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BANCO DE GALICIA Y BUENOS AIRES S.A. REPORTS EARNINGS FOR THE QUARTER ENDED SEPTEMBER 30, 2005

(Buenos Aires, Argentina, November 9, 2005) – Banco de Galicia y Buenos Aires S.A. (the “Bank”, Buenos Aires Stock Exchange: GALI) today announced its financial results for the third quarter of FY 2005, ended September 30, 2005.

- **The Bank showed a Ps.21.6 million net income for the third quarter of FY 2005. Net income for the nine months of FY 2005 was Ps.177.4 million.**
- **Adjusted net income ⁽¹⁾ for the third quarter amounted to Ps.58.9 million, excluding the Ps.3.3 million loss from the adjustment to the valuation of public-sector assets and the Ps.34.0 million loss from the amortization of losses from *amparo* claims.**
- **The Bank has continued increasing its operating income, as a result of a constant expansion in its activity level, in the context of an improvement in asset quality.**
- **The Bank’s total exposure to the private sector reached Ps.6,485 million, with an annualized increase of 34.6% in the third quarter.**
- **The Bank’s deposits in Argentina reached Ps.7,686 million, with a 32.3% annualized increase in the third quarter. The Bank’s estimated market share of total private-sector deposits as of September 30, 2005, reached 7.95%, up 1.34 percentage points from the same date of the prior year.**

On this past November 6, the Bank celebrated the one-hundred-year anniversary of opening its doors to the public. The Bank shared in a difficult twentieth century and contributed to the growth of our country. In its second centennial, the Bank continues being the largest private-sector domestic bank.

(1) Net income excluding: the adjustment to the valuation of Secured Loans, Bogar and securities included in the exchange offer to restructure Argentina’s foreign debt, in accordance with Argentine Central Bank rules; and the amortization of the losses from *amparo* claims.

NET INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2005

Net income for the third quarter of FY 2005 was Ps.21.6 million, compared with Ps.46.9 million loss in the third quarter of FY 2004.

The quarter's adjusted net income amounted to Ps.58.9 million, excluding the Ps.3.3 million loss from the adjustment to the valuation of public-sector assets and the Ps.34.0 million loss from the amortization of losses from *amparo* claims, compared with a Ps.4.2 million adjusted net income for the same quarter of last year.

The increase in the quarter's adjusted net income over the same quarter of the prior year was mainly the consequence of: i) a higher adjusted net operating income ⁽¹⁾ (which increased Ps.64.1 million), ii) a higher net other income (which increased Ps.27.7 million), and iii) lower provisions for loan losses (which decreased Ps.5.2 million). These higher earnings were partially offset by the Ps.50.2 million increase in administrative expenses.

The quarter's adjusted net operating income totaled Ps.235.4 million, 37.4% higher than the Ps.171.3 million recorded in the same quarter of the prior year. This increase was due both to an increase in the adjusted net financial income (up Ps.41.1 million) and to greater net income from services (up Ps.23.0 million).

Table I	<i>In pesos</i>			
	FY 2005	FY 2004	Nine Months Ended	
Earnings per Share	3rd Q	3rd Q	09/30/05	09/30/04
Total Average Shares (in thousands)	468,662	468,662	468,662	468,662
Book Value per Share	2.935	2.643	2.935	2.643
Earnings per Share	0.046	(0.100)	0.378	(0.146)

INFORMATION DISCLOSURE

With the purpose of allowing a better analysis and unifying the presentation to the market of our financial information, beginning in the first quarter of FY 2005, the data shown in the tables and the consolidated financial statements of this report correspond to Banco de Galicia y Buenos Aires S.A. consolidated line by line with the subsidiaries under its direct or indirect control. The "Bank" refers to the consolidated Banco de Galicia y Buenos Aires S.A., unless there is a clarification of the contrary.

As of September 30, 2005, 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., Galicia Uruguay S.A. and its subsidiaries, Tarjetas Regionales S.A. and its subsidiaries, Galicia Factoring y Leasing S.A. and Galicia Valores S.A. Sociedad de Bolsa.

Until the first quarter of FY 2005, the Bank's consolidated financial statements and the figures included in the different tables of this report included Galicia Capital Markets S.A. and its subsidiaries and Agro Galicia S.A. Given that their activities have been absorbed by the Bank, and that these companies were in liquidation and liquidated, respectively, their consolidation was discontinued during the second quarter of FY 2005.

(1) Adjusted net financial income ⁽²⁾ plus net income from services.

(2) Adjusted net financial income: Net financial income excluding the adjustment to the valuation of Secured Loans, Bogar and government securities included in the exchange offer of Argentina's foreign debt, in accordance with Argentine Central Bank rules.

3rd QUARTER OF FY 2005 RESULTS

Table II	<i>Percentages</i>			
	FY 2005	FY 2004	Nine Months Ended	
Profitability and Efficiency	3 rd Q	3 rd Q	09/30/05	09/30/04
Return on Average Assets ^(*)	0.44	(0.73)	1.08	(0.30)
Return on Average Shareholders' Equity ^(*)	6.35	(14.72)	18.72	(7.00)
Financial Margin ^(*) (1)	1.85	0.83	2.06	1.60
Net Income from Services as a % of Operating Income ⁽²⁾	56.23	71.43	53.21	56.02
Net Income from Services as a % of Administrative Expenses	67.20	74.65	70.69	73.82
Administrative Expenses as a % of Operating Income ⁽²⁾	83.67	95.68	75.28	75.88

(*) 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.

The quarter's net financial income was Ps.101.6 million, Ps.58.6 million higher than in the third quarter of the prior year. Excluding the Ps.3.3 million loss from the valuation of public-sector assets, the Bank's adjusted net financial income for the third quarter of FY 2005 amounted to Ps.104.9 million. For the same quarter of the prior year, the adjusted net financial income amounted to Ps.63.8 million. Therefore, the Bank's adjusted net financial income for the quarter was 64.4% higher than in the same quarter of the prior year.

During the quarter, Bogar bonds granted as collateral for the financial assistance from the Argentine Central Bank and released as a result of the monthly payment of the amortization installments of such liability, in accordance with its repayment schedule, were allocated as collateral for the advance for the purchase of the Hedge Bond. The adjustment to the valuation of public-sector assets established by Communiqué "A" 3911 and complementary ones generated a \$ 3.3 million loss during the quarter.

The quarter's net financial income includes a Ps.14.9 million profit from quotation differences (composed of a Ps.13.5 million gain from FX brokerage and a Ps.1.4 million gain from the revaluation of the Bank's foreign-currency net position). The result from quotation differences in the same quarter of the prior year was Ps.16.6 million (composed of a Ps.3.1 million gain from the revaluation of the foreign-currency net position and a Ps.13.5 million gain from FX brokerage). The lower profit from the revaluation of the foreign-currency net position was mainly the consequence of the reduction of the Bank's foreign-currency net asset position between September 30, 2004 and September 30, 2005.

The remaining adjusted net financial income, which totaled Ps.90.0 million, which was Ps.42.8 million higher than in the same quarter of the prior year, was mainly the consequence of the profits associated with the peso-denominated and the CER-adjusted matched portfolios and with the funding of CER-adjusted and dollar-denominated assets with peso-denominated liabilities. These profits were partially offset by the loss from the dollar-denominated matched portfolio.

The increase in the adjusted net financial income, excluding quotation differences, was due to both a higher spread and a greater intermediation volume.

The average yield on interest-earning assets increased 269 basis points ("b.p."), up from 7.05% in the third quarter of FY 2004 to 9.74% for the quarter. Both yields exclude the results from the adjustment to the valuation of public-sector assets. The higher average yield on interest-earning assets for the quarter was mainly due to the increases in: (i) the CER index (mainly associated to the returns on Bogar, Secured Loans and CER-adjusted loans to the private sector) which increased from an annualized 5.93% in the third quarter of 2004 to an annualized 9.99% for the quarter; and (ii) the Libo rate, associated to the return on the Boden 2012 received and to be received as compensation for the asymmetric pesification.

The average rate of interest-bearing liabilities experienced a 230 b.p. increase. Alike the average yield on interest-earning assets, this increase mainly reflects the increases in the CER index (associated with the liabilities from the Argentine Central Bank and CER-adjusted deposits), the Libo rate (associated with the dollar-denominated debt) and the average rate on peso-denominated time deposits.

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

Table III Average Balances, Yield and Rates ^(*)	FY 2005						FY 2004			
	3 rd Q		2 nd Q		1 st Q		4 th Q		3 rd Q	
	Av. B.	Int.	Av. B.	Int.	Av. B.	Int.	Av. B.	Int.	Av. B.	Int.
Interest-Earning Assets	22,009	9.69	21,917	11.15	21,050	9.61	20,950	4.07	20,696	6.65
Government Securities ^(**)	5,559	9.66	5,982	14.47	5,666	8.28	5,762	(2.83)	5,714	4.68
Loans	10,001	13.30	9,502	13.83	9,008	14.61	8,584	9.76	8,612	10.87
- Private Sector	5,039	12.49	4,718	12.25	4,479	14.84	4,111	11.04	4,204	10.98
- Public Sector	4,962	14.13	4,784	15.40	4,529	14.38	4,473	8.57	4,408	10.76
Other	6,449	4.10	6,433	4.11	6,376	3.74	6,604	2.71	6,370	2.71
- Financial Trust	812	10.19	797	11.35	785	11.42	911	6.68	904	7.81
- Government Securities to be Received	4,636	3.13	4,606	2.81	4,681	2.46	4,704	1.92	4,727	1.68
- Other	1,001	3.64	1,030	4.30	910	3.69	989	2.80	739	3.11
Interest-Bearing Liabilities	19,800	8.80	19,822	9.26	19,564	9.09	19,066	6.14	18,827	6.50
Current Accounts	604	2.92	657	2.11	654	1.74	514	1.48	461	1.21
Savings Accounts	1,498	0.33	1,280	0.37	1,212	0.37	1,157	0.36	1,104	0.36
Time Deposits and Restructured Deposits	4,091	5.79	4,090	5.43	3,937	5.61	3,543	3.96	3,317	4.07
Debt Securities	3,658	7.22	3,990	6.47	4,117	6.22	4,125	6.35	4,238	5.23
Argentine Central Bank	8,518	12.97	8,401	14.54	8,205	14.28	8,237	7.93	8,200	9.49
Other	1,431	8.00	1,404	8.15	1,439	7.89	1,490	6.93	1,507	5.25

(*) Includes the adjustments to the valuation of public-sector assets pursuant Communiqué "A" 3911 of the Argentine Central Bank. Does not include quotation differences. Annual nominal rates were calculated using a 360-day denominator.

(**) Includes Discount Bonds and GDP-linked Units, valued in accordance with Communiqué "A" 4270. The 4th quarter of FY 2004 interest rate includes a Ps.106 million loss from the adjustment to the valuation of the External Notes.

Provisions for loan losses for the quarter amounted to Ps.14.5 million, Ps.5.2 million lower than in the same quarter of the prior year.

Net income from services amounted to Ps.130.5 million, up 21.4% from the Ps.107.5 million recorded in the third quarter of FY 2004. All of the income from services items showed growth, mainly as a consequence of a significant increase in the volume of transactions. Also contributing were the increases in the price of certain services during the fourth quarter of FY 2004 and the third quarter of FY 2005. It should be noted that, during the prior quarter, fees for Ps.5.3 million were recorded, under "Other," in connection with the Bank's participation in the restructuring of Argentina's foreign debt.

In millions of pesos

Table IV Income from Services, Net	FY 2005			FY 2004	
	3 rd Q	2 nd Q	1 st Q	4 th Q	3 rd Q
National Cards	31.9	29.4	30.1	29.7	28.4
Regional Credit Cards	56.6	56.8	52.8	55.9	51.1
Deposit Accounts	26.4	25.0	23.2	22.5	20.2
Insurance	8.9	8.3	8.0	7.6	7.1
Financial Fees	5.2	4.4	3.9	3.7	3.4
Credit-Related Fees	4.9	3.0	2.6	3.3	2.1
Foreign Trade	6.2	6.0	5.4	6.6	5.2
Collections	3.2	3.1	2.7	2.7	2.6
Utility-Bills Collection Services	2.4	2.3	2.2	2.2	2.2
Mutual Funds	0.5	0.5	0.4	0.4	0.4
Other	14.0	17.7	10.5	10.2	9.1
Total Income	160.2	156.5	141.8	144.8	131.8
Total Expenditures	29.7	23.2	25.3	23.2	24.3
Income from Services, Net	130.5	133.3	116.5	121.6	107.5

Administrative expenses for the quarter totaled Ps.194.2 million, up 34.9% from the same quarter of the prior year. Personnel expenses increased 37.2% due, among other reasons, to wage increases in May 2005, resulting from negotiations between banker associations and the bank employees' union. The remaining administrative expenses increased 32.6%, mainly as a consequence of higher advertising and publicity expenses, which explain nearly half of that increase. All other expenses grew 18.2%.

Income from equity investments amounted to Ps.2.5 million, similar than in the third quarter of FY 2004.

Net other income amounted to Ps.12.5 million, compared to a Ps.15.2 million loss for the third quarter of FY 2004. The quarter's profit and the increase from the same quarter of the prior year were mainly due to the net reversal of provisions. This improvement was partially offset by the loss from the amortization of *amparo* claims.

The income tax charge was Ps.11.9 million, Ps.4.1 million lower than in the third quarter of FY 2004. This charge corresponds to the regional credit card companies.

LEVEL OF ACTIVITY

Total gross loans amounted to Ps.10,454 million, as of September 30, 2005, of which Ps.5,154 million corresponded to loans to the financial and non-financial public sectors and the remaining Ps.5,300 million represented loans to the private sector.

Total loans to the private sector increased 25.3% between September 30, 2004 and September 30, 2005. It should be noted that, in the same period, total loans to the private sector of the Bank's Argentine operation increased 49.0%, while the regional credit-card companies' total loans increased 44.5%.

The Bank's estimated private-sector loan market share in the Argentine financial market (excluding the regional credit-card companies) increased from 6.41% to 7.21% between September 30, 2004 and September 30, 2005.

The Bank's total exposure to the private sector reached Ps.6,485 million, with a 22.8% increase from September 30, 2004 and a 34.6% annualized increase during the quarter.

In millions of pesos

Table V Exposure to the Private Sector	FY 2005			FY 2004	
	3rd Q	2nd Q	1st Q	4th Q	3rd Q
Loans	5,300	4,950	4,799	4,389	4,229
Leasing	151	122	111	103	81
Corporate Securities	39	19	19	20	80
Other Financing ^(*)	721	681	637	627	562
Total Credit	6,211	5,772	5,566	5,139	4,952
Securitized Loans ^(**)	274	249	234	348	331
Total	6,485	6,021	5,800	5,487	5,283

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

(**) As of September 30, 2005, includes outstanding loans recorded by the trusts "Galtrust II," "Galtrust V" and "Galicia Personales," "Hipotecas Comerciales," "Galicia Créditos Inmobiliarios I" trusts and loans securitized by the regional credit-card companies.

Private-sector loan growth during the year was concentrated in individuals and middle-market companies. By economic sector, the Bank increased its exposure to the manufacturing industry (77.8%), to the retail & wholesale trade sector (48.6%) and to consumers (33.4%).

In millions of pesos

Table VI Loans by Type of Borrower	FY 2005			FY 2004	
	3rd Q	2nd Q	1st Q	4th Q	3rd Q
Large Corporations	1,529	1,519	1,456	1,272	1,388
Middle-Market Companies	1,562	1,348	1,262	1,197	1,107
Individuals	1,941	1,848	1,740	1,511	1,455
Financial Sector	374	340	446	532	419
Non-Financial Public Sector	5,048	4,927	4,625	4,514	4,458
Total Loans	10,454	9,982	9,529	9,026	8,827
Allowances	531	586	593	633	901
Total Loans, Net	9,923	9,396	8,936	8,393	7,926

In millions of pesos

Table VII Loans by Economic Sector	FY 2005			FY 2004	
	3rd Q	2nd Q	1st Q	4th Q	3rd Q
Financial Sector	374	340	446	532	419
Services	5,662	5,551	5,154	5,032	5,101
- Public Sector	5,048	4,927	4,625	4,514	4,458
- Other	614	624	529	518	643
Agriculture & Livestock	590	567	594	588	556
Consumer	1,841	1,691	1,725	1,435	1,380
Retail & Wholesale Trade	532	435	410	385	358
Construction	377	368	357	373	377
Manufacturing	1,051	894	732	629	591
Other	27	136	111	52	45
Total Loans	10,454	9,982	9,529	9,026	8,827
Allowances	531	586	593	633	901
Total Loans, Net	9,923	9,396	8,936	8,393	7,926

The Bank's net exposure to the Argentine public sector (shown in Table VIII) decreased 2.1% between September 30, 2005 and September 30, 2004.

The main variations in public sector assets were: (i) a Ps.642 million decrease in the Boden 2012 balance, mainly due to the use of US\$196 million of face value of Boden 2012 in the exchange offer made by Galicia Uruguay which was completed during the second quarter of FY 2005, and (ii) a Ps.516 million increase in the balance of government securities held for trading, mainly reflecting the increase in the Bank's holdings of Lebac and Nobac. As of September 30, 2005, such holdings amounted to Ps.749 million.

The Bank's liabilities with the Argentine Central Bank increased 5.6%, from Ps.8,398 million as of September 30, 2004, to Ps.8,872 million as of September 30, 2005. This growth was due to a Ps.507 million increase in the balance of the advance to purchase the Hedge Bond, mainly attributable to the CER adjustment during the year, and to the reaching of a final agreement on the amount of the compensation for the asymmetric pesification during the first quarter of FY 2005. This increase was partially offset by the Ps.33 million decrease in the balance of the financial assistance from the Argentine Central Bank. This decrease was the consequence of the monthly amortization of such liability in accordance with the original repayment schedule and of the payments made to advance funds to be applied to its amortization, within the auctions that the Central Bank has allowed to such effect. These decreases were partially offset by the adjustment of principal by the CER.

	<i>In millions of pesos</i>				
Table VIII	FY 2005			FY 2004	
Net Exposure to the Argentine Public Sector ^(*)	3rd Q	2nd Q	1st Q	4th Q	3rd Q
Government Securities' Net Position	5,560	5,591	6,035	5,818	5,669
Trading	753	673	658	474	237
Bogar	3,702	3,744	3,610	3,540	3,516
Boden 2012	332	379	956	976	974
Discount Bonds and GDP-Linked Units/ External Notes	733	733	750	750	862
Other	40	62	61	78	80
Loans ^(**)	5,154	5,032	4,730	4,637	4,598
Secured Loans	5,048	4,927	4,625	4,514	4,458
Other	106	105	105	123	140
Other Receivables Resulting from Financial Brokerage	5,726	5,637	5,637	5,700	5,683
Boden 2012	4,697	4,625	4,645	4,732	4,723
Trust Certificates of Participation and Securities	1,029	1,012	992	968	960
Miscellaneous Receivables ^(**)	-	-	188	183	181
Secured Loans Granted as Collateral	-	-	188	183	181
Total Assets	16,440	16,260	16,590	16,338	16,131
Liabilities with the Argentine Central Bank	8,872	8,711	8,549	8,429	8,398
Net Exposure	7,568	7,549	8,041	7,909	7,733

(*) 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 requirements. Also excludes the difference from amparo claims which amounted to Ps.365 million as of September 30, 2005. The amount amortized between April 2003 to September 2005 being Ps.298 millions.

(**) In the second quarter of 2005, the Secured Loans granted as collateral and recorded as Miscellaneous Receivables were recorded under Loans, as the secured liabilities were cancelled.

Equity investments amounted to Ps.90.0 million, 6.2% higher from Ps.85.0 million as of the third quarter of FY 2004.

The item “Bank Premises and Equipment, Miscellaneous and Intangible Assets” includes Ps.365 million of net deferred losses associated to *amparo* claims.

The Bank’s consolidated deposits amounted to Ps.8,042 million, of which Ps.430 million were deposits in Galicia Uruguay.

As of September 30, 2005, the Bank’s deposits raised in Argentina reached Ps.7,686 million, representing a 46.3% and a 7.2% increase from September 30, 2004, and June 30, 2005, respectively.

In millions of pesos

Table IX					
Deposits in Argentina	09/30/05	06/30/05	03/31/05	12/31/04	09/30/04
In Pesos	6,889	6,480	6,129	5,402	4,639
Current Accounts	1,535	1,532	1,355	1,250	1,110
Savings Accounts	1,599	1,515	1,605	1,276	1,175
Time Deposits	2,708	2,430	2,188	2,088	1,630
Adjusted Time Deposits	879	809	748	524	419
Restructured Deposits	1	27	66	99	149
Other	167	167	167	165	156
In Foreign Currency	797	687	659	605	613
Total	7,686	7,167	6,788	6,007	5,252

As of September 30, 2005, the Bank’s estimated market share of deposits in the Argentine financial system, considering deposits raised in Argentina only, was 5.89%, compared with 5.67% at the end of the prior quarter, and 4.68% a year before.

Considering only private-sector deposits, the Bank’s estimated deposit market share reached 7.95% as of September 30, 2005, increasing 1.34 and 0.34 percentage points from September 30, 2004, and June 30, 2005, respectively.

Table X	09/30/05	06/30/05	03/31/05	12/31/04	09/30/04
Market Share (*)	(%)	(%)	(%)	(%)	(%)
Total Deposits	5.89	5.67	5.69	5.18	4.68
Private Sector Deposits	7.95	7.61	7.45	7.07	6.61
Total Loans ⁽¹⁾	9.83	9.56	9.55	9.16	8.94
Loans to the Private Sector	7.21	6.96	7.08	6.43	6.41

(*) *Banco de Galicia y Buenos Aires S.A., only, 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.

Regional credit card companies' data is not included.

(1) *In order to make the figures homogeneous, during the third quarter of FY 2004, the balance of Bogar was not included, as they were reclassified as government securities in November 2004.*

Regarding other financial liabilities, the negotiable obligations balance continued to decrease during the quarter, due to the payment of the first amortization installment of the debt instruments issued in the debt restructuring of the former New York Branch. It is also worth mentioning that, during the previous quarter, Grupo Galicia forgave the subordinated negotiable obligations issued by Galicia Uruguay, for US\$ 43 million, and Galicia Uruguay exchanged liabilities restructured as negotiable obligations for cash and Boden 2012.

The Ps.520 million increase in the balance of “Other,” between September 30, 2004 and September 30, 2005, includes an increase of Ps.328 million corresponding to reverse repo transactions with the Argentine Central Bank and spot transactions pending settlement.

In millions of pesos

Table XI Other Financial Liabilities	09/30/05	06/30/05	03/31/05	12/31/04	09/30/04
Argentine Central Bank	8,872	8,711	8,549	8,429	8,398
Financial Assistance	5,686	5,616	5,548	5,707	5,719
Advance to Purchase the Hedge Bond	3,185	3,095	2,999	2,721	2,678
Other	1	-	2	1	1
Foreign Banks and International Entities	718	731	752	772	796
Negotiable Obligations ⁽¹⁾	3,670	3,760	4,140	4,169	4,177
Other ⁽²⁾	2,010	2,062	1,558	1,507	1,490
Total	15,270	15,264	14,999	14,877	14,861

(1) Includes subordinated negotiable obligations.

(2) Includes, mainly, loans from domestic banks and other domestic institutions, repos, spot transactions pending settlement and debt with retailers in connection with the financing of credit-card purchases.

As of September 30, 2005, the Bank had 1,065,205 deposit accounts, reflecting an increase of approximately 92,000 accounts from a year before. Likewise, the number of credit cards reached 2,536,961 at the end of the quarter, 21.8% higher than the 2,082,181 credit cards managed a year before (see the “Additional Information” table).

ASSET QUALITY

The Bank’s non-accrual loan portfolio decreased by Ps.332 million, or 33.8%, between September 30, 2004 and September 30, 2005. The non-accrual loan portfolio represented 6.23% of total loans as of September 30, 2005, compared to 11.14% as of September 30, 2004. Considering only the private-sector loan portfolio, the non-accrual portfolio decreased to 12.28% of total loans to the private sector as of September 30, 2005, from 23.24% a year before.

The allowance for loan losses represented 5.08% of total loans and 10.02% of loans to the private sector, compared with 10.21% and 21.31%, respectively, as of September 30, 2004. The coverage of the non-accrual loan portfolio with allowances for loan losses reached 81.57% and the coverage with guarantees 60.98%. The combined coverage of non-accrual loans with allowances and guarantees was 142.55%.

The coverage with allowances for loan losses of the non-accrual loan portfolio plus the portfolio in category “2.b” was 79.19% as of September 30, 2005. Loans classified under category “2.b” of the Argentine Central Bank’s loan classification (which comprises portfolios that not being non-performing are in the process of being restructured) amounted to Ps.19.5 million as of the same date.

In millions of pesos, except percentages

Table XII Loan Portfolio Quality	FY 2005			FY 2004	
	3 rd Q	2 nd Q	1 st Q	4 th Q	3 rd Q
Non-Accrual Loans ^(*)	651	660	666	699	983
- With Preferred Guarantees	367	365	370	384	447
- With Others Guarantees	30	70	68	67	142
- Without Guarantees	254	225	228	248	394
Allowance for Loan Losses ^(**)	531	586	593	633	901
Non-Accrual Loans to Total Loans (%)	6.23	6.61	6.99	7.74	11.14
Non-Accrual Loans to Private-Sector Loans (%)	12.28	13.33	13.88	15.93	23.24
Allowance for Loan Losses to Total Loans (%) ^(**)	5.08	5.87	6.22	7.01	10.21
Allowance for Loan Losses to Private-Sector Loans (%) ^(**)	10.02	11.84	12.36	14.42	21.31
Allowance for Loan Losses to Non-Accrual Loans (%) ^(**)	81.57	88.79	89.04	90.56	91.66
Non-Accrual Loans with Guarantees to					
Non-Accrual Loans (%)	60.98	65.91	65.77	64.52	59.92

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

(**) Until the 3rd Q of FY 2004, the allowance for loan losses included Ps.76.2 million of a reserve for interest adjustments on a portfolio classified as performing.

During the quarter, Ps.17 million were charged off against the allowance for loan losses and Ps.1 million direct charges to the income statement were made.

In millions of pesos

Table XIII Consolidated Analysis of Loan Loss Experience	FY 2005			FY 2004	
	3 rd Q	2 nd Q	1 st Q	4 th Q	3 rd Q
Allowance for Loan Losses at the Beginning of the Quarter	586	593	633	901	1,067
Changes in the Allowance for Loan Losses					
Provisions Charged to Income ^(*)	6	19	20	78	16
Provisions Reversed	(44)	(6)	(45)	(155)	(15)
Charge Offs	(17)	(20)	(15)	(191)	(167)
Monetary Effect	-	-	-	-	-
Allowance for Loan Losses at Quarter End	531	586	593	633	901
Charge to the Income Statement					
Provisions Charged to Income	6	20	15	78	10
Direct Charge Offs	1	1	2	2	2
Bad Debts Recovered	(8)	(7)	(8)	(59)	(19)
Provisions Reversed ^(**)	(44)	(6)	(45)	(155)	(15)
Net Charge to the Income Statement	(45)	8	(36)	(134)	(22)

(*) Includes conversion differences corresponding to Galicia Uruguay and the Cayman Branch.

(**) Recorded under "Net Other Income"

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	FY 2005			FY 2004	
	3 rd Q	2 nd Q	1 st Q	4 th Q	3 rd Q
Non-Accrual Portfolio (*)	731	742	751	789	1,144
- With Preferred Guarantees	377	373	383	397	480
- With Other Guarantees	33	78	76	76	151
- Without Guarantees	321	291	292	316	513
Allowance for Credit Losses (**)	567	620	629	672	1,014
Non-Accrual Portfolio to Total Credit (%)	6.43	6.87	7.29	8.07	11.98
Non-Accrual Portfolio to Private-Sector Credit (%)	11.77	12.86	13.49	15.35	23.10
Allowance for Credit Losses to Total Credit (%) (**)	4.99	5.74	6.11	6.87	10.62
Allowance for Credit Losses to Private-Sector Credit (%) (**)	9.13	10.74	11.30	13.08	20.48
Allowance for Credit Losses to Non-Accrual Portfolio (**)	77.56	83.56	83.75	85.17	88.64
Non-Accrual Portfolio with Guarantees to Non-Accrual Portfolio (%)	56.09	60.78	61.12	59.95	55.16

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

(**) Until the 3rd Q of FY 2004, the allowance for loan losses included Ps.76.2 million of a reserve for interest adjustments on a portfolio classified as performing.

CAPITALIZATION AND LIQUIDITY

As of September 30, 2005, the Bank's consolidated computable capital exceeded by Ps.1,037 million the Ps.803 million minimum capital required. This excess was Ps.1,102 million as of September 30, 2004.

The variation in the capital requirement between September 30, 2005 and September 30, 2004 was mainly attributable to the greater exposure to the private sector and to the increase of the regulatory requirements on the exposure to the public sector. It should be noted that, beginning on January 1, 2005, and in accordance with the established schedule, the applicable "Alfa 1" and "Alfa 2" coefficients increased. The former increased from 0.05 to 0.15 and the latter from 0.20 to 0.40. "Alfa 1" temporarily reduces the capital requirement to cover banks' exposure to the public sector, while "Alfa 2" temporarily reduces the capital requirement to cover interest-rate risk.

In millions of pesos, except rates and percentages

Table XV Consolidated Regulatory Capital	FY 2005			FY 2004	
	3 rd Q	2 nd Q	1 st Q	4 th Q	3 rd Q
Minimum Capital Required (A)	803	820	761	613	612
Allocated to Financial Assets	390	376	319	295	302
Allocated to Fixed Assets	138	138	142	142	143
Allocated to Other Assets	40	33	34	34	31
Allocated to Market Risk	24	48	28	63	51
Allocated to Interest-Rate Risk	50	50	63	20	26
Allocated to Lending to the Public Sector	161	175	175	59	59
Computable Capital (B)	1,840	1,707	1,648	1,746	1,714
Core Capital	1,213	1,223	1,208	1,340	1,334
Supplemental Capital	785	653	625	581	583
Deductions	(169)	(177)	(184)	(195)	(206)
Additional Capital – Market Variation	11	8	(1)	20	3
Excess over Required Capital (B) - (A)	1,037	887	887	1,133	1,102
Total Capital Ratio (%)	21.48	19.42	19.93	25.11	24.94

As of September 30, 2005, the Bank's unconsolidated liquid assets (held by the Bank's Argentine operation) represented 56.76% of the Bank's transactional deposits and 25.63% of its total deposits in Argentina.

Table XVI Liquidity in Argentina (unconsolidated)	FY 2005			FY 2004	
	3rd Q	2nd Q	1st Q	4th Q	3rd Q
Liquid Assets ^(*) as a percentage of Transactional Deposits	56.76	61.12	57.63	60.87	50.81
Liquid Assets ^(*) as a percentage of Non-Restructured Deposits	26.85	29.90	29.47	30.46	26.58
Liquid Assets ^(*) as a percentage of Total Deposits	25.63	28.41	27.20	27.97	24.39

() 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), call money and short-term placements with correspondent banks.*

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.gov.ar) and the Buenos Aires Stock Exchange (www.bolsar.com). 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 ^(*)

	<i>In millions of pesos</i>				
	09/30/05	06/30/05	03/31/05	12/31/04	09/30/04
Cash and Due from Banks	993.2	956.9	938.6	985.7	1,103.1
Government and Corporate Securities	5,534.6	5,589.3	5,830.8	5,498.9	5,226.4
Net Loans	9,922.7	9,395.8	8,936.1	8,393.2	7,926.3
Other Receivables Resulting from Financial Brokerage	6,868.3	6,861.7	6,465.3	6,640.2	6,561.1
Equity Investments in Other Companies	90.3	87.6	87.8	85.4	85.0
Bank Premises and Equipment, Miscellaneous and Intangible Assets	1,174.1	1,201.8	1,231.7	1,272.5	1,299.7
Other Assets	502.2	460.6	640.4	589.4	552.4
Total Assets	25,085.4	24,553.7	24,130.7	23,465.3	22,754.0
Deposits	8,041.7	7,548.2	7,517.6	6,777.4	6,115.9
Other Liabilities Resulting from Financial Brokerage	14,575.0	14,573.2	14,194.2	14,056.6	14,056.1
Subordinated Negotiable Obligations	694.7	690.4	805.2	820.0	804.8
Other	351.4	340.9	357.1	577.6	509.3
Minority Interests	47.0	47.0	41.4	35.5	29.4
Total Liabilities	23,709.8	23,199.7	22,915.5	22,267.1	21,515.5
Shareholders' Equity	1,375.6	1,354.0	1,215.2	1,198.2	1,238.5
Foreign-Currency Assets and Liabilities					
- Assets	6,604.0	6,553.2	7,015.8	7,760.8	7,885.4
- Liabilities	6,224.6	6,336.5	6,947.7	6,984.5	7,208.9

(*) Banco de Galicia y Buenos Aires S.A., consolidated with subsidiary companies (Art.33 - Law 19550).

SELECTED FINANCIAL INFORMATION – CONSOLIDATED DATA (*)

	<i>In millions of pesos</i>				
Quarter ended:	09/30/05	06/30/05	03/31/05	12/31/04	09/30/04
FINANCIAL INCOME	550.7	633.5	522.7	229.8	361.3
- Interest on Loans to the Financial Sector	0.6	0.9	0.7	1.1	1.3
- Interest on Overdrafts	11.1	9.0	8.3	12.4	3.7
- Interest on Promissory Notes	34.0	23.1	28.3	21.9	28.6
- Interest on Mortgage Loans	18.9	18.5	22.6	16.7	17.0
- Interest on Pledge Loans	2.8	2.5	2.3	2.1	2.0
- Interest on Credit-Card Loans	55.3	56.2	49.6	43.3	40.2
- Interest on Other Loans	8.5	7.1	5.7	7.4	7.3
- Net Income from Government and Corporate Securities	51.6	127.6	24.2	(77.6)	20.6
- Interest on Other Receivables Resulting from Financial Brokerage	40.4	38.1	32.9	27.2	22.8
- Net Income from Secured Loans - Decree No.1387/01	51.9	47.1	47.6	46.7	46.2
- CER Adjustment	250.2	280.9	279.4	113.8	149.6
- CVS Adjustment	-	-	-	0.1	(0.1)
- Other	25.4	22.5	21.1	14.7	22.1
FINANCIAL EXPENSES	449.1	466.2	457.2	309.2	318.3
- Interest on Current-Account Deposits	4.4	3.4	2.9	1.9	1.4
- Interest on Savings-Account Deposits	1.2	1.2	1.1	1.0	1.0
- Interest on Time Deposits	37.8	30.8	28.3	26.0	21.5
- Interest on Financing from the Financial Sector	1.0	1.0	0.9	1.1	1.5
- Other Interest	90.9	90.6	90.9	90.0	86.9
- Net Income from Government and Corporate Securities	-	-	-	6.1	-
- Interest on Other Liabilities Resulting from Financial Brokerage	67.5	65.9	64.3	62.8	51.5
- CER Adjustment	228.4	261.1	252.6	107.5	141.4
- Other	17.9	12.2	16.2	12.8	13.1
GROSS FINANCIAL MARGIN	101.6	167.3	65.5	(79.4)	43.0
PROVISIONS FOR LOAN LOSSES	14.5	22.8	18.2	73.9	19.7
INCOME FROM SERVICES, NET	130.5	133.3	116.5	121.6	107.5
ADMINISTRATIVE EXPENSES	194.2	185.3	158.5	164.3	144.0
- Personnel Expenses	97.4	95.0	82.5	82.3	71.0
- Directors' and Syndics' Fees	0.7	1.2	1.4	1.4	0.8
- Other Fees	6.6	6.9	4.6	4.8	4.2
- Advertising and Publicity	18.7	18.6	9.6	12.9	6.9
- Taxes	9.1	7.1	7.9	7.7	7.6
- Other Operating Expenses	47.4	43.9	41.5	44.0	43.0
- Other	14.3	12.6	11.0	11.2	10.5
MINORITY INTERESTS RESULTS	(4.9)	(6.5)	(5.8)	(5.2)	(5.3)
INCOME FROM EQUITY INVESTMENTS	2.5	1.0	2.8	1.0	2.8
NET OTHER INCOME	12.5	65.6	29.0	171.6	(15.2)
INCOME TAX	11.9	13.8	14.3	11.7	16.0
NET INCOME	21.6	138.8	17.0	(40.3)	(46.9)

(*) Banco de Galicia y Buenos Aires S.A., consolidated with subsidiary companies (Art.33 – Law 19550).

ADDITIONAL INFORMATION

	<i>In millions of pesos</i>				
	09/30/05	06/30/05	03/31/05	12/31/04	09/30/04
Mutual Funds (*)	273.4	244.3	305.8	245.6	197.6
Physical Data (Number of)					
Employees	6,469	6,318	6,235	6,215	6,145
Branches	323	318	315	316	311
Bank Branches	225	224	224	225	225
Regional Credit-Card Companies Offices	98	94	91	91	86
Deposit Accounts	1,065,205	1,051,840	1,019,692	1,000,793	973,299
Credit Cards	2,536,961	2,346,766	2,258,797	2,229,150	2,082,181
Inflation and Exchange Rate					
Retail Price Index (%) (**)	2.63	2.02	4.03	1.24	1.45
Wholesale Price Index (IPIM) (%) (**)	4.45	1.32	2.17	0.25	3.75
CER Coefficient (%) (**)	2.41	2.71	3.10	1.10	1.45
Exchange Rate (Pesos per US\$) (***)	2.9125	2.8908	2.9233	2.9738	2.9825

(*) *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

BANCO GALICIA

LatinFinance's 2005 Prize for Bank of the Year

On its November edition, LatinFinance awarded the Bank the 2005 prize for Bank of the Year in Argentina. This was due to the Bank's growth in operations and the improvement in its market position and earnings, after the successful restructuring of its foreign debt during the previous fiscal year.

Crediting of Compensatory Boden 2012

On November 3, 2005, the Bank received US\$236.9 million of face value of Boden 2012, corresponding to the remaining amount of the Compensatory Bond.

Advance of Funds for the Repayment of Financial Assistance

During October 2005, the Bank advanced Ps.450 million to be applied to the partial repayment of financial assistance granted by the Argentine Central Bank.

Program for the Issuance of Negotiable Obligations

On September 15, 2005, the Bank's Board of Directors resolved that the US dollar was the currency to determine the amount of the Global Program for the issuance and re-issuance of ordinary negotiable obligations, approved by the Ordinary Shareholders Meeting held on April 28, 2005 for a maximum face amount of Ps.1,000 million outstanding at any time during the life of the Program, which resulted in a Program rounded amount of US\$342.5 million. Likewise, the Bank's Board of Directors established the remaining terms and conditions for the issuance and re-issuance of ordinary negotiable obligations. On November 4, 2005, through Resolution No. 15,228, the Board of Directors of the National Securities Commission ("CNV") authorized the creation of the Program.

Agreement to Structure Infrastructure Trusts

Nación Fideicomisos, the Bank and the National Government signed an agreement to structure trusts which purpose will be to finance infrastructure works for the provision of public services (such as electricity, gas, water and sewage) and other services of public interest, as road works, including certain private-sector initiatives recently announced. The National Treasury, international credit agencies, national and international banks, pension fund managers and institutional investors will provide the trusts' funds.

Créditos Inmobiliarios Galicia I Financial Trust

On August 26, the public placement of the "Créditos Inmobiliarios Galicia I Financial Trust" securities was completed. The Bank transferred to the trust a portfolio of mortgage loans for an aggregate amount of Ps.91.0 million, and the trust issued debt securities for a face value of Ps.72.8 million and certificates of participation for a face value of Ps.18.2 million. Deutsche Bank S.A. acted as financial trustee. The debt securities were fully subscribed, with an interest rate equivalent to CER plus an annual 0.9% or an interest rate equivalent to the Adjusted Survey Rate plus an annual 2%, the highest, with an 8% floor and a 18% cap, and maturity estimated in 2013. The certificates of participation will receive the remaining profit generated by the trust and were kept by the Bank. Standard&Poor's rated the debt securities "raAAA".

Créditos Inmobiliarios Galicia II Financial Trust

During October 2005, and under the “Centennial Global Securitization Program”, the “Créditos Inmobiliarios Galicia II Financial Trust” public placement was completed, with Deutsche Bank S.A. acting as financial trustee. The Bank transferred to the trust a portfolio of mortgage loans for an aggregate amount of Ps.150.0 million, and the trust issued debt securities for a face value of Ps.109.0 million and certificates of participation for a face value of Ps.41.0 million. The debt securities were fully subscribed, with an interest rate equivalent to CER plus an annual 0.8% or to the Adjusted Survey Rate plus an annual 2%, the highest, with a 8% floor and a 18% cap, and maturity estimated in 2011. The certificates of participation will receive the remaining profit generated by the trust and were kept by the Bank. Standard&Poor’s rated the debt securities “raAAA”.

FINANCIAL SYSTEM AND REGULATORY CHANGES

Mutual Fund Minimum Cash Requirements

Through its General Resolution No. 481/05, issued on August 15, 2005, the CNV established that the liquidity margin of at least 45% of mutual funds’ shareholders’ equity, that had to be observed by those mutual funds with assets under management not valued at market exceeding 50% of the total, could no longer be deposited in demand accounts with financial institutions, but had to be deposited in current accounts opened at the Argentine Central Bank.

Valuation of Government Securities and Corporate Securities Without Quotation

Argentine Central Bank’s Communiqué “A” 4414, issued on September 8, 2005, modified, among others, and effective for information for and after August 2005, the valuation criteria for government and corporate securities without quotation. The comprised securities (Argentine Central Bank bills and notes, subordinated or non-subordinated negotiable obligations and financial trusts debt securities) must be valued, at the end of each period, at their cost increased on an exponential basis by their internal rate of return.

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.gov.ar) and the Buenos Aires Stock Exchange (www.bolsar.com). 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.