

**FOR IMMEDIATE RELEASE**

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**GRUPO FINANCIERO GALICIA S.A. REPORTS FINANCIAL  
RESULTS FOR ITS FOURTH QUARTER AND FISCAL YEAR ENDED  
DECEMBER 31, 2007**

(Buenos Aires, Argentina, February 14, 2008) – Grupo Financiero Galicia S.A. (“Grupo Galicia”, “GFG”) (Buenos Aires Stock Exchange: GGAL / NASDAQ: GGAL) today announced its consolidated financial results for the fourth quarter of fiscal year 2007, ended December 31, 2007.

**NET INCOME FOR THE FISCAL YEAR ENDED DECEMBER 31, 2007**

- Net income for the fiscal year ended December 31, 2007 was Ps. 46.0 million or Ps. 0.037 per share, equivalent to Ps. 0.370 per ADS, taking into account the average shares outstanding during the fiscal year.
- During the same period, Banco de Galicia y Buenos Aires S.A. (“the Bank”) recorded a Ps. 177.3 million adjusted net income. After the amortization of *amparo* claims (Ps. 108.7) and the adjustment to the valuation of public-sector assets (Ps. 38.2), net income amounted to Ps. 30.4 million.
- During the third quarter, Grupo Galicia exercised its preemptive rights in the Bank’s share offering and subscribed 93.6 million shares in exchange for US\$ 102.2 million of face value of notes due 2014 issued by the Bank and cash. To fund the cash subscription, Grupo Galicia took an US\$ 80 million loan. As a result of this subscription, Grupo Galicia’s interest in the Bank reached 94.66%.

**NET INCOME FOR THE QUARTER ENDED DECEMBER 31, 2007**

- Net income for the quarter ended December 31, 2007 was Ps. 44.6 million or Ps. 0.036 per share, equivalent to Ps. 0.360 per ADS.
- This result was mainly attributable to the income derived from our interest in the Bank (Ps. 48.7 million) and in Sudamericana Holding (Ps. 4.0 million), partially offset by financial expenses and administrative expenses for Ps. 7.7 million.

- The Bank recorded a Ps. 62.9 million adjusted net income, Ps. 37.8 million higher than in the same quarter of FY 2006. Excluding the Ps.11.5 million loss from the adjustment to the valuation of public-sector assets, net income during this quarter was Ps. 51.4 million.
- The table below shows results per share information, based on Grupo Galicia's financial statements.

Earnings per Share	In pesos			
	FY 2007	FY 2006	twelve months ended at:	
	4 Q 12/31/07	4 Q 12/31/06	12/31/07	12/31/06
Total Average Shares (in thousands)	1.241.407	1.241.207	1.241.407	1.240.932
Total Shares Outstanding (in thousands)	1.241.407	1.241.407	1.241.407	1.241.407
Book Value per Share	1,333	1,296	1,333	1,296
Book Value per ADS (*)	13,330	12,960	13,330	12,960
Earnings per Share	0,036	(0,074)	0,037	(0,015)
Earnings per ADS (*)	0,360	(0,740)	0,370	(0,150)

(\*) 1 ADS = 10 ordinary shares

- Grupo Galicia's fourth quarter net income represents an annualized return of 0.97% on average assets and of 10.97% on average shareholders' equity.

Profitability	Percentages			
	FY 2007	FY 2006	twelve months ended at:	
	4 Q 12/31/07	4 Q 12/31/06	12/31/07	12/31/06
Return on Average Assets (*)	0,97	(1,45)	0,37	0,0004
Return on Average Shareholders Equity (*)	10,97	(22,23)	2,86	(1,15)

(\*) Annualized.

- The table below shows Grupo Financiero Galicia's income statement for fiscal year 2007, on a non consolidated basis, which includes the elimination of transactions with controlled companies.

	In millions of pesos	
	Twelve months ended at	
	12/31/07	12/31/06
Income from equity investments	65,8	(81,2)
Goodwill depreciation	(0,5)	(1,3)
Administrative expenses	(15,1)	(10,6)
Net other income	(0,9)	1,6
Net financial income	(0,2)	118,2
Income tax	(3,1)	(45,6)
<b>Net income for the year</b>	<b>46,0</b>	<b>(18,9)</b>

## **NET INCOME BY BUSINESS**

- The table below shows a “Net Income by Business” analysis. It includes a breakdown of Grupo Financiero Galicia’s results by subsidiary.
- "Income from stake in Sudamericana Holding" includes the results from our interest in such company as of September 30, 2007.
- “Income from Stake in Other Companies” includes the results from our interests in Net Investment, Galicia Warrants and Galval as of December 31, 2007.
- The “Deferred Tax Adjustment” shows the income tax charge determined by Banco Galicia’s subsidiaries, according to the deferred tax method. This adjustment was not made in Banco Galicia’s financial statements because Argentine Central Bank’s regulations do not contemplate the application of the deferred tax method.
- “Other Income GFG” mainly includes the administrative expenses and the financial expenses.

Net Income by Business	in millions of pesos			
	FY 2007		Twelve months ended at	
	4th. Q	3rd. Q	12/31/07	12/31/06
Income from stake in Banco Galicia (94.66%) (*)	48,7	7,1	29,1	(118,1)
Income from stake in Sudamericana Holding (87.5%)	4,0	3,1	14,6	7,4
Income from stake in other companies	0,2	0,5	1,0	0,8
Deferred tax adjustment in Banco Galicia’s subsidiaries	(0,5)	2,7	7,9	9,3
Adjustment of treasury shares	0,0	-	0,0	-1
Other Income GFG	(7,7)	(8,5)	(3,5)	128,0
Income tax	(0,1)	2,0	(3,1)	(45,7)
Net Income for the period	44,6	6,9	46,0	(18,9)

(\*) Until August 2, 2007 stake in Banco Galicia was 93,6%

## **CONFERENCE CALL**

On **Tuesday, February 19 at 11:30 A.M. Eastern Standard Time** (2:30 P.M. Buenos Aires Time), GFG will host a conference call to review this results.

The call-in number is: (785) 830-1914

If you are unable to participate in the call, a replay will be available from Tuesday, February 19, 2008 at 3:30 P.M. Eastern Standard Time until Sunday, February 24, 2008 at 3:30 P.M. Eastern Standard Time dialing (719) 457-0820, pass code: 9413050.

*This report is a summary analysis of Grupo Galicia’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 Banco Galicia’s press release ([www.bancogalicia.com.ar](http://www.bancogalicia.com.ar)) and GFG’s financial statements, as well as with all other material periodically filed with the Comisión Nacional de Valores ([www.cnv.gov.ar](http://www.cnv.gov.ar)), the Securities and Exchange Commission ([www.sec.gov](http://www.sec.gov)), the Bolsa de Comercio de Buenos Aires ([www.bolsar.com.ar](http://www.bolsar.com.ar)) and the Córdoba Stock Exchange and Nasdaq ([www.nasdaq.com](http://www.nasdaq.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.*

## Grupo Financiero Galicia S.A

### SELECTED FINANCIAL INFORMATION - CONSOLIDATED DATA

Consolidated with subsidiary companies (Art.33 - Law 19550).

	12/31/07	09/30/07	06/30/07	03/31/07	12/31/06
	In millions of pesos				
<b>CASH AND DUE FROM BANKS</b>	<b>2.960,0</b>	<b>2.625,5</b>	<b>2.057,8</b>	<b>2.062,6</b>	<b>2.294,8</b>
<b>GOVERNMENT AND CORPORATE SECURITIES</b>	<b>1.694,0</b>	<b>2.238,7</b>	<b>3.571,2</b>	<b>2.272,4</b>	<b>3.188,6</b>
<b>LOANS</b>	<b>11.601,0</b>	<b>10.929,6</b>	<b>9.910,9</b>	<b>10.712,8</b>	<b>10.525,0</b>
<b>OTHER RECEIVABLES RESULTING FROM FINANCIAL BROKERAGE</b>	<b>3.597,0</b>	<b>3.198,6</b>	<b>3.378,5</b>	<b>3.841,0</b>	<b>5.412,8</b>
<b>EQUITY IN OTHER COMPANIES</b>	<b>43,8</b>	<b>43,7</b>	<b>42,2</b>	<b>40,5</b>	<b>35,6</b>
<b>BANK PREMISES AND EQUIPMENT, MISCELLANEOUS AND INTANGIBLE ASSETS</b>	<b>1.304,0</b>	<b>1.255,2</b>	<b>1.250,5</b>	<b>1.263,3</b>	<b>1.264,2</b>
<b>OTHER ASSETS</b>	<b>1.628,9</b>	<b>1.477,9</b>	<b>1.065,2</b>	<b>1.005,9</b>	<b>894,4</b>
<b>TOTAL ASSETS</b>	<b>22.828,7</b>	<b>21.769,2</b>	<b>21.276,3</b>	<b>21.198,5</b>	<b>23.615,4</b>
<b>DEPOSITS</b>	<b>13.165,6</b>	<b>12.748,3</b>	<b>12.438,8</b>	<b>11.858,1</b>	<b>10.779,4</b>
- Non-Financial Government Sector	193,9	207,7	202,7	79,7	63,9
- Financial Sector	167,2	159,5	156,1	153,9	154,3
- Non-Financial Private Sector and Residents Abroad	12.804,5	12.381,1	12.080,0	11.624,5	10.561,2
- Current Accounts	2.629,9	2.465,7	2.439,2	2.080,1	1.982,8
- Savings Accounts	3.229,0	3.014,8	2.816,8	2.647,5	2.442,9
- Time Deposits	6.543,9	6.467,2	6.433,8	6.536,0	5.789,3
- Investment Accounts	0,2	3,6	5,5	5,6	4,0
- Other	291,1	302,8	232,7	209,8	211,3
- Accrued interest and quotation differences payable	110,4	127,0	152,0	145,5	130,9
<b>OTHER BANKS AND INTERNATIONAL ENTITIES</b>	<b>930,4</b>	<b>865,1</b>	<b>361,7</b>	<b>447,0</b>	<b>1.125,7</b>
<b>NEGOTIABLE OBLIGATIONS</b>	<b>3.045,5</b>	<b>3.229,6</b>	<b>3.686,4</b>	<b>3.511,2</b>	<b>3.587,0</b>
<b>OTHER LIABILITIES</b>	<b>3.815,1</b>	<b>3.120,0</b>	<b>3.011,2</b>	<b>3.626,0</b>	<b>6.347,6</b>
<b>MINORITY INTERESTS</b>	<b>217,6</b>	<b>196,3</b>	<b>175,3</b>	<b>165,9</b>	<b>167,2</b>
<b>TOTAL LIABILITIES</b>	<b>21.174,2</b>	<b>20.159,3</b>	<b>19.673,4</b>	<b>19.608,2</b>	<b>22.006,9</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>1.654,5</b>	<b>1.609,9</b>	<b>1.602,9</b>	<b>1.590,3</b>	<b>1.608,5</b>
<b>INFLATION AND EXCHANGE RATE</b>					
Retail Price Index (%) (*)	2,49	1,90	1,61	2,23	2,57
Wholesale Price Index (%) (*)	2,67	4,02	5,37	1,75	0,68
C.E.R. (%) (*)	2,30	1,50	1,91	2,52	2,46
Exchange Rate (\$/US\$) (**)	3,1510	3,1495	3,0908	3,1007	3,0695

(\*) Variation within the quarter.

(\*\*) Last working day of the quarter. Source B.C.R.A. - Comunicue "A" 3500 - Reference Exchange Rate

**Grupo Financiero Galicia S.A****SELECTED FINANCIAL INFORMATION - CONSOLIDATED DATA**

Consolidated with subsidiary companies ( Art. 33 - Law 19550).

	Quarter ended:				
	12/31/07	09/30/07	06/30/07	03/31/07	12/31/06
	In millions of pesos				
<b>FINANCIAL INCOME</b>	<b>550,7</b>	<b>518,4</b>	<b>451,8</b>	<b>476,9</b>	<b>428,7</b>
- Interest on Cash and Due From Bank	5,1	4,1	2,0	3,7	0,6
- Interest on Loans to the Financial Sector	0,3	0,5	0,2	2,3	1,0
- Interest on Overdrafts	34,4	32,1	25,1	19,6	21,0
- Interest on Notes	97,3	75,7	61,4	59,8	58,1
- Interest on Mortgage Loans	29,6	26,0	22,2	20,6	20,3
- Interest on Pladge Loans	3,7	3,4	2,8	2,5	2,2
- Interest on Credit Card loans	127,6	111,9	101,6	90,7	89,6
- Interest on Other Loans	63,3	56,6	42,7	40,1	36,5
- Net Income from Government and Corporate Securities	57,4	81,5	66,9	35,5	(72,4)
- On Other Receivables Resulting from Financial Brokerage	9,7	8,8	7,4	10,3	34,7
- Net Income from Guaranteed Loans-Decree 1387/01	13,8	15,5	20,1	30,3	46,6
- Adjustment by application of adjusting index	47,6	22,5	45,2	89,9	155,4
-Quotations Differences on Gold and Foreign Currency	29,5	23,2	22,8	12,4	13,4
- Other	31,4	56,6	31,4	59,2	21,7
<b>FINANCIAL EXPENSES</b>	<b>338,5</b>	<b>290,7</b>	<b>263,0</b>	<b>354,5</b>	<b>442,7</b>
- Interest on Demand Accounts Deposits	4,7	3,6	4,0	4,1	4,2
- Interest on Saving Accounts Deposits	0,8	0,8	1,5	1,4	1,2
- Interest on Time Deposits	156,6	130,9	119,0	114,6	106,5
- Interest on Interbank Loans Received ( Call Money Loans)	0,7	1,5	0,8	0,9	1,0
- Interest on Loans from Financial Sector	0,4	0,5	0,5	0,6	0,7
- For other Liabilities resulting from Financial Brokerage	74,4	78,9	68,9	91,4	86,8
- Interest on Subordinated Negotiable Obligations	24,2	24,1	23,2	23,2	22,0
- Other interest	1,1	1,1	1,3	42,3	38,4
- Adjustment by application of adjusting index	7,7	7,8	8,2	43,2	126,7
- Contributions to the Deposit Insurance Fund	5,5	5,3	5,0	4,7	4,4
- Other	62,4	36,2	30,6	28,1	50,8
<b>GROSS BROKERAGE MARGIN</b>	<b>212,2</b>	<b>227,7</b>	<b>188,8</b>	<b>122,4</b>	<b>(14,0)</b>
<b>PROVISIONS FOR LOAN LOSSES</b>	<b>96,6</b>	<b>72,7</b>	<b>36,8</b>	<b>49,4</b>	<b>26,3</b>
<b>INCOME FROM SERVICES, NET</b>	<b>251,4</b>	<b>241,3</b>	<b>220,4</b>	<b>200,0</b>	<b>192,8</b>
<b>ADMINISTRATIVE EXPENSES</b>	<b>366,5</b>	<b>339,3</b>	<b>304,3</b>	<b>276,2</b>	<b>278,3</b>
- Personnel Expenses	191,0	174,7	160,7	144,2	146,3
- Directors' and Syndics' Fees	1,6	1,6	1,6	1,7	2,0
- Other Fees	12,7	12,6	9,6	8,1	9,9
- Advertising and Publicity	33,2	29,5	26,9	24,3	26,0
- Taxes	21,7	20,4	14,7	13,6	15,0
- Depreciation of Premises and Equipment	14,5	13,3	12,0	10,2	9,5
- Amortization of Organization and Development Expenses	8,6	9,2	8,8	9,0	8,6
- Other Operating Expenses	52,3	49,6	45,5	43,1	40,0
- Other	30,9	28,4	24,5	22,0	21,0
<b>MINORITY INTEREST</b>	<b>(9,0)</b>	<b>(9,4)</b>	<b>(9,4)</b>	<b>(4,2)</b>	<b>(1,3)</b>
<b>INCOME FROM EQUITY INVESTMENTS</b>	<b>0,1</b>	<b>1,4</b>	<b>0,1</b>	<b>0,3</b>	<b>(1,2)</b>
<b>NET OTHER INCOME</b>	<b>69,7</b>	<b>(21,4)</b>	<b>(29,5)</b>	<b>6,4</b>	<b>49,6</b>
<b>INCOME TAX</b>	<b>16,7</b>	<b>20,7</b>	<b>16,7</b>	<b>17,4</b>	<b>13,5</b>
<b>NET INCOME</b>	<b>44,6</b>	<b>6,9</b>	<b>12,6</b>	<b>(18,1)</b>	<b>(92,2)</b>

## **Grupo Financiero Galicia S.A**

### **SELECTED FINANCIAL INFORMATION - CONSOLIDATED DATA**

Consolidated with subsidiary companies ( Art. 33 - Law 19550).

Twelve months ended at:

	<b>12/31/07</b>	<b>12/31/06</b>
	In millions of pesos	
<b>FINANCIAL INCOME</b>	<b>1.997,9</b>	<b>2.229,8</b>
- Interest on Cash and Due From Bank	14,9	0,9
- Interest on Loans to the Financial Sector	3,3	2,9
- Interest on Overdrafts	111,3	69,7
- Interest on Notes	294,2	200,6
- Interest on Mortgage Loans	98,4	70,0
- Interest on Pladge Loans	12,4	12,1
- Interest on Credit Card loans	431,8	281,1
- Interest on Other Loans	202,8	105,8
- Net Income from Government and Corporate Securities	241,3	235,3
- On Other Receivables Resulting from Financial Brokerage	36,2	171,9
- Net Income from Guaranteed Loans-Decree 1387/01	79,7	194,8
- Adjustment by application of adjusting index	205,1	736,0
-Quotations Differences on Gold and Foreign Currency	88,0	76,1
- Other	178,5	72,6
<b>FINANCIAL EXPENSES</b>	<b>1.246,7</b>	<b>1.851,6</b>
- Interest on Demand Accounts Deposits	16,4	21,0
- Interest on Saving Accounts Deposits	4,5	4,1
- Interest on Time Deposits	521,1	313,0
- Interest on Interbank Loans Received ( Call Money Loans)	3,9	3,5
- Interest on Loans from Financial Sector	1,9	3,5
- For other Liabilities resulting from Financial Brokerage	313,6	317,5
- Interest on Subordinated Negotiable Obligations	94,7	76,5
- Other interest	45,8	186,6
- Adjustment by application of adjusting index	67,0	697,7
- Contributions to the Deposit Insurance Fund	20,4	15,8
- Other	157,4	212,4
<b>GROSS BROKERAGE MARGIN</b>	<b>751,2</b>	<b>378,2</b>
<b>PROVISIONS FOR LOAN LOSSES</b>	<b>255,5</b>	<b>110,9</b>
<b>INCOME FROM SERVICES, NET</b>	<b>913,1</b>	<b>672,0</b>
<b>ADMINISTRATIVE EXPENSES</b>	<b>1.286,3</b>	<b>974,5</b>
- Personnel Expenses	670,6	506,6
- Directors' and Syndics' Fees	6,4	6,0
- Other Fees	42,9	36,1
- Advertising and Publicity	113,8	84,5
- Taxes	70,4	50,5
- Depreciation of Premises and Equipment	50,0	37,0
- Amortization of Organization and Development Expenses	35,6	34,9
- Other Operating Expenses	190,6	145,0
- Other	106,0	73,9
<b>MINORITY INTEREST</b>	<b>(32,1)</b>	<b>(19,0)</b>
<b>INCOME FROM EQUITY INVESTMENTS</b>	<b>2,0</b>	<b>(14,4)</b>
<b>NET OTHER INCOME</b>	<b>25,1</b>	<b>143,9</b>
<b>INCOME TAX</b>	<b>71,5</b>	<b>94,2</b>
<b>NET INCOME</b>	<b>46,0</b>	<b>(18,9)</b>