



Financial Report

Grupo Financiero Galicia S.A.

3rd. quarter 2022

Grupo Financiero Galicia

Buenos Aires, Argentina, November 22, 2022, Grupo Financiero Galicia S.A. (“Grupo Financiero Galicia” o “GFG”, BYMA/NASDAQ: GGAL), announced its financial results for the third quarter of fiscal year 2022, ending on September 30, 2022.

This report is a summary analysis of GFG’s financial condition and results of operations as of and for the periods indicated above. For a correct interpretation, this report must be read in conjunction with GFG’s financial statements, as well as with all other information periodically filed with the National Securities Commission (www.cnv.gob.ar), the Buenos Aires Stock Exchange (www.labolsa.com.ar), the Cordoba Stock Exchange (www.bolsacba.com.ar) and the Nasdaq (www.nasdaq.com).

Readers of this report must note that this is a free 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.

Diego Rivas
Chief Financial Officer

Pablo Firvida
Investor Relations Officer

Conference Call

November 23, 2022
11:00 am (Eastern Time)
1:00 pm (Argentina)

+1 786 697 3501

Please join the call 5 minutes before the booked start time to allow the operator to transfer you into the call by the scheduled start time

Highlights

Ps.11,198 million

3Q 2022 Net income

-35% vs. 3Q 2021

9.01%

ROE

-523 bp vs. 3Q 2021

80.19%

Efficiency

+2,406 bp vs. 3Q 2021

Ps.7.59

Net profit per share

24.96%

Capital Ratio

8,853

Employees

480

Branches and
others points of sale

6,602

Deposits accounts
Banco Galicia
In thousands

13,635

Credit cards
In thousands



The information in this report was adjusted and restated to constant currency, in accordance with IAS 29 “Financial Information in Hyperinflationary Economies”, except otherwise noted.

Selected financial information

Selected ratios						
Percentages	2022		2021		Variation (bp)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21	
ROA	1.65	0.94	2.56	71	(91)	
ROE	9.01	5.11	14.24	390	(523)	
Financial Margin	21.67	19.83	16.89	184	478	
Efficiency ratio	80.19	79.86	56.13	33	2,406	
Capital ratio ⁽¹⁾	24.96	23.12	26.10	185	(114)	
NPL Ratio	3.09	3.16	3.96	(7)	(87)	
Allowance for loan losses / Private-sector financing	6.29	6.26	6.73	3	(44)	
Coverage	203.48	197.86	169.91	562	3,357	
Non-accrual portfolio with guarantees to non-accrual portfolio	9.19	7.46	7.72	173	147	
Cost of risk	3.71	4.94	3.17	(123)	54	

(1) Banco Galicia consolidated with Naranja X.



Grupo Financiero Galicia

Grupo Financiera Galicia includes Banco de Galicia y Buenos Aires S.A.U. (Banco Galicia), Tarjetas Regionales S.A. (Naranja X), Sudamericana Holding S.A. (Galicia Seguros), Galicia Asset Management S.A.U. (Fondos Fima), IGAM LLC (Inviu) and Galicia Securities S.A.U.

It is one of the main financial services holding companies in the country. It provides savings, credit and investment opportunities to people and companies with a high commitment of its board of directors in customer experience and sustainable development.

Results for the quarter

Net income attributable to GFG for the quarter amounted to Ps.11,198 million, which represented a 1.65% annualized return on average assets and a 9.01% return on average shareholder's equity.

Said result is mainly due to profits from its interest in Banco Galicia (Ps.9,478 million), in Fondos Fima (Ps.1,409 million), in Naranja X (Ps.934 million), and in Galicia Seguros (Ps.452 million).

Income Statement					
In millions of pesos, except otherwise noted		2022	2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Results from Equity Investments	11,716	6,629	17,379	77	(33)
Banco Galicia	9,478	4,474	12,566	112	(25)
Naranja X	934	597	3,997	56	(77)
Fondos Fima	1,409	1,379	799	2	76
Galicia Seguros	452	229	453	97	—
Other subsidiaries	(557)	(50)	(436)	91	28
Net operating income	743	1,017	68	(27)	993
Administrative expenses	(134)	(276)	(127)	(51)	6
Other operating income and expenses	(24)	(5)	(5)	380	380
Results from the net monetary position	(824)	(870)	(63)	(5)	1208
Income tax	(279)	(250)	(30)	12	830
Net income attributable to GFG	11,198	6,245	17,222	79	(35)
Other comprehensive income	(133)	80	(98)	(266)	36
Comprehensive income attributable to GFG	11,065	6,325	17,124	75	(35)

Income Statement

In millions of pesos, except otherwise noted

	2022		2021		Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21	
Net interest income	24,977	49,814	48,282	(50)	(48)	
Net fee income	26,233	23,643	25,870	11	1	
Net results from financial instruments	83,657	46,995	39,662	78	111	
Gold and foreign currency quotation differences	6,000	2,194	1,247	173	381	
Other operating income	19,999	17,964	12,660	11	58	
Underwriting income from insurance business	3,090	2,512	2,704	23	14	
Loan loss provisions	(7,146)	(9,951)	(4,732)	(28)	51	
Net operating income	156,810	133,171	125,693	18	25	
Personnel expenses	(19,185)	(20,792)	(17,981)	(8)	7	
Administrative expenses	(18,851)	(19,059)	(18,599)	(1)	1	
Depreciations and devaluations of assets	(5,997)	(5,753)	(6,135)	4	(2)	
Other operating expenses	(30,065)	(25,162)	(27,681)	19	9	
Operating Income	82,712	62,405	55,297	33	50	
Results from the net monetary position	(68,798)	(54,153)	(29,437)	27	134	
Results from associates and joint ventures	(173)	(102)	(100)	70	73	
Income tax	(2,543)	(1,905)	(8,538)	33	(70)	
Net income	11,198	6,245	17,222	79	(35)	
Other comprehensive income	(133)	80	(98)	(266)	36	
Total comprehensive income	11,065	6,325	17,124	75	(35)	

Selected financial information

Balance Sheet					
In millions of pesos, except otherwise noted					
		2022	2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Assets					
Cash and due from banks	314,298	332,968	420,713	(6)	(25)
Debt securities	572,838	435,307	386,935	32	48
Net loans and other financing	1,040,613	1,183,153	1,099,950	(12)	(5)
Other financial assets	580,725	591,517	626,625	(2)	(7)
Investment in subsidiaries, associates and joint ventures	646	820	355	(21)	82
Property, bank premises, equipment	99,813	99,217	104,765	1	(5)
Intangible assets	33,880	34,513	35,504	(2)	(5)
Other assets	28,789	29,193	26,800	(1)	7
Assets available for sale	1	96	2	(99)	(50)
Total assets	2,671,603	2,706,784	2,701,649	(1)	(1)
Liabilities					
Deposits	1,682,911	1,701,060	1,705,938	(1)	(1)
Financing from financial entities	34,758	38,719	35,561	(10)	(2)
Other financial liabilities	251,356	281,499	265,022	(11)	(5)
Negotiable obligations	58,055	47,632	53,289	22	9
Subordinated negotiable obligations	36,995	39,078	45,274	(5)	(18)
Other liabilities	107,289	109,622	108,962	(2)	(2)
Total liabilities	2,171,364	2,217,610	2,214,046	(2)	(2)
Total Shareholders' equity	500,239	489,174	487,603	2	3



Since 1905, Banco Galicia work for the development of Argentina, being the main private bank controlled by national capital. Through its assisted and digital distribution channels, it markets a wide range of financial products and services for individuals and companies throughout the country. Banco Galicia defines the customer experience and digital transformation as strategic focuses to efficiently achieve successful growth.

Highlights

Ps.9,478 million

Net income

-25% vs. 3Q 2021

9.29%

ROE

-327 bp vs. 3Q 2021

77.88%

Efficiency

+2,111 bp vs. 3Q 2021

11.52%

**Market share:
Loans to the private
sector**

+25 bp. vs. 3Q 2021

10.19%

**Market share:
Deposits to the private
sector**

-23 bp. vs. 3Q 2021

310

Branches

66%

Digital costumers

5,508

Employees



The data shown in the tables of this report and the financial statements correspond to Banco de Galicia y Buenos Aires S.A.U.

Results for the quarter

Income Statement					
In millions of pesos, except otherwise noted	2022		2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Net interest income	10,342	31,521	32,000	(67)	(68)
Net fee income	14,617	13,144	14,452	11	1
Net results from financial instruments	79,756	43,995	39,118	81	104
Gold and foreign currency quotation differences	4,890	2,884	1,127	70	334
Other operating income	15,075	13,096	9,171	15	64
Loan-loss provisions	(5,320)	(6,839)	(2,811)	(22)	89
Net operating income	119,360	97,801	93,057	22	28
Personnel expenses	(13,343)	(14,076)	(12,294)	(5)	9
Administrative expenses	(13,215)	(13,548)	(13,471)	(2)	(2)
Depreciations and devaluations of assets	(4,775)	(4,722)	(4,648)	1	3
Other operating expenses	(21,851)	(17,528)	(21,322)	25	2
Operating income	66,176	47,927	41,322	38	60
Results from the net monetary position	(55,686)	(43,242)	(23,813)	29	134
Results from associates and joint businesses	(110)	(75)	(42)	47	162
Income tax	(902)	(136)	(4,901)	563	(82)
Net Income	9,478	4,474	12,566	112	(25)
Other comprehensive income	—	80	(90)	(100)	(100)
Total comprehensive income	9,478	4,554	12,476	108	(24)

Net income for the third quarter amounted to Ps.9,478 million, Ps.3,088 million (25%) lower than in the same quarter of fiscal year 2021. The operating income was Ps.24,854 million (60%) higher than in 2021. However, the net income was affected by higher negative results from the net monetary position for Ps.31,873 million (134%), as a result of high levels of inflation.

The net operating income amounted to Ps.119,360 million, 28% higher than the Ps.93,057 million recorded in the same quarter of fiscal year 2021, mainly due to higher net results from financial instruments for Ps.40,638 million (104%), offset by lower net income interest for Ps.21,658 million (68%).

Profitability and efficiency

Percentages, except otherwise noted

	2022		2021	Variation (bp)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
ROA	1.64	0.79	2.10	85	(46)
ROE	9.29	4.50	12.56	479	(327)
Financial margin	21.24	18.76	15.87	249	538
Efficiency ratio	77.88	82.37	56.77	(450)	2,110

Yields and rates

Interest-earning assets⁽¹⁾

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

	2022		2021		Variation (% bp)					
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21					
	Avg Bce	Yield	Avg Bce	Yield	Avg Bce	Yield				
In pesos	1,518,944	57.05	1,444,672	47.14	1,500,160	37.23	5	991	1	1,982
Government securities	707,990	64.67	639,066	48.73	433,609	40.36	11	1,594	63	2,431
Loans	691,515	48.62	726,972	42.50	652,358	36.35	(5)	612	6	1,227
Other interest-earning assets	119,439	60.79	78,634	77.04	414,193	35.36	52	(1,625)	(71)	2,543
In foreign currency	69,187	15.75	72,005	(0.08)	106,383	9.38	(4)	1,583	(35)	637
Government securities	6,758	86.66	6,813	(51.45)	3,112	18.00	(1)	13,811	117	6,866
Loans	60,174	5.35	63,334	4.99	97,755	6.01	(5)	36	(38)	(66)
Other interest-earning assets	2,255	80.81	1,858	15.62	5,516	64.29	21	6,519	(59)	1,652
Interest-earning assets	1,588,131	55.26	1,516,677	44.89	1,606,543	35.39	5	1,037	(1)	1,987

(1) Does not include foreign currency quotation differences. Annual nominal interest rates were calculated using a 360-day denominator.

The average interest-earning assets amounted to Ps.1,588,131 million, decreasing Ps.18,412 million (1%) as compared to the third quarter of 2021, primarily as a consequence of the Ps.294,754 million (71%) decreased in repurchase transactions with the Argentine Central Bank, offset by an increase in the volume of public securities for Ps.274,381 million (63%).

The average yield on interest-earning assets for the quarter was 55.26%, with a 1,987 bp increase compared to the same quarter of the prior year, mainly, due to the growth in the average yield in peso-denominated government securities.

Interest-bearing liabilities⁽¹⁾

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

	2022		2021		2022		2021		Variation (%/bp)	
	3Q	2Q	3Q	2Q	vs. 2Q22	vs. 2Q21	vs. 2Q22	vs. 2Q21	vs. 3Q21	vs. 3Q21
	Avg Bce	Yield	Avg Bce	Yield	Avg Bce	Yield	Avg Bce	Yield	Avg Bce	Yield
In pesos	1,017,382	47.34	967,627	36.40	1,004,193	27.88	5	1,094	1	1,946
Saving accounts	160,543	0.02	165,691	0.02	183,406	0.02	(3)	—	(12)	—
Time deposits	657,948	58.38	613,544	46.30	622,129	35.04	7	1,208	6	2,334
Other Deposits	190,174	49.08	171,447	35.73	191,320	31.08	11	1,335	(1)	1,800
Debt securities	4,678	54.69	8,052	47.02	4,156	37.18	(42)	767	13	1,751
Other interest-bearing liabilities	4,039	40.05	8,893	34.66	3,182	30.26	(55)	539	27	979
In foreign currency	255,695	1.57	286,379	1.49	366,479	1.13	(11)	8	(30)	44
Saving accounts	146,947	—	170,048	—	211,705	—	(14)	—	(31)	—
Time deposits	45,166	0.65	49,835	0.66	68,069	0.65	(9)	(1)	(34)	—
Other Deposits	12,031	—	13,994	—	13,957	—	(14)	—	(14)	—
Debt securities	40,750	8.77	43,815	8.46	54,816	5.93	(7)	31	(26)	284
Other interest-bearing liabilities	10,801	1.42	8,687	2.56	17,932	2.43	24	(114)	(40)	(101)
Interest-bearing liabilities	1,273,077	38.15	1,254,000	28.43	1,370,672	20.73	2	972	(7)	1,742

(1) Does not include foreign currency quotation differences. Annual nominal interest rates were calculated using a 360-day denominator.

Average interest-bearing liabilities reached Ps.1,273,077 million, decreasing Ps.97,595 million during the same period, primarily due to a decrease of savings accounts in foreign currency for Ps.64,758 million (31%) and fixed term in foreign currency for Ps.22,903 million (34%).

Likewise, the average cost of interest-bearing liabilities was 38.15%, with a 1,742 bp increase compared to the third quarter of the prior year, mainly due to an increase in the average interest rate on peso-denominated time deposits (2,334 bp), in other peso denominated deposits (1,800 bp) and higher costs of peso-denominated debt securities (1,751 p.b.).

Net interest income

Net interest income for the quarter amounted to Ps.10,342 million, with a Ps.21,658 million (68%) decrease compared to the Ps.32,000 million profit from the same quarter of 2021.

Interest Income					
In millions of pesos, except otherwise noted		2022	2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Private sector securities	4	—	79	—	—
Public sector securities	36,817	38,687	6,830	(5)	439
Loans and other financing	84,918	77,668	60,845	9	40
Financial sector	1,232	947	539	30	129
Non-financial private sector	83,686	76,721	60,306	9	39
Overdrafts	10,328	6,978	4,470	48	131
Promissory notes	34,363	32,058	22,323	7	54
Mortgage loans	9,842	9,800	7,133	—	38
Pledge loans	2,160	1,704	1,769	27	22
Personal loans	10,421	10,498	10,064	(1)	4
Credit-card loans	15,960	14,917	13,209	7	21
Financial leases	169	93	126	82	34
Pre-financing and export financing	274	400	898	(32)	(69)
Other	169	273	314	(38)	(46)
Other interest-earning assets	10,025	4,273	35,275	135	(72)
Interest income	131,764	120,628	103,029	9	28

Interest income for the quarter reached Ps.131,764 million, increasing 28% from the Ps.103,029 million recorded in the same quarter of 2021. This increase was primarily a consequence of higher interest on public sector securities value at amortized cost for Ps.29,987 million (439%) and higher interest from loans and other financing for Ps24,073 millions (40%), offset by lower interest from the repurchase transaction for Ps.25,250 millions (72%). The increase in interest on loans and other financing was the result of higher income from documents (54%), promissory notes (131%), credit cards (21%) and mortgage loans (38%).

Interest expenses amounted to Ps.121,422 million, up 71% from the year-ago-quarter, mainly due to higher interest on time deposits and term investments (Ps.41,499 million or 76%).

Interest expenses					
In millions of pesos, except otherwise noted		2022	2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Deposits	119,444	86,410	69,477	38	72
Saving accounts	6	8	8	(25)	(25)
Time deposits and term investments	96,107	71,090	54,608	35	76
Other	23,331	15,312	14,861	52	57
Financing from financial institutions	231	250	150	(8)	54
Repurchase agreement transactions	173	516	85	(66)	104
Other interest-bearing liabilities	42	59	120	(29)	(65)
Negotiable obligations	767	1,077	545	(29)	41
Interest expenses	121,422	89,107	71,029	36	71

Net fee income

Net Fee Income					
In millions of pesos, except otherwise noted	2022		2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Credit cards	7,338	7,320	7,646	—	(4)
Deposit accounts	3,947	3,343	3,517	18	12
Insurance	743	800	906	(7)	(18)
Financial fees	29	111	40	(74)	(28)
Credit- related fees	52	121	103	(57)	(50)
Foreign trade	992	963	1,450	3	(32)
Collections	2,075	1,542	1,498	35	39
Utility-Bills collection services	2,265	2,244	2,016	1	12
Mutual Funds	450	496	308	(9)	46
Other	967	722	1,075	34	(10)
Total fee income	18,858	17,662	18,559	7	2
Total expenditures	(4,241)	(4,518)	(4,107)	(6)	3
Net fee income	14,617	13,144	14,452	11	1

Net fee income amounted to Ps.14,617 million, decreasing 1% from the Ps.14,452 million recorded in the third quarter of the previous fiscal year, mainly due to higher revenues from collections for Ps.577 millions (39%), offset by lower credit card revenues of Ps.308 millions (4%).

Net income from financial instruments

Net income from financial instruments for the quarter amounted to Ps.79,756 million, increasing Ps.40,638 million from the Ps.39,118 million recorded in the same quarter of 2021, as a consequence of a Ps.38,695 million (124%) increase of results from government securities issued by the Argentine Central Bank.

Net Income from Financial Instruments					
In millions of pesos, except otherwise noted		2022		2021	
	3Q	2Q	3Q	Variation (%)	
				vs. 2Q22	vs. 3Q21
Government securities	79,399	43,090	37,066	84	114
Argentine Central Bank	69,840	32,728	31,145	113	124
Other	9,559	10,362	5,921	(8)	61
Private sector securities	960	1,311	1,118	(27)	(14)
Derivative financial instruments	(603)	(390)	915	55	(166)
Forward transactions	(439)	(390)	915	13	(148)
Options	(164)	—	—	—	100
Results from derecognition of assets	—	(16)	19	(100)	(50)
Net income from financial instruments	79,756	43,995	39,118	81	104

Gold and foreign currency quotation differences

During the quarter a Ps.4,890 million profit from gold and foreign currency quotation differences was recorded, compared to a Ps.1,127 million profit in the same quarter of 2021. This result includes a Ps.2,351 million gain from foreign-currency trading. .

Other operating income

Other operating income for the quarter reached Ps.15,075 million (14%), increasing Ps.5,904 million from the recorded in the third quarter of 2021, mainly as a consequence of a Ps.7,235 million (313%) increase of other adjustments and interest on miscellaneous receivables.

Other Operating Income						
In millions of pesos, except otherwise noted						
	2022		2021		Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21	
Other financial income	(76)	323	11	(23)	(791)	
Fees from bundles of products	3,038	2,959	3,772	3	(19)	
Rental of safe deposit boxes	704	816	976	(14)	(28)	
Other fee income	750	701	524	7	43	
Other adjustments and interest on miscellaneous receivables	9,544	6,699	2,309	42	313	
Other	1,115	1,598	1,579	(30)	(29)	
Total other operating income	15,075	13,096	9,171	15	64	

Provisions for loan losses

Provisions for loan losses for the second quarter amounted to Ps.5,320 million, Ps.2,509 million (89%) higher than those recorded in the same quarter of the prior year.

Personnel expenses

Personnel expenses amounted to Ps.13,343 million, increasing Ps.1,049 million (9%) from the same quarter of 2021, as a consequence of the 2% increase in staff and salary adjustments.

Administrative expenses

Administrative expenses for the quarter totaled Ps.13,215 million, decrease 2% as compared to the third quarter of 2021, as a consequence of a Ps.289 million (10%) decrease in hired administrative services, and lower taxes and fees for Ps.211 millions (7%).

Administrative Expenses					
In millions of pesos, except otherwise noted	2022		2021		Variation (%)
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Fees and compensations for services	797	610	653	31	22
Fees to directors and syndics	26	27	25	(4)	4
Publicity, promotion and research expenses	510	592	664	(14)	(23)
Taxes	2,733	2,826	2,944	(3)	(7)
Maintenance and repairment of goods and IT	2,600	2,927	2,643	(11)	(17)
Electricity and communications	720	790	854	(9)	(16)
Representation expenses	—	1	—	(100)	—
Stationery and office supplies	295	216	167	37	77
Hired administrative services	2,657	2,950	2,946	(10)	35
Security	395	337	414	17	(4)
Insurance	132	157	168	(16)	(21)
Other	2,350	2,115	1,993	11	18
Total administrative expenses	13,215	13,548	13,471	(2)	(2)

Depreciation and devaluation of assets

Depreciation and devaluation of assets amounted to Ps.4,775 million, up 3% from the same quarter of 2021.

Other operating expenses

Other operating expenses for the quarter amounted to Ps.21,851 million, with a Ps.529 million (2%) increase compared to the Ps.21,322 million recorded in the third quarter of the previous year. This increase was mainly related to higher turnover tax Ps.2,599 millions (24%), offset by lower charges for other provisions for Ps.2,623 millions (56%).

Other Operating Expenses					
In millions of pesos , except otherwise noted	2022		2021		Variation (%)
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Contribution to the Deposit Insurance Fund	607	609	689	—	(12)
Other financial results	121	—	18	—	572
Turnover tax	13,379	10,257	10,780	30	24
On financial income	9,147	7,019	7,356	30	24
On fees	3,738	2,858	3,024	31	24
On other items	494	380	400	30	24
Other fee-related expenses	4,489	3,349	3,523	34	27
Charges for other provisions	2,094	2,665	4,717	(21)	(56)
Claims	403	229	850	76	(53)
Other	758	419	745	81	(23)
Total other operating expenses	21,851	17,528	21,322	25	2

Income tax

The income tax charge was Ps.902 million, Ps.3,999 million lower than in the third quarter of 2021.

Other comprehensive income

In the third quarter of 2022, Banco Galicia does not record other comprehensive income. In contrast, in the same quarter of fiscal year 2021, there was a total of Ps.90 millions in negative results, generated by government securities valued at fair value with changes in other comprehensive income (Bote).

Selected financial information

Balance Sheet					
In millions of pesos, except otherwise noted					
	2022	2021	Variation (%)		
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Assets					
Cash and due from banks	304,710	327,034	414,922	(7)	(27)
Debt securities	573,522	428,532	386,942	34	48
Net loans and other financing	802,708	925,374	851,390	(13)	(6)
Other financial assets	534,155	571,821	614,924	(7)	(13)
Equity investments in subsidiaries, associates and joint businesses	1,300	1,410	1,093	(8)	19
Property, bank premises, equipment	88,616	87,413	92,245	1	(4)
Intangible assets	30,197	30,694	32,012	(2)	(6)
Other assets	10,144	11,997	8,068	(15)	26
Assets available for sale	1	96	2	(99)	(50)
Total assets	2,345,353	2,384,371	2,401,598	(2)	(2)
Liabilities					
Deposits	1,679,572	1,694,013	1,712,198	(1)	(2)
Financing from financial entities	11,311	13,991	19,322	(19)	(41)
Other financial liabilities	115,401	134,704	128,820	(14)	(10)
Negotiable obligations	11,523	14,405	15,047	(20)	(23)
Subordinated negotiable obligations	36,995	39,078	45,274	(5)	(18)
Other liabilities	79,939	87,046	77,801	(8)	3
Total liabilities	1,934,741	1,983,237	1,998,462	(2)	(3)
Shareholders' equity	410,612	401,134	403,136	2	2
Foreign currency assets and liabilities					
Assets	401,683	381,664	483,305	5	(17)
Liabilities	338,399	375,607	465,753	(10)	(27)
Net forward purchases/(sales) of foreign currency ⁽¹⁾	(10,702)	(14,890)	(22,804)	(28)	(53)
Net global position in foreign currency	52,582	(8,833)	(5,251)	(280)	(1,101)

(1) Recorded off-balance sheet.

Level of activity

Financing

As of September 30, 2022, total financing to the private sector reached Ps.901,937 million, 4% lower than a year before, mainly as a consequence of a Ps.18,540 million (3%) decrease of peso-denominated loans and a Ps.13,119 million (21%) decrease of UVA-adjusted loans.

The Bank's market share of loans to the private sector as of September 30, 2022, was 11.52%, increasing 25 bp from September 30, 2021.

Financing to the Private Sector⁽¹⁾					
In millions of pesos, except otherwise noted	2022		2021		Variation (%)
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
In pesos	788,264	915,462	823,016	(14)	(4)
Loans	712,980	832,524	731,520	(14)	(3)
UVA-adjusted loans	48,730	52,532	61,849	(7)	(21)
Financial leases	2,003	1,616	802	24	150
Other financing ⁽²⁾	24,551	28,790	28,845	(15)	(15)
In foreign currency	113,673	116,007	114,207	(2)	—
Loans	58,329	60,489	88,686	(4)	(34)
Financial leases	634	824	1,854	(23)	(66)
Other financing ⁽²⁾	54,710	54,694	23,667	—	131
Total financing to the private sector	901,937	1,031,469	937,223	(13)	(4)

(1) Includes IFRS adjustments.

(2) Includes certain off-balance sheet accounts related to guarantees granted.

Breakdown of loans and other financing

In millions of pesos, except otherwise noted

	2022		2021		Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21	
Financial entities	9,232	14,937	11,239	(38)	(18)	
Loans	9,228	14,936	11,207	(38)	(18)	
Other financing	4	1	32	300	(88)	
Non-financial private sector and residents abroad	826,844	950,614	892,417	(13)	(7)	
Loans	810,811	930,609	870,848	(13)	(7)	
Overdrafts	58,026	79,912	49,120	(27)	18	
Promissory notes	282,476	330,856	272,008	(15)	4	
Mortgage loans	18,616	22,303	32,050	(17)	(42)	
Pledge loans	24,647	25,376	27,506	(3)	(10)	
Personal loans	78,837	83,823	82,576	(6)	(5)	
Credit-card loans	277,093	303,596	318,928	(9)	(13)	
Pre-financing and financing of exports	11,679	18,953	36,245	(38)	(68)	
Other Loans	21,133	13,319	9,549	59	121	
Accrued interest, adjustments and foreign currency quotation differences receivable	41,716	54,885	46,563	(24)	(10)	
Documented interest	(3,412)	(2,414)	(3,697)	41	(8)	
Financial leases	2,637	2,440	2,656	8	(1)	
Other financing	13,396	17,565	18,913	(24)	(29)	
Non-financial public sector	1,208	1	—	N/A	—	
Total loans and other financing	837,284	965,551	903,654	(13)	(7)	
Allowances	(34,576)	(40,178)	(52,266)	(14)	(34)	
Loans	(34,168)	(39,720)	(51,591)	(14)	(34)	
Financial leases	(16)	(17)	(26)	(6)	(38)	
Other financing	(392)	(440)	(652)	(11)	(40)	
Net loans and other financing	802,708	925,374	851,390	(13)	(6)	

As of September 30, 2022, net loans and other financing amounted to Ps.802,708 million, decreasing 6% from September 30, 2021, primarily due to a Ps.41,835 million (13%) decrease in credit cards and a Ps.24,566 million (68%) decrease in pre-financing and financing of exports.

Exposure to the Argentine public sector

Net Exposure to the Argentine Public Sector⁽¹⁾

In millions of pesos, except otherwise noted

	2022		2021		Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21	
Government securities' net Position	919,328	729,956	490,367	26	87	
Measured at fair value	567,170	447,005	398,529	27	42	
Leliq	494,005	421,713	299,671	17	65	
Other	73,165	25,292	98,858	189	(26)	
Measured at amortized cost	352,158	282,951	84,812	24	315	
Botes	51,504	48,277	48,691	7	6	
Lecer	244,242	231,436	36,121	6	576	
Lediv	40,402	—	—	—	—	
Other	16,010	3,238	—	—	—	
Measured at fair value through OCI	—	—	7,026	—	(100)	
Botes	—	—	7,026	—	(100)	
Other receivables resulting from financial brokerage	110,706	147,465	441,799	(25)	(75)	
Repurchase agreement transactions -Argentine Central Bank	109,460	147,421	441,693	(26)	(75)	
Loans and other financing	1,212	2	32	60,500	3,688	
Trust certificates of participation and securities	34	42	74	(19)	(54)	
Total exposure to the public sector	1,030,034	877,421	932,166	17	10	

(1) Excludes deposits with the Argentine Central Bank, which constitutes one of the items by which the Bank complies with minimum cash requirements.

As of September 30, 2022, the Bank's exposure to the public sector amounted to Ps.1,030,034 million, recording a 10% increase during the last twelve months, primarily due to higher holding of Lecer recorded at amortized cost.

Excluding the exposure to the Argentine Central Bank (Leliq, Lediv and repurchase agreement transactions), net exposure to the public sector reached Ps.386,167 million (16% of total assets), while as of September 30, 2021, it amounted to Ps.190,802 million (8% of total assets).

Funding and liabilities

As of September 30, 2022, the Bank's deposits amounted to Ps.1,679,572 million, representing a 2% decrease during the last twelve months. This was a consequence of the Ps.105,364 million (29%) decrease of dollar-denominated deposits.

The peso-denominated deposits registered an increase of Ps.72,738 million (5%), as result of a higher volume of time deposits of Ps.112,969 million (19%) and other deposits of Ps.52,707 million (27%).

Deposits					
In millions of pesos, except otherwise noted	2022		2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
In pesos	1,416,885	1,400,194	1,344,147	1	5
Current accounts	236,526	285,164	328,958	(17)	(28)
Saving accounts	164,884	210,945	186,954	(22)	(12)
Time deposits	697,786	624,493	584,817	12	19
UVA-adjusted time deposits	35,898	55,209	29,279	(35)	23
Other	247,434	197,842	194,727	25	27
Interests and adjustments	34,357	26,541	19,412	29	77
In foreign currency	262,687	293,819	368,051	(11)	(29)
Saving accounts	150,930	170,060	210,993	(11)	(28)
Time deposits	46,298	50,463	65,375	(8)	(29)
Other	65,380	73,186	91,555	(11)	(29)
Interests and adjustments	79	110	128	(28)	(38)
Total deposits	1,679,572	1,694,013	1,712,198	(1)	(2)

At the end of the quarter, there were more than 6.6 million deposit accounts, 5% more than a year before.

As of September 30, 2022, the Bank's estimated market share of private sector deposits in the Argentine financial system was 10.19%, decreasing 23 bp from a year before.

Financial Liabilities					
In millions of pesos, except otherwise noted	2022		2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Financial entities	11,311	13,991	19,322	(19)	(41)
Financing from credit-card purchases	49,622	54,788	52,625	(9)	(6)
Negotiable obligations	11,523	14,405	15,047	(20)	(23)
Subordinated negotiable obligations	36,995	39,078	45,274	(5)	(18)
Creditors from purchases of foreign currency	12,345	91	29,453	13,466	(58)
Collections on account of third parties	25,084	29,313	22,919	(14)	9
Other financial liabilities	28,350	50,512	23,823	(44)	19
Total financial liabilities	175,230	202,178	208,463	(13)	(16)

Financial liabilities at the end of the third quarter amounted to Ps.175,230 million, Ps.33,233 million (16%) lower than the Ps.208,463 million recorded a year before.

This variation was mainly due to decreases of Ps.17,108 million (58%) on creditors from purchases or foreign currency, a decrease of Ps.8,279 million (18%) on subordinated negotiable obligations and Ps.8,011 million (41%) on financing received from financial institutions.

Liquidity

Liquidity					
Percentages, except otherwise noted		2022	2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Cash and due from banks	304,710	327,034	414,922	(7)	(27)
Government securities	425,619	338,740	257,939	26	65
Call-money	(1,237)	2,814	2,568	(144)	(148)
Overnight placements in correspondent banks	19,176	10,968	7,759	75	147
Repurchase agreement transactions	107,783	130,704	441,247	(18)	(76)
Escrow accounts	32,936	21,262	33,072	55	—
Other financial assets	530	57,093	1,009	(99)	(47)
Total liquid assets	889,517	888,615	1,158,516	—	(23)
Liquidity ratios (%)				Variation (bp)	
Liquid assets as a percentage of transactional deposits	109.56	96.12	116.21	1,344	(665)
Liquid assets as a percentage of total deposits	52.96	52.46	67.66	50	(1,470)

As of September 30, 2022, the Bank's liquid assets represented 109.56% of the Bank's transactional deposits and 52.96% of its total deposits, as compared to 116.21% and 67.66%, respectively, as of September 30, 2021.

Assets quality

The non-accrual portfolio (that includes certain items of other financial assets and guarantees granted) amounted to Ps.18,504 million as of September 30, 2022, representing 2.05% of private-sector financing, recording a 211 bp decrease as compared to the 4.16% recorded in the same quarter of 2021.

Considering the provisions on unused balances of credit cards and overdrafts, the Bank's coverage of the non-accrual portfolio with total allowances for loan losses reached 233.89%, compared to 171.80% of a year before.

Financing Portfolio Quality					
In millions of pesos, except otherwise noted					
	2022		2021		Variation (%)
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Non-accrual Financings	18,504	22,266	39,007	(17)	(53)
With preferred guarantees	1,115	977	2,068	14	(46)
With other guarantees	585	684	1,600	(15)	(63)
Without guarantees	16,804	20,604	35,339	(18)	(52)
Allowance for loan losses	43,279	48,653	67,016	(11)	(35)
Relevant ratios (%)	Variation (bp)				
NPL Ratio	2.05	2.16	4.16	(11)	(211)
Allowance for loan losses to loans to the private sector	4.79	4.72	7.15	8	(236)
Coverage	233.89	218.51	171.80	1,538	6,209
Non-accrual loans with guarantees to non-accrual financing	9.19	7.46	9.40	173	(22)
Cost of risk	2.95	4.51	2.91	(156)	4

Analysis of Loan Loss Experience

In millions of pesos, except otherwise noted

		2022	2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Allowance for loan losses					
At the beginning of the quarter	48,653	54,334	68,275	(10)	(29)
Changes in the allowance for loan losses					
Provisions charged to income	7,049	9,114	6,891	(23)	2
Charge offs	(1,747)	(5,844)	(1,780)	(70)	(2)
Inflation effect	(10,676)	(8,951)	(6,370)	19	68
Allowance for loan losses at the end of the quarter	43,279	48,653	67,016	(11)	(35)
Charge to the income statement					
Provisions charged to income	(7,049)	(9,114)	(6,891)	(23)	2
Direct charge offs	(88)	(136)	(127)	(35)	(31)
Bad debts recovered	560	683	1,126	(18)	(50)
Net charge to the income statement	(6,577)	(8,567)	(5,892)	(23)	12

During the quarter, Ps.1,747 million were charged off against the allowance for loan losses and direct charges to the income statement for Ps.88million were made.

Capitalization

The minimum capital requirement and the corresponding integration are presented below. Balances are disclosed in accordance with the applicable regulation valid and in currency of each period.

Regulatory Capital					
In millions of pesos, except otherwise noted					
	2022		2021		Variation (%)
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Minimum capital required (A)	127,313	111,333	67,969	14	87
Allocated to credit risk	91,557	85,185	50,934	7	80
Allocated to market risk	6,102	1,203	1,977	407	209
Allocated to operational risk	29,654	24,945	15,058	19	97
Computable capital (B)	402,513	327,612	223,993	23	80
Tier I	372,305	294,915	196,958	26	89
Tier II	30,208	32,697	27,035	(8)	12
Excess over required capital (B) (A)	275,200	216,279	156,024	27	76
Risk weighted assets	1,558,073	1,359,516	831,066	15	87
Ratios (%)					Variation (bp)
Total capital ratio	25.83	24.10	26.95	173	(112)
Tier I capital ratio	23.90	21.69	23.70	221	20

As of September 30, 2022, the Bank's computable capital amounted to Ps.402,513 million, and the minimum capital requirement for that same period was Ps.127,313 million, leaving an available margin of Ps.275,200 million (216%). This excess was Ps.156,024 million (230%) as of the same date in 2021.

The minimum capital requirement increased Ps.59,344 million as compared to September 30, 2021, mainly due to the growth of the regulatory requirements on risk weighted assets. Computable capital increased Ps.178,520 million in the same period, primarily as consequence of the results generated during the quarter and to an increase of the accounting shareholders' equity as a result of the inflation adjustment. The total capital ratio was 25.83%, decreasing 112 bp during the last twelve months.

NaranjaX

Naranja X is the fintech entity of Grupo Financiero that assists clients to promote the use of money. Naranja X creates technological solutions for the personal and business financials of millions of Argentines. Naranja X's biggest challenge is being easily accessible to customers and providing them with simple tools to help them grow, improve their quality of life and access a world of possibilities

Highlights

Ps.934 million

Net income

-77% vs. 3Q 2021

5.08%

ROE

-1,736 bp vs. 3Q 2021



2,825

Employees



8,553

Credit cards
In thousands

81.95%

Efficiency

+2,679 bp vs. 3Q 2021



170

Branches and other
points of sale



The data shown in the tables of this report and the consolidated financial statements correspond to Tarjetas Regionales S.A. consolidated line by line with the subsidiaries under its control.

Results for the quarter

Income Statement					
In millions of pesos, except otherwise noted		2022	2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Net interest income	13,251	17,033	15,448	(22)	(14)
Net fee income	12,358	11,168	11,968	11	3
Net results from financial instruments	3,319	529	168	527	1876
Gold and foreign currency quotation differences	(83)	(66)	42	26	(298)
Other operating income	2,385	2,167	2,446	10	(2)
Loan loss provisions	(1,827)	(3,111)	(1,922)	(41)	(5)
Net operating income	29,403	27,720	28,150	6	4
Personnel expenses	(4,646)	(5,502)	(4,457)	(16)	4
Administrative expenses	(4,632)	(4,489)	(4,508)	3	3
Depreciations and devaluations of assets	(1,077)	(889)	(1,343)	21	(20)
Other operating expenses	(7,775)	(7,304)	(6,177)	6	26
Operating income	11,273	9,536	11,665	18	(3)
Results from the net monetary position	(10,684)	(9,061)	(4,851)	18	120
Income tax	345	122	(2,817)	183	(112)
Net income	934	597	3,997	56	(77)

In the third quarter of fiscal year 2022, Naranja X recorded a Ps.934 million net income, Ps.3,063 million lower than in the same quarter of 2021 as a consequence of higher negative result from the net monetary position of 120%. However, the operating result for the quarter reached Ps.11,273 million, 3% lower than the Ps.11,665 million of the same quarter of 2021.

This profit represented an annualized 1.13% return on average assets and an 5.08% return on average shareholder's equity, compared to 5.59% and 22.45%, respectively, from the third quarter of 2021.

Net operating income amounted to Ps.29,403 million, increasing 4% from the third quarter of 2021, as a consequence of a higher net results from financial instruments (1876%), offset by lower net interest income (14%) from higher financial costs.

Profitability and efficiency

Percentages, except otherwise noted

		2022	2021	Variation (bp)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
ROA	1.13	0.76	5.59	37	(446)
ROE	5.08	3.33	22.45	175	(1,736)
Financial margin	19.75	21.13	21.16	(138)	(141)
Efficiency ratio	81.95	72.79	55.16	916	2,679

Selected financial information

Balance Sheet					
In millions of pesos, except otherwise noted	2022		2021		Variation (%)
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Assets					
Cash and due from banks	5,545	4,651	5,559	19	—
Debt securities	2,717	4,050	223	(33)	1,118
Net loans and other financing	264,792	284,167	257,373	(7)	3
Other financial assets	34,880	10,977	2,539	218	1274
Property, bank premises, equipment	11,054	10,178	10,823	9	2
Intangible assets	3,491	3,604	3,295	(3)	6
Other non-financial assets	9,165	8,545	8,378	7	9
Total assets	331,644	326,172	288,190	2	15
Liabilities					
Deposits	10,550	11,489	—	(8)	—
Financing from financial entities	51,224	53,270	26,900	(4)	90
Other financial liabilities	128,395	142,249	130,407	(10)	(2)
Negotiable obligations	53,156	33,279	39,531	60	34
Other non-financial liabilities	14,939	13,438	18,828	11	(21)
Total liabilities	258,264	253,725	215,666	2	20
Shareholders' equity	73,380	72,447	72,524	1	1

Assets quality

Loan Portfolio Quality					
Percentages, except otherwise noted	2022		2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Non-accrual loans	9,387	10,370	8,476	(9)	66
Allowances for loan losses and provisions	13,474	15,923	13,681	(15)	10
Ratios (%)	Variation (bp)				
NPL Ratio	3.41	3.50	3.15	(8)	26
Allowance for loan losses to loans to the private sector	4.90	5.37	5.09	(47)	(18)
Coverage	143.54	153.54	161.41	(1,000)	(1,787)
Cost of risk	3.61	4.24	2.81	(64)	80

As of September 30, 2022, taking into consideration the provisions for unused credit-card balances, the coverage ratio amounted to 143.54%, compared to 161.41% on the same date of the previous year.

Analysis of Loan Loss Experience

In millions of pesos, except otherwise noted

	2022		2021		Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21	
Allowances for loan losses						
At the beginning of the quarter	15,923	17,008	14,437	(6)	10	
Changes in the allowance for loan losses						
Provisions charged to income	2,170	2,722	1,429	(20)	52	
Reversals of allowances for loan losses	(1,093)	(979)	(462)	12	137	
Charge off	(644)	(155)	(486)	315	33	
Effect of inflation	(2,882)	(2,673)	(1,237)	8	133	
Allowance for loan losses at the end of the quarter	13,474	15,923	13,681	(15)	(2)	
Charge to the income statement						
Provisions charged to income	(2,170)	(2,722)	(1,429)	(20)	52	
Direct charge offs	(364)	(389)	(440)	(6)	(17)	
Bad debt recovered	371	202	391	84	(5)	
Net charge to the income statement	(2,163)	(2,909)	(1,478)	(26)	46	

Fondos Fima

Since 1958, Fondos Fima has been managing mutual funds, distributed by Banco Galicia through its multiple channels and other agents.

Highlights

Ps.1,409 million

Net income

+76% vs. 3Q 2021

Ps.620

+10% vs. 3Q 2021

**Assets under
management
In billions**



22

Employees

10.6%

+30 bp vs. 3Q 2021

Market share



14

**Assets under
management**



The data shown in the tables of this report and the financial statements correspond to Galicia Asset Management S.A.U.

Results for the quarter

Income Statement

In millions of pesos, except otherwise noted

	2022		2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Net interest income	—	(1)	61	(100)	(100)
Net results from financial instruments	656	309	199	112	230
Gold and foreign currency quotation differences	2	2	—	—	—
Other operating income	2,811	2,711	1,749	4	61
Net operating income	3,469	3,021	2,009	15	73
Personnel and administrative expenses	(266)	(233)	(247)	14	8
Other operating expenses	(189)	(167)	(111)	13	70
Operating income	3,014	2,621	1,651	15	83
Results from the net monetary position	(622)	(392)	(214)	59	191
Income tax	(983)	(850)	(638)	16	54
Net income	1,409	1,379	799	2	76

Assets under management

Mutual fund					
In millions of pesos, except otherwise noted		2022	2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Fima Premium	486,834	488,711	425,946	—	14
Fima Ahorro Pesos	21,873	28,202	30,938	(22)	(29)
Fima Ahorro Plus	44,134	45,054	58,066	(2)	(24)
Fima Capital Plus	32,302	21,409	14,500	51	123
Fima Renta en Pesos	16,925	21,703	15,612	(22)	8
Fima Renta Plus	8,587	16,080	8,471	(47)	1
Fima Abierto Pymes	1,325	1,433	1,682	(8)	(21)
Fima Acciones	2,292	1,461	1,799	57	27
Fima PB Acciones	1,819	1,365	1,726	33	5
Fima Mix I	2,841	2,752	4,850	3	(41)
Fima Mix II	189	32	—	—	—
Fima Renta Acciones Latinoamerica	90	91	124	(1)	(27)
Fima Renta Fija Internacional	1,016	1,100	2,163	(8)	(53)
Fima Sustentable ESG	172	53	—	—	—
Total assets under management	620,399	629,446	565,877	(1)	10

Selected financial information

Balance Sheet

In millions of pesos, except otherwise noted

	2022		2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Assets					
Cash and due from banks	966	895	677	8	43
Net loans and other financing	—	—	932	—	(100)
Other financial assets	3,445	3,774	2,526	(9)	36
Total assets	4,441	4,669	4,135	(5)	7
Liabilities					
Other non-financial liabilities	1,797	1,310	1,196	37	50
Total liabilities	1,797	1,310	1,196	37	50
Shareholders' equity	2,644	3,359	2,939	(21)	(10)



Galicia Seguros' commercial activity began in 1996 as a member of Grupo Financiero Galicia. Today it is a leader in home, theft, and personal accident insurance.

Highlights

Ps.896 million

Net income

+73% vs. 3Q 2021

89.52%

ROE

-3,776 bp vs. 3Q 2021

87.20%

Combined ratio

+275 bp vs. 3Q 2021



374

Employees



2,704

**Insurance Policies
In thousands**



The data shown in the tables of this report and the consolidated financial statements correspond to Sudamericana Holding S.A. consolidated line by line with the subsidiaries under its control.

Results for the quarter

Income Statement					
In millions of pesos, except otherwise noted		2022	2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Earned premium	4,675	4,690	5,076	—	(8)
Incurred claims	(658)	(990)	(997)	(34)	(34)
Withdrawals	(6)	(30)	(22)	(80)	(73)
Life annuities	(6)	(7)	(8)	(14)	(25)
Acquisition and general expenses	(2,098)	(1,982)	(2,334)	6	(10)
Other income and expenses	(56)	(24)	(44)	133	27
Underwriting income	1,851	1,657	1,671	12	11
Interest income	2,658	2,188	517	21	414
Net results from financial instruments	(1,930)	(1,742)	(167)	(29)	1056
Gold and foreign currency quotation differences	1	(15)	—	(107)	—
Other operating income	443	87	88	409	403
Net operating income	3,023	2,175	2,109	39	43
Personnel expenses	(754)	(665)	(706)	13	7
Administrative expenses	(379)	(354)	(309)	7	23
Depreciations and devaluations of assets	(120)	(118)	(124)	2	(3)
Other operating expenses	—	—	(1)	—	(100)
Operating income	1,770	1,038	969	71	83
Results from the net monetary position	(422)	(359)	(219)	18	93
Income tax	(452)	(417)	(232)	8	95
Net income	896	262	518	242	73
Other comprehensive income	(4)	(25)	(12)	(84)	(67)
Total comprehensive income	892	237	506	276	76

Profitability and efficiency

Percentages, except otherwise noted

		2022	2021	Variation (bp)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
ROA	30.66	8.84	15.52	2,182	1,514
ROE	89.52	26.40	45.19	6,312	4,432
Efficiency ratio	87.20	88.84	89.48	(164)	(228)
Combined ratio	76.73	82.15	82.31	(542)	(558)

Selected financial information

Balance Sheet

In millions of pesos , except otherwise noted

	2022		2021	Variation (%)	
	3Q	2Q	3Q	vs. 2Q22	vs. 3Q21
Assets					
Cash and due from banks	278	12	71	2217	292
Debt securities	204	160	64	28	219
Net loans and other financing	6	21	16	(71)	(63)
Other financial assets	6,038	3,752	4,660	61	30
Property, bank premises, equipment	385	1,481	1,563	(74)	(75)
Intangible assets	105	124	119	(15)	(12)
Assets for insurance contracts	4,615	4,929	5,262	(6)	(12)
Other non-financial assets	1,221	151	1,943	709	(37)
Total assets	12,852	10,630	13,698	21	(6)
Liabilities					
Financing from financial entities	—	127	—	(100)	—
Liabilities for insurance contracts	5,020	5,091	5,560	(1)	(10)
Other non-financial liabilities	3,346	1,819	3,385	84	(1)
Total liabilities	8,366	7,037	8,945	19	(6)
Shareholders' equity	4,486	3,593	4,753	25	(6)

Relevant information

Agripay

On September 27, Grupo Financiero Galicia made an irrevocable capital contribution to Agripay in the amount of Ps.276.7 million on account of a future share subscription, which will allow Grupo Financiero Galicia to obtain a 15% equity in Agripay's capital stock.

Regulatory changes

Communication "A" 7605 - Term deposits and investments. Line of financing for the productive investment of MiPyMEs. Interest rates in credit operations.

As of September 16, 2022, the Argentine Central Bank determined the minimum rates for received fixed-term deposits that do not exceed a total of Ps.10 million: 75% TNA, and for the rest of deposits: 66.5% TNA.

In addition, it increases to 64.5% TNA the rate provided for financing investment projects and to 74.5% TNA the rate provided for the productive investment of MiPyMEs of the regulations on 'Financing line for productive investment of MiPyMEs'.

Effective as of the billing cycle corresponding to October 2022, it raises the compensatory interest limit for financing linked to credit cards that financial institutions can apply to 77% per year.

Communication "A" 7612 - Line of financing for the productive investment of MSMEs. Adjustments.

The Argentine Central Bank incorporates the "2022/2023 quota" into the regulations on "Financing line for productive investment of MiPyMEs", effective as of October 1, 2022, with the same conditions provided for the 2022 quota.

For this, the entities covered must maintain a balance of financing included that is, at least, equivalent to 7.5% of their non-financial private sector deposits in pesos subject to fractional reserve, calculated based on the average daily balances of September 2022. For those that are not included in Group "A", the minimum percentage to be applied will be 25% of that previously provided.

Glossary and additional information

Combined ratio: (acquisition and general expenses + personnel expenses + administrative expenses + depreciations and devaluations of assets + incurred claims + other income and expenses) / (earned premiums + withdrawals + life annuities).

Cost of risk: (loan-loss provisions + loan-loss provisions on unused balances of credit-cards and overdrafts, and on guarantees granted) / average financing.

Coverage: (allowance for loan losses + provisions for unused balances of credit-cards and overdrafts and guarantees granted) / non-accrual financing.

Digital customers: number of customers with login in digital channels in the last 90 days.

Efficiency ratio: (personnel expenses + administrative expenses + depreciation and devaluations of assets) / (divided by net interest income plus net fee income + net result from financial instruments + foreign currency quotation differences + insurance premiums earned + certain items included in other operating income -other financial income, fees from bundles of products, rental of safe deposits boxes and other fee income- and expenses -contribution to the deposit insurance fund, other financial expenses, other fee-related expenses and turnover tax on financial income and fees- + result from the net monetary position).

Financial margin: (net interest income + net result from financial instruments + foreign currency quotation differences + underwriting income from insurance business + certain items included in other operating income -other financial income- and expenses -contribution to the deposit insurance fund, other financial expenses and turnover tax on financial income-) / average balance of interest-earning assets.

Non-accrual portfolio: includes loans classified under the following categories of the Argentine Central Bank classification: With Problems and Medium Risk, High Risk of Insolvency and High Risk and Uncollectible.

NPL ratio: non-accrual portfolio / total financing.

ROA: net income attributable to the company on average assets.

ROE: net income attributable to the company on average shareholders' equity.

Inflation, exchange rate and interest rates

	2022				2021
	3Q	2Q	1Q	4Q	3Q
Consumer price index (IPC) ⁽¹⁾	967.3076	793.0278	676.0566	582.4575	528.4968
Consumer price index (IPC) (%)	21.98	17.30	16.07	10.21	9.28
Wholesale price index (IPIM) (%) ⁽²⁾	22.19	16.75	15.52	8.27	7.73
Acquisition value unit (UVA) ⁽³⁾	154.72	129.08	108.9	97.51	88.76
Exchange rate (Ps./US\$) ⁽⁴⁾	147.315	125.22	110.98	102.75	98.74
Badlar ⁽⁵⁾ (quartely averages)	59.37	45.71	38.6	34.17	34.15

(1) Published by the INDEC (National Institute of Statistics)

(2) Reference exchange rate in accordance with Communiqué "A" 3500 from the Argentine Central Bank, last working day of the quarter.


(3) Private banks' 30-day time deposits rate for amounts over Ps.1 million.

(4) Argentine Central Bank reference exchange rate Communication "A" 3500. On the last business day of each period.

(5) Argentine Central Bank reference rate for time deposits greater than one million pesos from private banks.

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