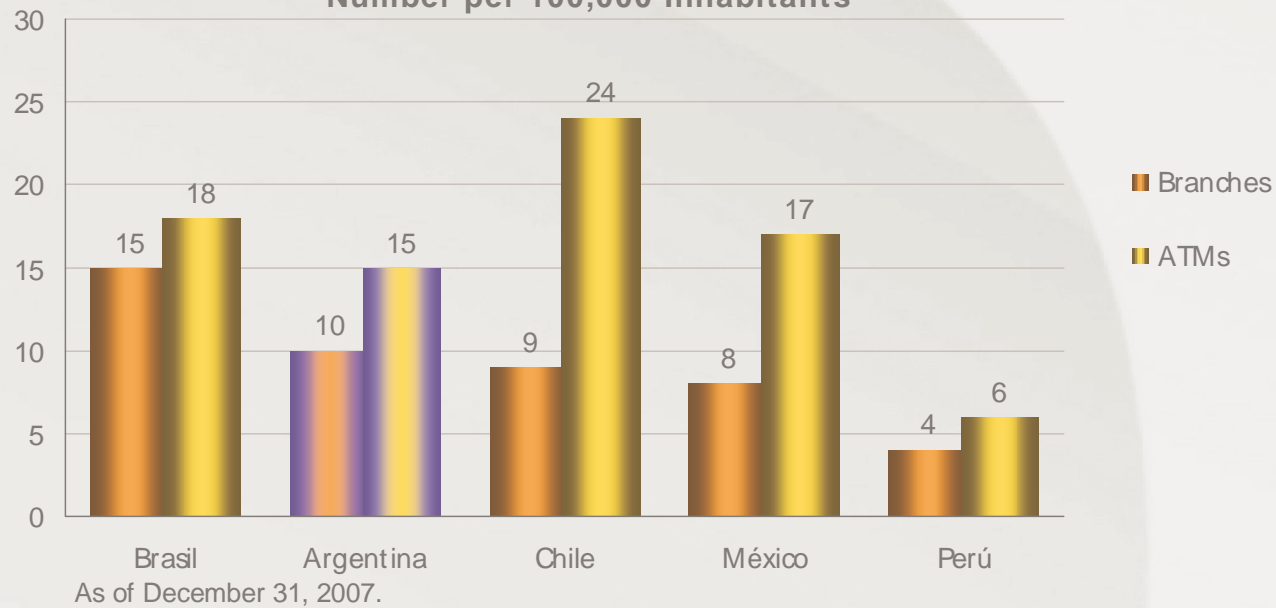
As of March 31, 2009.



Number of Branches and ATMs



Number per 100,000 Inhabitants





Strengths

- High liquidity.
- Peso-based intermediation.
- Central Bank reserves and capacity to face a crisis.
- Improved asset mix – Increase in business w/ private sector.

Opportunities

- Low level of financial depth.
- Existing capacity similar to comparable financial systems.
- Increase in concentration.

Challenges

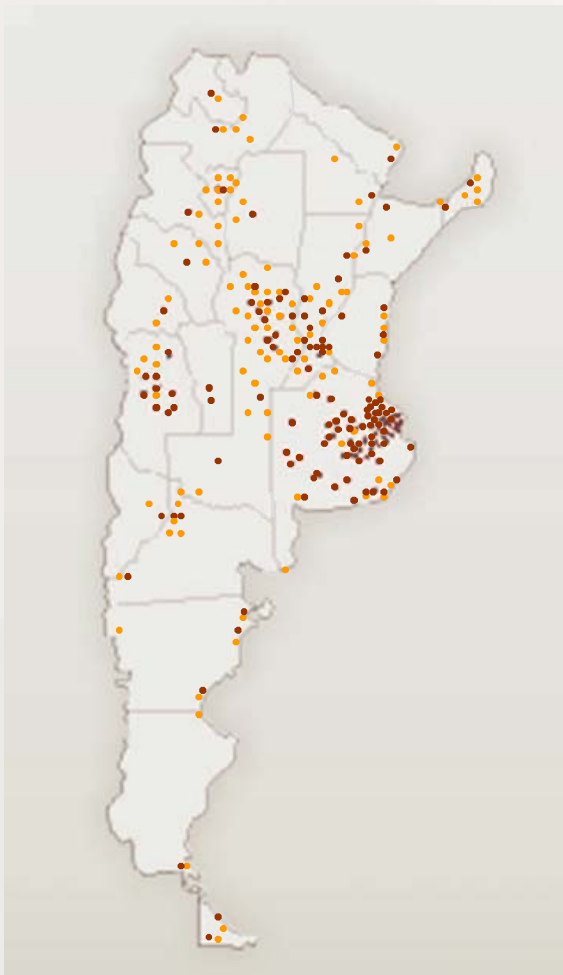
- Lack of long-term funding.
- Reach a greater customer base - Bancarization.
- Declining quality of loan portfolio.

Threats

- Domestic macro and institutional environment.
 - Inflation.
 - Global financial crisis: deleveraging and recession.
-



Banco Galicia



March 2009

● Assets	Ps.24,519 M
● Loans	Ps.10,590 M
● Deposits	Ps.14,741 M
● Equity	Ps. 1,985 M

Number of:

● Bank Branches	238
● Reg. Credit-Card Cos. Offices	152
● Employees	8,965
● Clients	4.7 M



- One of the largest and most dynamic private-sector banks in Argentina.
- More than 100 years of experience.
- Strong brand name.
- One of the most valuable financial services franchises of the country.
- One of the largest and most diversified distribution platforms.
- Wide offering of market-leading financial products and services.
- State-of-the-art technology.



Market share of private-sector deposits

	%
1 Nación	13.5
2 Santander Río	9.7
3 BBVA Bco Francés	9.1
4 Provincia de Buenos Aires	8.8
5 Galicia	7.6
6 Macro	7.2
7 HSBC	5.7
8 Ciudad	5.1
9 Credicoop	5.0
10 Citibank	4.2
TOTAL	75.8

Market share of loans to the private-sector ⁽¹⁾

	%
1 Nación	14.1
2 Santander Río	9.9
3 Macro	7.9
4 Galicia⁽²⁾	6.8
5 BBVA Bco Francés	6.5
6 Provincia de Buenos Aires	6.1
7 HSBC	4.9
8 Ciudad	3.9
9 Citibank	3.8
10 Standard Bank	3.6
TOTAL	67.5

(1) Includes securitized loans and leasing.

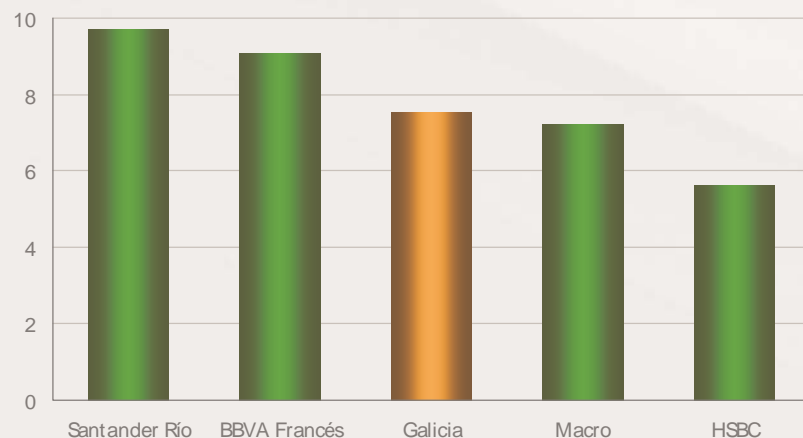
(2) Considering CFA, the Bank's market share of loans to the private-sector would be 7.5%.

Source: Argentine Central Bank - Superintendency of Financial and Exchange Institutions - monthly information.

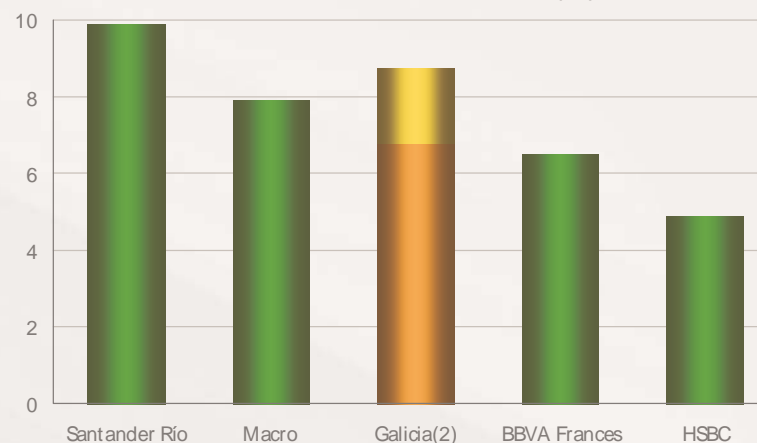
Peer Comparison



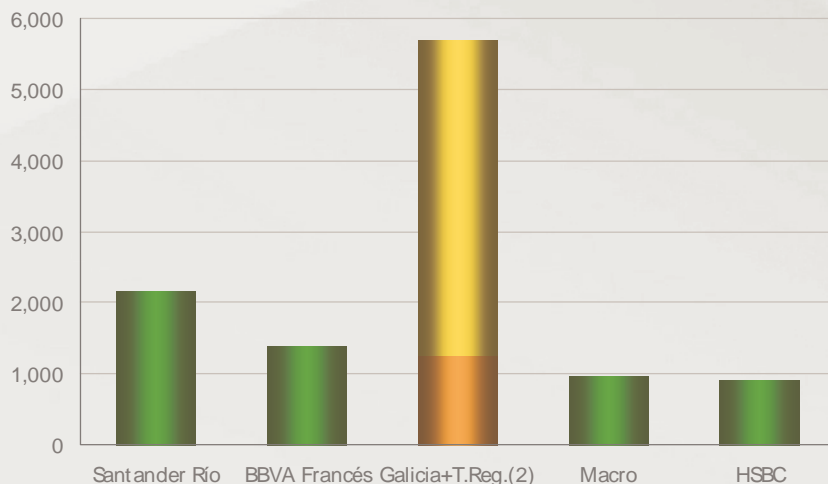
Market Share of Private-Sector Deposits (%)



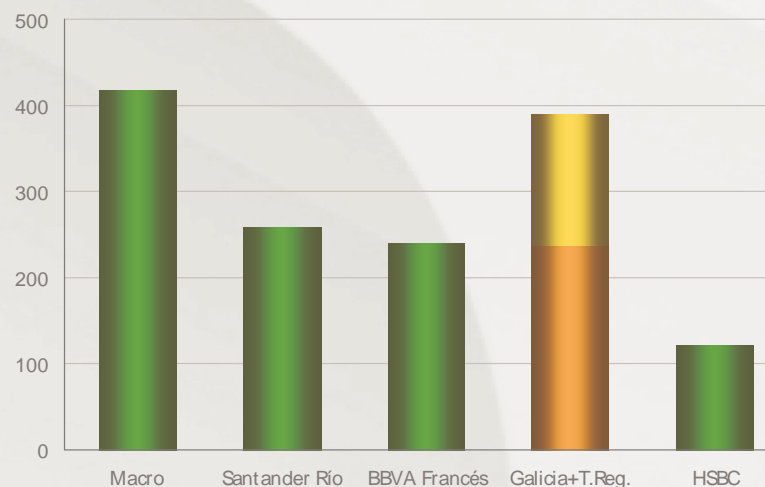
Market Share of Loans to the Private Sector (%) ⁽¹⁾



Credit Cards Managed (in thousands)



Branches (number)



(1) Includes securitized loans and leasing.

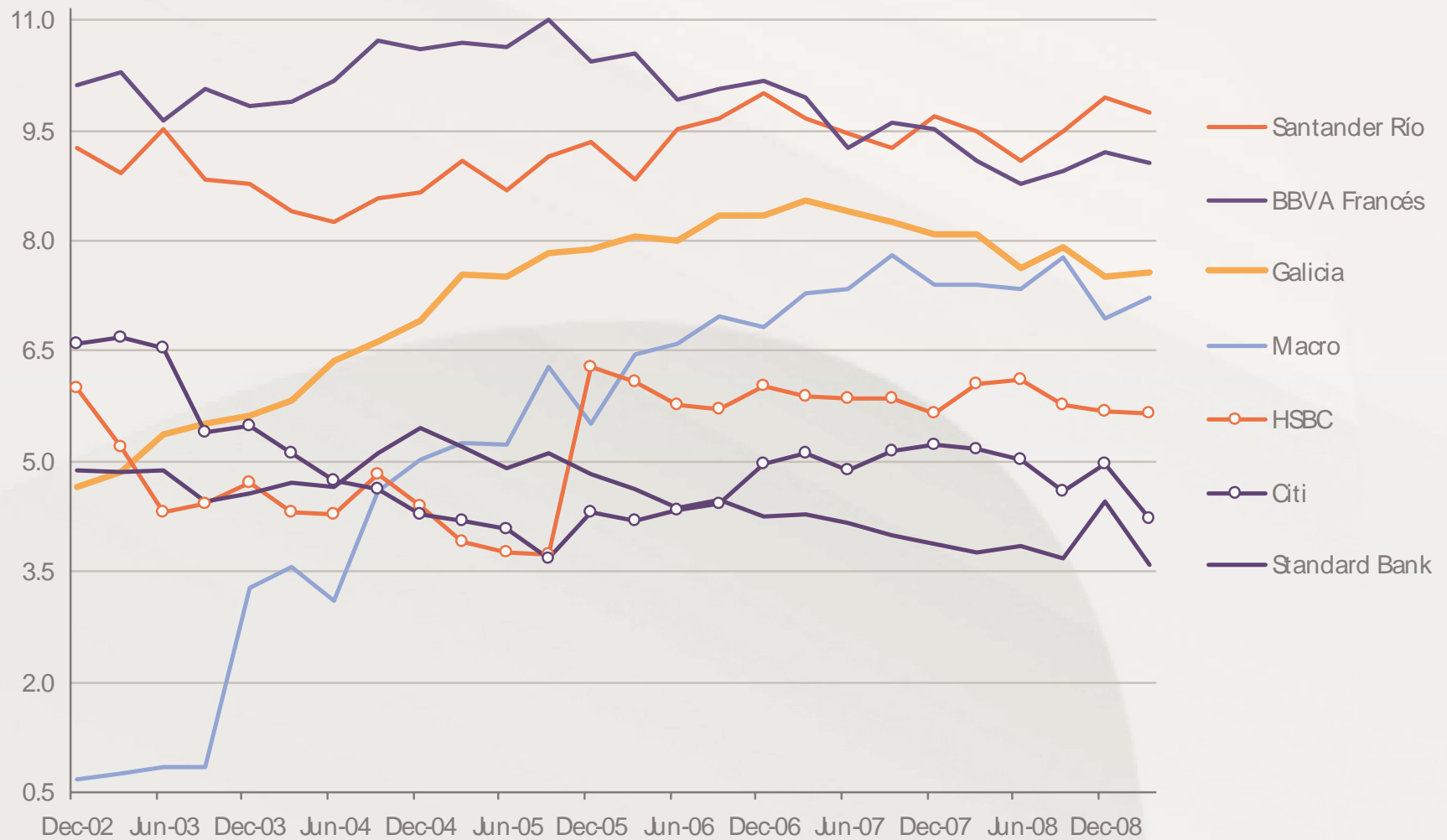
(2) Considering CFA, the Bank's market share in loans to the private sector would be 7.5% and credit cards managed would amount 5,8 million . Source: Argentine Central Bank - Superintendency of Financial and Exchange Institutions - monthly information (except for the regional credit-card companies).

T.Reg: Regional credit-card companies.

As of March 31, 2009.



Market Share of Private-Sector Deposits



Source: Argentine Central Bank - Superintendency of Financial and Exchange Institutions - monthly information.

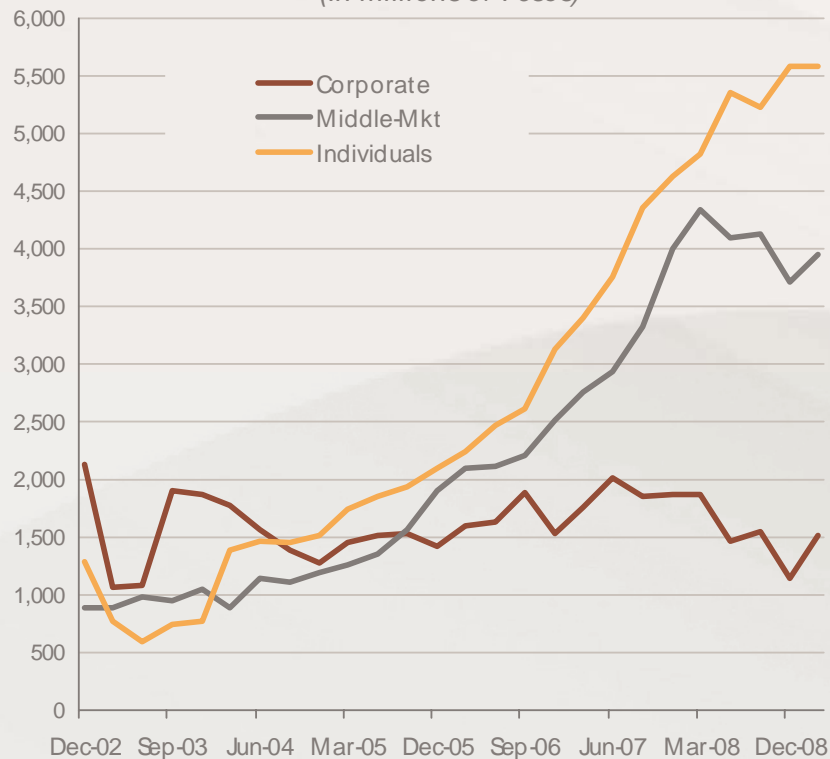
As of March 31, 2009.

Evolution of Lending to the Private Sector

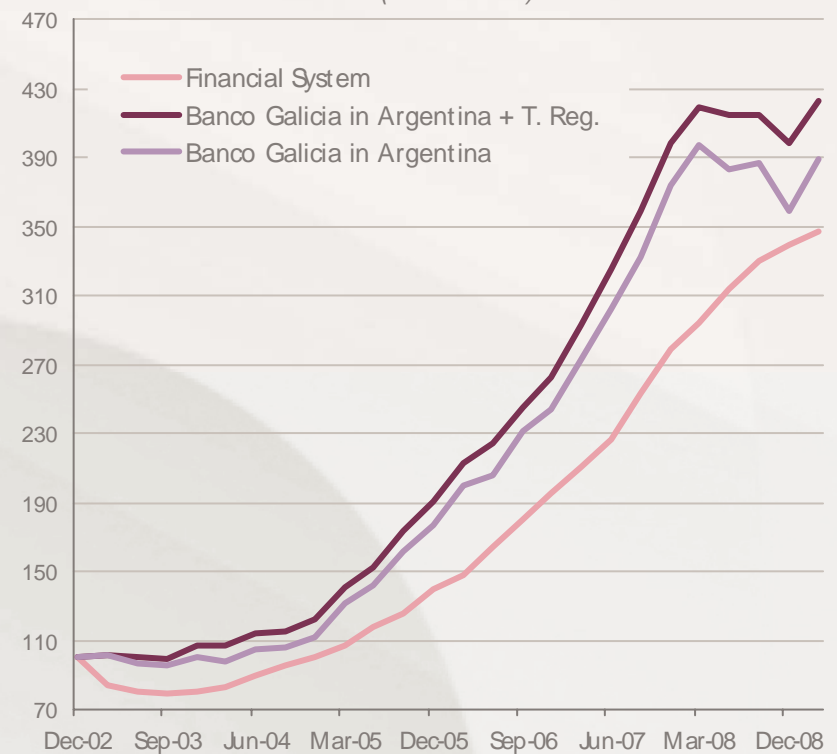


Galicia

By Type of Borrower (Consolidated)
(In millions of Pesos)



Comparison with the System
(Dec 02=100)



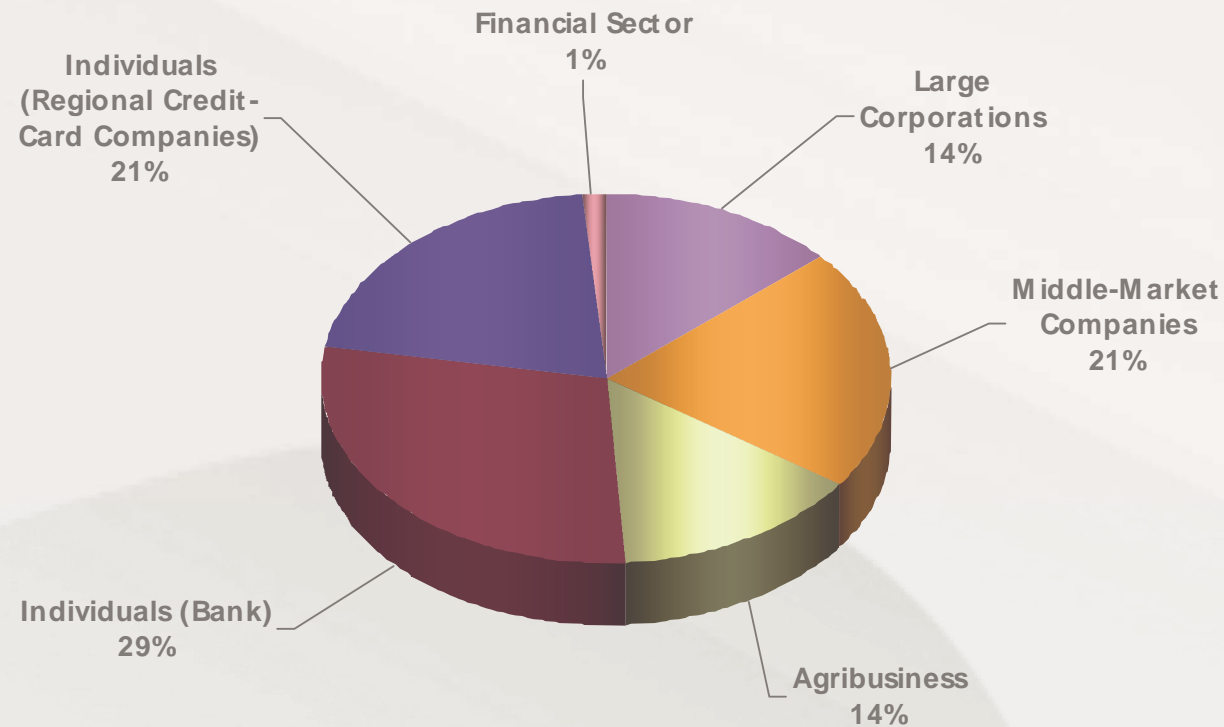
T. Reg: Regional credit-card companies.

As of March 31, 2009.

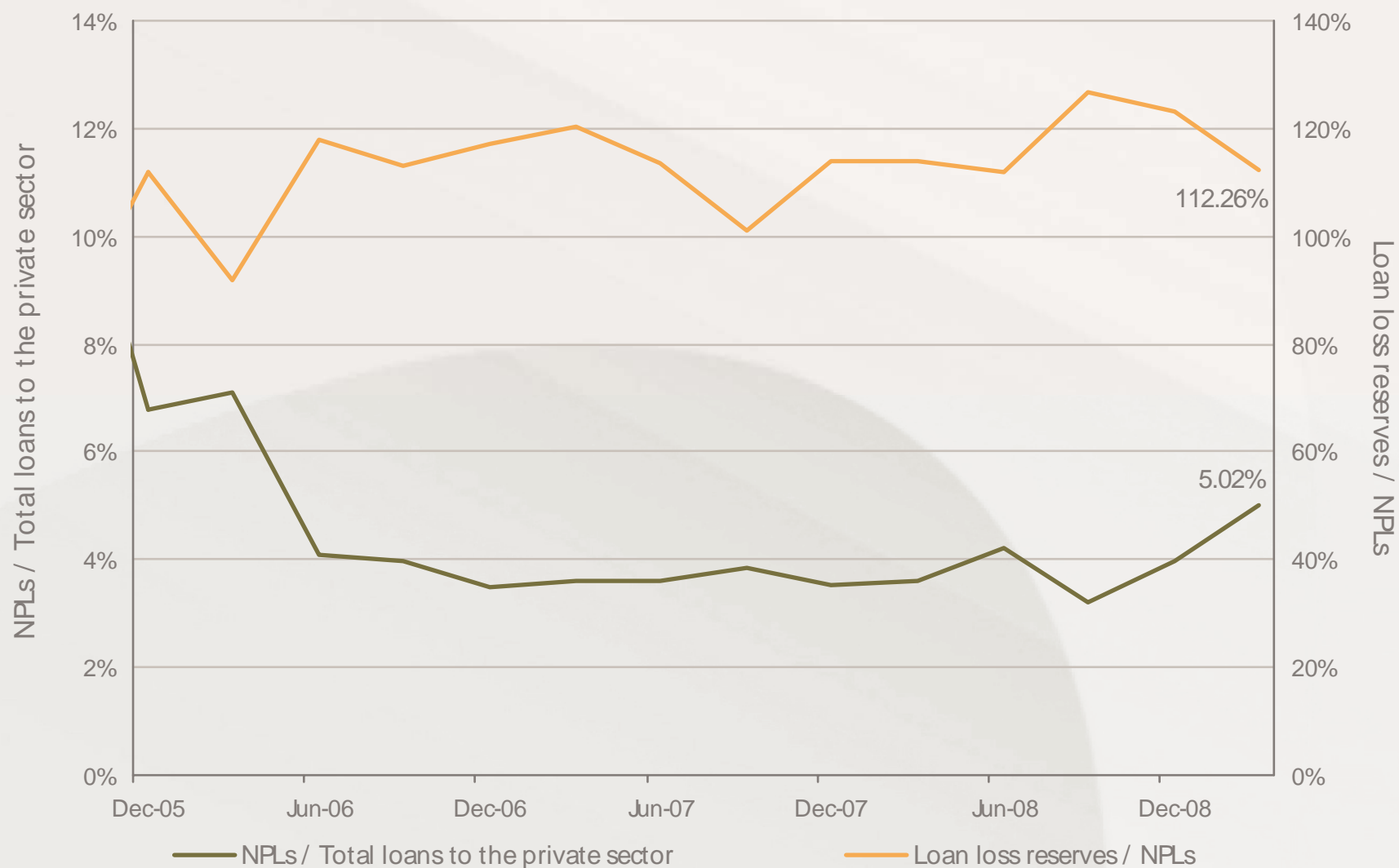
Breakdown of Loans to the Private Sector



Galicia



Consolidated Gross Loans to the Private Sector: Ps.11,215 million



Banco Galicia consolidated.



	Dec-02	Jun-08	Mar-09	% Variation	
				Dec-02 Jun-08	Jun-08 Mar-09
•Employees	6,054	9,695	8,965	60	(8)
- Banco Galicia	4,113	5,591	5,174	36	(7)
- Regional Credit-Card Cos. and Other Subsidiaries	1,941	4,104	3,791	111	(8)
•Distribution Platform					
Branches					
- Bank Branches in Argentina	229	233	238	2	2
- Regional Credit-Card Cos. Branches	87	144	152	66	6
•Electronic Banking Transactions⁽¹⁾ (in thousands, per month)	4,996	16,526	20,874	231	26
•Products					
Deposit Accounts ^(*)	1,063	1,434	1,557	35	9
Credit Cards ^(*)	1,596	5,878	5,684	268	(3)
- Banco Galicia ^(*)	498	1,136	1,256	128	11
- Regional Credit-Card Cos. ^(*) (Proprietary brands and others)	1,098	4,742	4,428	332	(7)
Debit Cards ^(*)	801	1,167	1,286	46	10
•Client Base^(*)	2,013	4,442	4,715	121	6

(*) In thousands.

(1) ATMs, Self-Service Terminals, Phone Banking and e-banking.

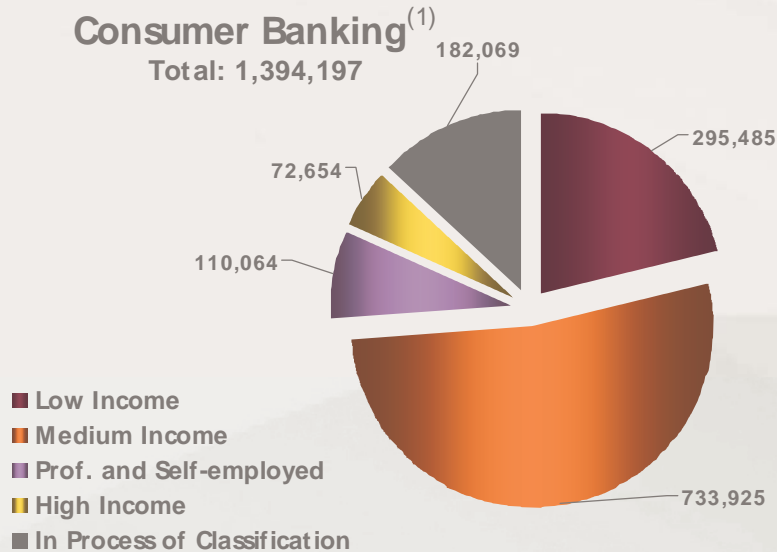
Broad and Growing Customer Base



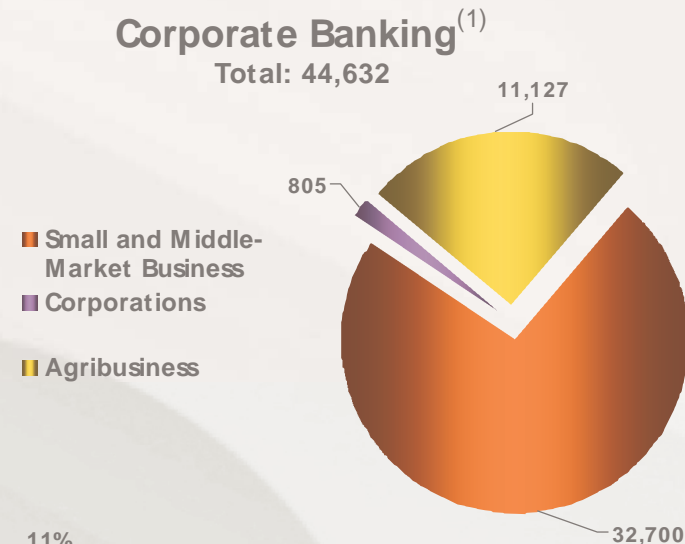
Galicia

Total: 4.71 million
14.6% CAGR since December'02

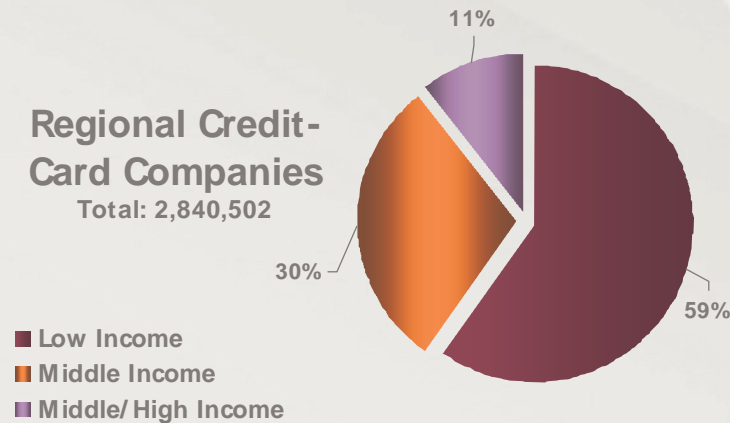
Consumer Banking⁽¹⁾
Total: 1,394,197



Corporate Banking⁽¹⁾
Total: 44,632



Regional Credit-Card Companies
Total: 2,840,502



(1) Consumer Banking and Corporate Banking do not include 433,344 and 2,236 credit card coholders, respectively.



Debt Reduction

In millions of Dollars

	NY Branch	Galicia Uruguay / Galicia Cayman Ltd.	Head Office and Cayman Branch	Total
	Jul-02	Dec-02 / Jul-03	May-04	
Original Debt Amount	328	1,136	1,476	2,940
Original Average Life New Debt (years)	4.1	4.4	8.1	6.2
Debt Reduction after Restructuring	328	1,136 ⁽²⁾	842	2,306
Debt Amount, as of June 5, 2009 ⁽¹⁾	0	0	634	634

Capital Generation *(in millions of Dollars)*

	Total
Tier 1	292 ⁽³⁾
Tier 2	230
Total	522

Amortization	1,135
BGU's Debt Exchanges	503
Cancellation Due to Repurchases	334
Capitalization of 2014 Notes by GFG	102
Exchanges and Voluntary Reductions	99
Forgiveness by GFG	43
BGU's Debt Prepayment (Sep'08/ May'09)	64
Mandatory Prepayment	25

GFG's Interest

Before the Capital Increase	93.60%
After the Capital Increase	94.66%

(1) Only principal.

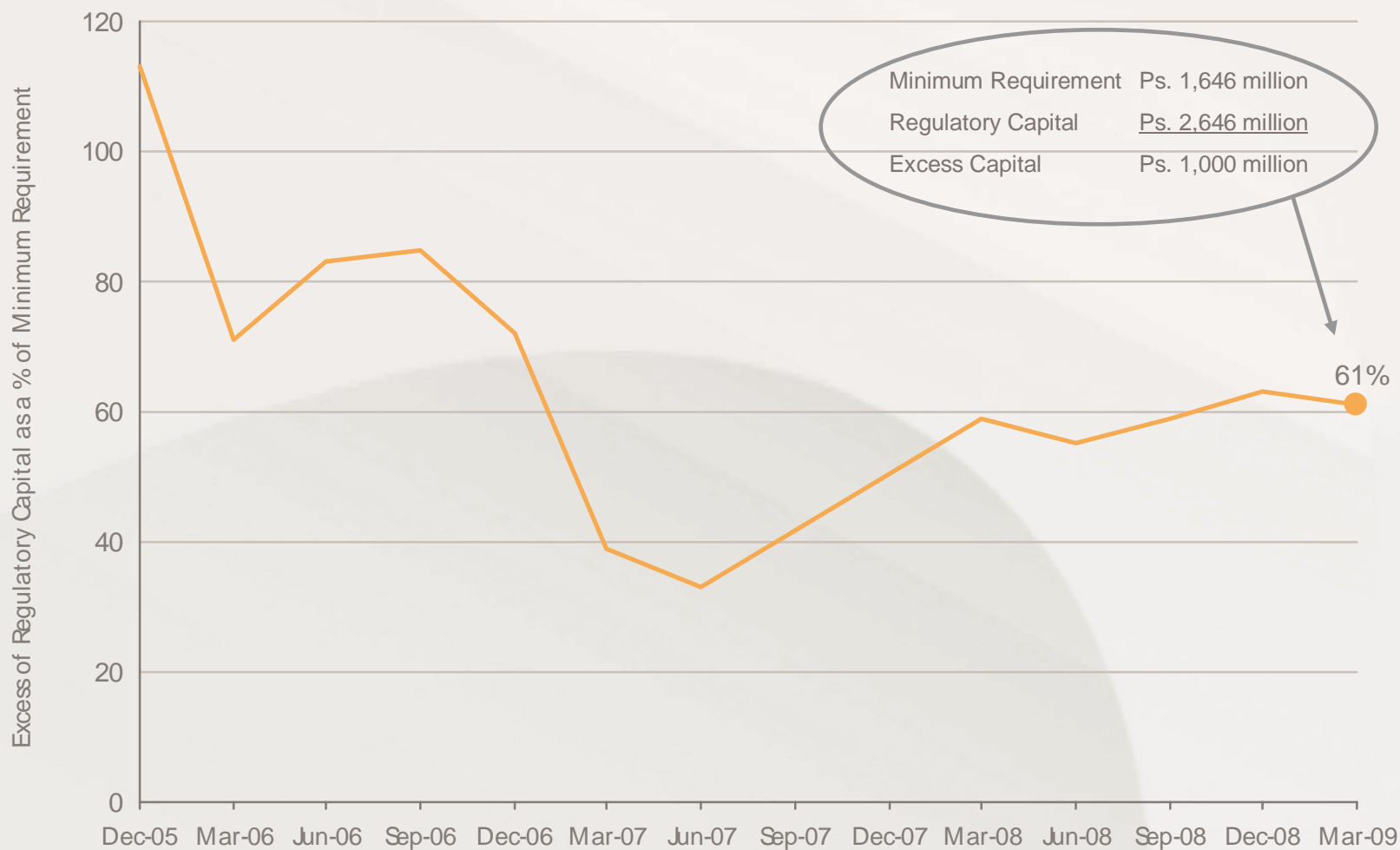
(2) US\$ 503 million correspond to the exchange of restructured liabilities for Boden 2012.

(3) Includes US\$ 43 million from Grupo Galicia's debt forgiveness and US\$ 157 million from the FY2007 capital increase.

Excess Regulatory Capital



Galicia



Banco Galicia consolidated.

Capital adequacy requirements were suspended between January 2002 and December 2003.

As of March 31, 2009.

Balance Sheet Selected Data



Galicia

			Dec-06	Mar-09	Absolute Var.
O P E R A T I O N A L	Assets	Liquidity	3,255	4,660 ⁽¹⁾	1,405
		Exposure to the Private Sector ⁽²⁾	7,706	12,060	4,354
		Other	1,534	2,578	1,044
		TOTAL	12,495	19,298	6,803
	Liabilities	Deposits	10,544	14,685	4,141
		Other	3,719	5,121	1,402
TOTAL		14,263	19,806	5,543	
R E S B I A D N U K A L	Assets	Exposure to the Public Sector	8,870	4,928	(3,942)
		-Special Investment	-	820	820
		Bogar	-	180	180
		Boden 2014	-	452	452
		Discount	-	188	188
		-BODEN 2012	3,984	2,502	(1,482)
		-PGN	2,691	6	(2,685)
		-BOGAR	427	-	(427)
		-Discount	719	661	(58)
		-Other	1,049	939	(110)
	Difference from Amparo Claims	367	293	(74)	
		TOTAL	9,237	5,221	(4,016)
	Liabilities	Argentine Central Bank	1,293	-	(1,293)
Restructured Foreign Debt		4,282	2,468	(1,814)	
Other		631	260	(371)	
TOTAL		6,206	2,728	(3,478)	
Operational Bank Assets / Total Assets			57.5%	78.7%	

(1) Includes Ps.337 million of Nobacs 2010 from the exchange of Secured Bonds for public sector assets.

(2) Does not include Securitized Loans. As of December 2006: Bank: Ps.505 million, Regional Credit Card Companies: Ps.327 million. As of March 2009: Bank: Ps.400 million; Regional Credit Card Companies: Ps.434 million.

Consolidated Income Statement: FY 2007 - 2008



Galicia

<i>(In millions of Pesos)</i>	FY 2007	FY 2008	Absolute Variation	Variation %
Net Financial Income ⁽¹⁾	774.5	1,169.2	395	51
Net Income from Services	933.2	1,232.8	300	32
Net Charge for Loan Losses	(194.0)	(319.7)	(126)	65
- Provisions for Loan Losses	(255.5)	(395.4)	(140)	55
- Bad Debt Recovered	61.5	75.7	14	23
Administrative Expenses	(1,246.7)	(1,724.9)	(478)	38
Net Operating Income	267.0	357.4	90	34
Net Other Income / (Losses)	(38.5)	(56.0)	(18)	45
Provisions Reversed	21.6	6.0	(16)	(72)
Income Tax	(72.8)	(81.8)	(9)	12
Adjusted Net Income	177.3	225.6	48	27
Income/(Loss) from Valuation of Public-Sector Assets (Comm. "A" 3911)	(38.2)	9.2	47	124
Amortization of Amparo Claims	(108.7)	(39.5)	69	(64)
Net Income / (Loss)	30.4	195.3	165	542

(1) Excludes losses from valuation of public-sector assets in accordance with Comm. "A" 3911 and includes income from security margins on repo transactions.

Consolidated Income Statement: 1st. Q FY 2009



Galicia

<i>(In millions of Pesos)</i>	1Q'08	4Q'08	1Q'09	Absolute Var.	
				1Q'08/ 1Q'09	4Q'08/ 1Q'09
Net Financial Income ⁽¹⁾	254	380	365	111	(14)
Net Income from Services	274	331	335	61	4
Net Charge for Loan Losses	(79)	(126)	(170)	(91)	(44)
- Provisions for Loan Losses	(85)	(132)	(178)	(92)	(46)
- Bad Debts Recovered	7	7	8	1	1
Administrative Expenses	(370)	(464)	(436)	(66)	28
Net Operating Income	80	121	95	15	(26)
Net Other Income / (Losses)	(24)	(52)	(14)	11	38
Income Tax	(20)	(24)	(27)	(7)	(3)
Adjusted Net Income	35	45	54	18	9
Income from Valuation of Public-Sector Assets (Comm. "A" 3911)	6	7	4	(2)	(3)
Amortization of Amparo Claims	(3)	(11)	(28)	(25)	(16)
Net Income / (Loss)	39	41	30	(9)	(11)

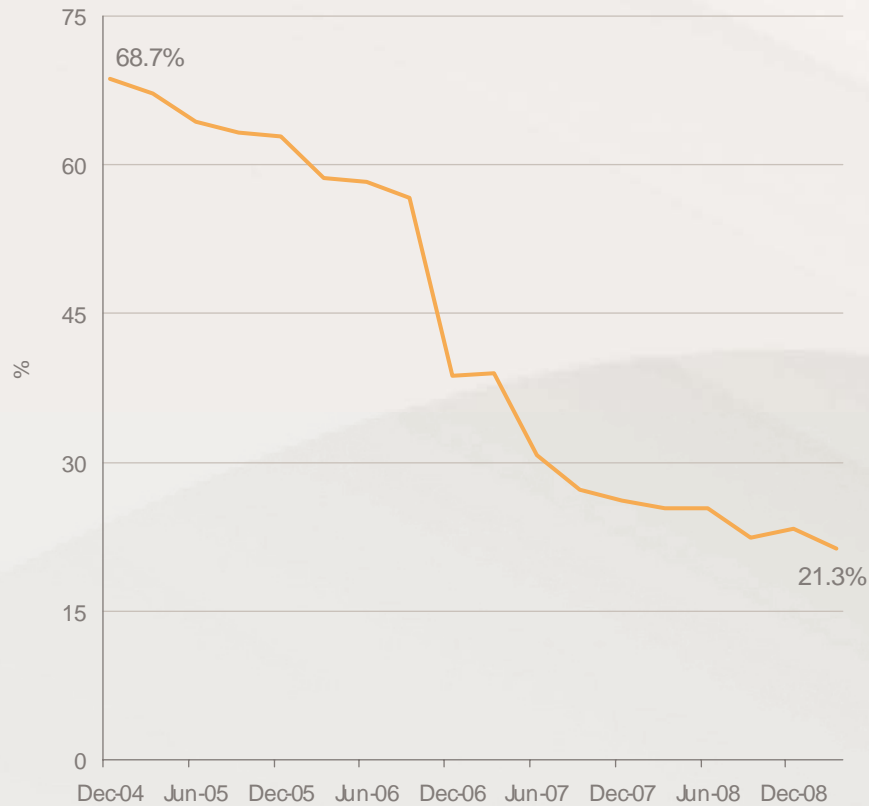
(1) Excludes losses from valuation of public-sector assets in accordance with Comm. "A" 3911 and includes income from security margins on repo transactions.

Summary of Post-Crisis Performance



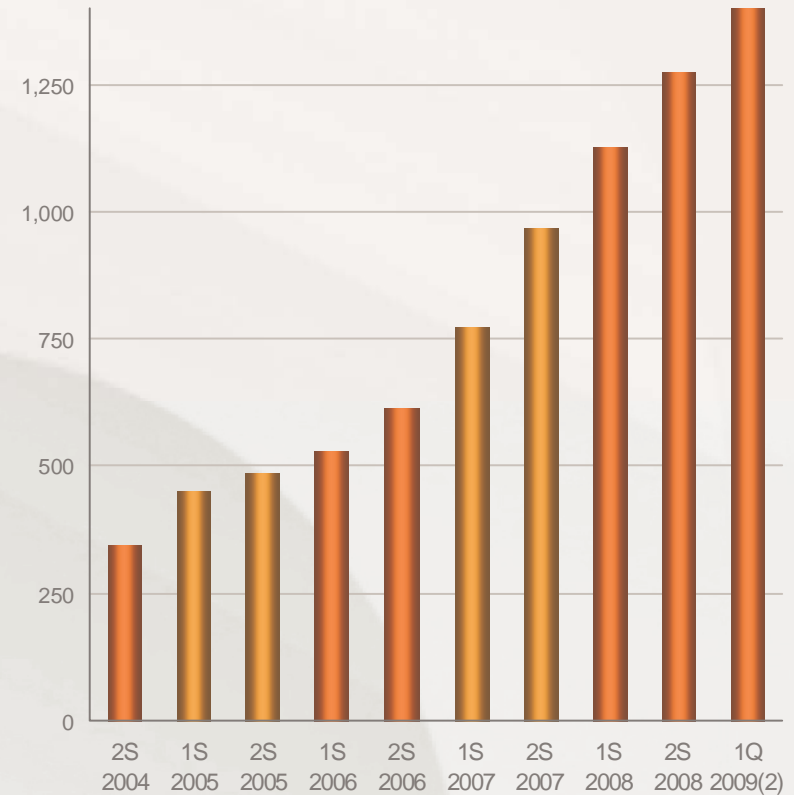
Galicia

Residual Bank Assets as a % of Total Assets



As of March 31, 2009.

Net Operating Revenues⁽¹⁾



(1) Net Financial Income (adjusted) + Net Income from Services, in millions of Pesos.

(2) Semiannualized (1Q x 2).



Objectives

- Consolidate leadership position in Argentina.
- Achieve profitability in line with industry expectations.

Strategy

- Grow in loan origination to the private sector and reduce exposure to the public sector.
- Funded through deposit growth and securitization.
- Consolidate leadership in agribusiness and medium-sized companies and consumer finance.
- Improve penetration in large corporate segment.
- Grow in transactional banking and e-banking.
- Increase operating efficiency.



- More than 100 years of experience.
- Strong brand name.
- One of the most valuable financial services franchises in Argentina.
- Broad customer base.
- Wide offering of market-leading financial products and services.
- Largest consumer finance operation.
- Leading provider of credit cards and electronic banking services.
- Leader in agribusiness and medium-sized enterprises sectors.
- One of the largest and most diversified distribution platforms and best electronic services platform.
- Strong IT capabilities.