

Edgar Filing: GRUPO FINANCIERO GALICIA SA - Form 6-K

GRUPO FINANCIERO GALICIA SA

Form 6-K

November 13, 2007

=====

FORM 6-K  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

REPORT OF FOREIGN PRIVATE ISSUER

Pursuant to Rule 13a-16 or 15d-16 of the  
Securities Exchange Act of 1934

For the month of November, 2007

Commission File Number: 0-30852

GRUPO FINANCIERO GALICIA S.A.

Galicia Financial Group S.A.  
(Translation of registrant's name into English)

Tte. Gral. Juan D. Peron 456  
(C1038AAJ) Buenos Aires, Argentina  
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports  
under cover of Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark whether by furnishing the information contained in this  
Form, the registrant is also thereby furnishing the information to the  
Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

If "Yes" is marked, indicate below the file number assigned to the registrant in  
connection with Rule 12g3-2(b): 82- \_\_\_\_\_

=====

FORM 6-K  
COMMISSION FILE NO. 0-30852

MONTH FILED	EVENT AND SUMMARY	EXHIBIT NO.
November, 2007	Financial Results of the Registrant for the quarter ended September 30, 2007.	99.1

2

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the  
Registrant has duly caused this report to be signed on its behalf by the  
undersigned, thereunto duly authorized.

GRUPO FINANCIERO GALICIA S.A.  
(Registrant)

# Edgar Filing: GRUPO FINANCIERO GALICIA SA - Form 6-K

Date: November 13, 2007

By: /s/Antonio Garces

-----  
Name: Antonio Garces  
Title: Chief Executive Officer

3

EXHIBIT 99.1

[GRAPHIC OMITTED] GRUPO FINANCIERO GALICIA

FOR IMMEDIATE RELEASE

FOR MORE INFORMATION CONTACT:

Pablo Firvida  
VP Investor Relations  
Telefax: (5411) 4343-7528  
pfirvida@gfgsa.com  
investorelations@gfgsa.com  
www.gfgsa.com

## GRUPO FINANCIERO GALICIA S.A. REPORTS FINANCIAL RESULTS FOR ITS THIRD QUARTER ENDED SEPTEMBER 30, 2007

- o (Buenos Aires, Argentina, November 12, 2007) - Grupo Financiero Galicia S.A. ("Grupo Galicia", "GFG") (Buenos Aires Stock Exchange: GGAL /NASDAQ: GGAL) today announced its consolidated financial results for the third quarter of fiscal year 2007, ended September 30, 2007.

### NET INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2007

- o Net income for the third quarter ended September 30, 2007 was Ps.6.9 million. This result was mainly generated by our participation in Banco de Galicia y Buenos Aires S.A. (the "Bank"). Net income per share was Ps.0.006, equivalent to Ps.0.06 per ADS.
- o The Bank's net income for the quarter was Ps. 7.5 million, and its adjusted net income, which excludes the amortization of the legal injunctions (amparos) and the adjustment to the valuation of public-sector assets was Ps. 59.4 million.
- o During the quarter, Grupo Galicia exercised its preemptive rights and subscribed for 93.6 million shares of the Bank. The consideration consisted of i) US\$ 102.2 million face value of negotiable obligations issued by the Bank due in 2014 and ii) cash.
- o In order to pay for a portion of the new shares with cash, Grupo Galicia entered into a loan agreement for an amount of US\$80 million. After the capital increase, Grupo Galicia holds 94.66% of the shares of the Bank, up from 93.6%.
- o The table below shows per-share result information, based on Grupo Galicia's financial statements.

4

In pesos

Edgar Filing: GRUPO FINANCIERO GALICIA SA - Form 6-K

EARNINGS PER SHARE	FY 2007	FY 2006	NINE MONTHS ENDED AT:	
	3 Q 09/30/07	3 Q 09/30/06	09/30/07	09/30/06
Total Average Shares (in thousands)	1,241,407	1,239,793	1,241,407	1,240,840
Total Shares Outstanding (in thousands)	1,241,407	1,239,793	1,241,407	1,239,793
Book Value per Share	1.297	1.371	1.297	1.371
Book Value per ADS (*)	12.970	13.710	12.970	13.710
Earnings per Share	0.006	0.027	0.001	0.059
Earnings per ADS (*)	0.060	0.270	0.010	0.590

(\*) 1 ADS = 10 ordinary shares

- o Grupo Galicia's net income for the third quarter represents an annualized return of 0.49% on average assets and of 1.73% on average shareholders' equity.

PROFITABILITY	Percentages			
	FY 2007	FY 2006	NINE MONTHS ENDED AT:	
	3 Q 09/30/07	3 Q 09/30/06	09/30/07	09/30/06
Return on Average Assets (*)	0.49	0.66	0.16	0.50
Return on Average Shareholders Equity (*)	1.73	7.88	0.12	5.94

(\*) Annualized.

NET INCOME BY BUSINESS

- o The table below shows the breakdown of net income by business.
- o "Income from stake in Sudamericana Holding" line includes the results from our interest in such company as of June 30, 2007.
- o "Income from stake in other companies" includes the results from our interests in Net Investment, Galicia Warrants and Galval as of September 30, 2007.
- o The "Deferred tax adjustment" line shows the income tax charge determined by Banco Galicia's subsidiaries in accordance with the deferred tax method. This adjustment was not performed in Banco Galicia because Argentine Central Bank regulations do not contemplate the application of the deferred tax method.
- o The "Other income GFG" line mainly includes the administrative expenses and the financial expenses.
- o "Income tax" shows a positive result due to the fact that since this quarter the Company does not have the financial income related to the negotiable obligations and began to accrue the financial expenses related to the loan taken for the capitalization of the Bank.

Edgar Filing: GRUPO FINANCIERO GALICIA SA - Form 6-K

NET INCOME BY BUSINESS	In millions of pesos			
	FY 2007		NINE MONTHS END	
	3RD. Q	2ND. Q	09/30/07	09/
Income from stake in Banco Galicia (94.66%) (*)	7.1	7.2	(19.6)	
Income from stake in Sudamericana Holding (87.5%)	3.1	3.6	10.6	
Income from stake in other companies	0.5	0.3	0.8	
Deferred tax adjustment	2.7	2.5	8.4	
Adjustment of treasury shares	-	-	-	
Other Income GFG	(8.5)	(0.9)	4.2	
Income tax	2.0	(0.1)	(3.0)	
Net Income for the period	6.9	12.6	1.4	

(\*) Until August 2, 2007 stake in Banco Galicia was 93.6%

CONFERENCE CALL

On Tuesday November 13, 2007, at 11:00 A.M. Eastern Standard Time (1:00 P.M. Buenos Aires Time), Grupo Galicia will host a conference call to review this results.

The call-in number is: (719) 325-4795

If you are unable to participate in the call, a replay will be available from Tuesday, November 13, 2007, at 03:00 P.M. Eastern Standard Time until Saturday, November, 17, 2007, at 12:00 P.M. Eastern Standard Time dialing (719) 457-0820, pass code: 3098940.

-----  
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 Grupo Galicia's financial statements, as well as with all other material periodically filed with the Comision 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)), the Bolsa de Comercio de Cordoba 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.  
-----

6

SELECTED FINANCIAL INFORMATION - CONSOLIDATED DATA (\*)

CASH AND DUE FROM BANKS	In millions of		
	09/30/07	06/30/07	03/31/07
	-----	-----	-----
CASH AND DUE FROM BANKS	2,625.5	2,057.8	2,06
GOVERNMENT AND CORPORATE SECURITIES	2,238.7	3,571.2	2,27
LOANS	10,929.6	9,910.9	10,71

## Edgar Filing: GRUPO FINANCIERO GALICIA SA - Form 6-K

OTHER RECEIVABLES RESULTING FROM FINANCIAL			
BROKERAGE	3,198.6	3,378.5	3,844.4
EQUITY IN OTHER COMPANIES	43.7	42.2	44.4
BANK PREMISES AND EQUIPMENT, MISCELLANEOUS			
AND INTANGIBLE ASSETS	1,255.2	1,250.5	1,266.6
OTHER ASSETS	1,477.9	1,065.2	1,000.0
TOTAL ASSETS	21,769.2	21,276.3	21,199.9
DEPOSITS	12,748.3	12,438.8	11,857.7
- Non-Financial Government Sector	207.7	202.7	7.7
- Financial Sector	159.5	156.1	15.1
- Non-Financial Private Sector and Residents Abroad	12,381.1	12,080.0	11,622.2
- Current Accounts	2,465.7	2,439.2	2,080.0
- Savings Accounts	3,014.8	2,816.8	2,646.6
- Time Deposits	6,467.2	6,433.8	6,533.3
- Investment Accounts	3.6	5.5	5.5
- Other	302.8	232.7	202.0
- Accrued interest and quotation differences payable	127.0	152.0	144.4
OTHER BANKS AND INTERNATIONAL ENTITIES	865.1	361.7	444.4
NEGOTIABLE OBLIGATIONS	3,229.6	3,686.4	3,511.1
OTHER LIABILITIES	3,120.0	3,011.2	3,622.2
MINORITY INTERESTS	196.3	175.3	166.6
TOTAL LIABILITIES	20,159.3	19,673.4	19,600.0
SHAREHOLDERS' EQUITY	1,609.9	1,602.9	1,599.9
INFLATION AND EXCHANGE RATE			
Retail Price Index (%) (**)	1.90	1.61	2.2
Wholesale Price Index (%) (**)	4.02	5.37	1.1
C.E.R. (%) (**)	1.50	1.91	2.2
Exchange Rate (\$/U\$S) (***)	3.1495	3.0908	3.1

(\*) Grupo Financiero Galicia S.A., consolidated with subsidiary companies (Art.33 - Law 19550).

(\*\*) Variation within the quarter.

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

7

### SELECTED FINANCIAL INFORMATION - CONSOLIDATED DATA (\*)

	In millions of		
QUARTER ENDED:	09/30/07	06/30/07	03/31/07
FINANCIAL INCOME	518.4	451.8	476.6
- Interest on Cash and Due From Banks	4.1	2.0	3.3
- Interest on Loans to the Financial Sector	0.5	0.2	2.2
- Interest on Overdrafts	32.1	25.1	19.9
- Interest on Notes	75.7	61.4	59.9
- Interest on Mortgage Loans	26.0	22.2	20.0
- Interest on Pladge Loans	3.4	2.8	2.2
- Interest on Credit Card loans	111.9	101.6	90.0
- Interest on Other Loans	56.6	42.7	40.0
- Net Income from Government and Corporate Securities	81.5	66.9	35.5
- On Other Receivables Resulting from Financial Brokerage	8.8	7.4	10.0
- Net Income from Guaranteed Loans-Decree 1387/01	15.5	20.1	30.0
- Adjustment by application of adjusting index	22.5	45.2	89.9
- Quotations Differences on Gold and Foreign Currency	23.2	22.8	12.2

Edgar Filing: GRUPO FINANCIERO GALICIA SA - Form 6-K

- Other	56.6	31.4	59.
FINANCIAL EXPENSES	290.7	263.0	354.
- Interest on Demand Accounts Deposits	3.6	4.0	4.
- Interest on Saving Accounts Deposits	0.8	1.5	1.
- Interest on Time Deposits	130.9	119.0	114.
- Interest on Interbank Loans Received (Call Money Loans)	1.5	0.8	0.
- Interest on Loans from Financial Sector	0.5	0.5	0.
- For other Liabilities resulting from Financial Brokerage	78.9	68.9	91.
- Interest on Subordinated Negotiable Obligations	24.1	23.2	23.
- Other interest	1.1	1.3	42.
- Adjustment by application of adjusting index	7.8	8.2	43.
- Contributions to the Deposit Insurance Fund	5.3	5.0	4.
- Other	36.2	30.6	28.
GROSS BROKERAGE MARGIN	227.7	188.8	122.
PROVISIONS FOR LOAN LOSSES	72.7	36.8	49.
INCOME FROM SERVICES, NET	241.3	220.4	200.
ADMINISTRATIVE EXPENSES	339.3	304.3	276.
- Personnel Expenses	174.7	160.7	144.
- Directors' and Syndics' Fees	1.6	1.6	1.
- Other Fees	12.6	9.6	8.
- Advertising and Publicity	29.5	26.9	24.
- Taxes	20.4	14.7	13.
- Depreciation of Premises and Equipment	13.3	12.0	10.
- Amortization of Organization and Development Expenses	9.2	8.8	9.
- Other Operating Expenses	49.6	45.5	43.
- Other	28.4	24.5	22.
MINORITY INTEREST	(9.4)	(9.4)	(4.)
INCOME FROM EQUITY INVESTMENTS	1.4	0.1	0.
NET OTHER INCOME	(21.4)	(29.5)	6.
INCOME TAX	20.7	16.7	17.
NET INCOME	6.9	12.6	(18.)

(\*) Grupo Financiero Galicia, consolidated with subsidiary companies (Art. 33 - Law 19550).