

CRESUD INC
Form 6-K
December 13, 2013

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15b-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

For the month of December, 2013

Cresud Sociedad Anónima, Comercial, Inmobiliaria,
Financiera y Agropecuaria
(Exact name of Registrant as specified in its charter)

Cresud Inc.
(Translation of registrant's name into English)

Republic of Argentina
(Jurisdiction of incorporation or organization)

Moreno 877
(C1091AAQ)
Buenos Aires, Argentina
(Address of principal executive offices)

Form 20-F ☒ Form 40-F ☐

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

Yes ☐ No ☒

CRESUD S.A.C.I.F y A.

(THE "COMPANY")

REPORT ON FORM 6-K

Attached is an English translation of the Financial Statements for the three-month period ended on September 30, 2013 and on September 30, 2012 filed by the Company with the Comisin Nacional de Valores and the Bolsa de Comercio de Buenos Aires::

Cresud Sociedad Anónima, Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Condensed Interim Consolidated Financial Statements as of September 30, 2013 and for the three-month periods ended September 30, 2013 and 2012

Legal Information

Denomination: Cresud Sociedad Anónima, Comercial, Inmobiliaria, Financiera y Agropecuaria
 Fiscal year N°: 81, beginning on July 1, 2013
 Legal address: Moreno 877, 23rd floor – Ciudad Autónoma de Buenos Aires, Argentina
 Company activity: Real state, agricultural, commercial and financial activities
 Date of registration of the By-laws in the Public Registry of Commerce: February 19, 1937
 Date of registration of last amendment of the by-laws in the Public Registry of Commerce: February 25, 2013
 Expiration of Company charter: June 6, 2082
 Common Stock subscribed, issued and paid up: 501,562,730 common shares.

Majority shareholder's: Inversiones Financieras del Sur S.A.
 Legal address: Road 8, km 17,500, Zonamérica Building 1, store 106, Montevideo, Uruguay
 Parent company Activity: Investment
 Capital stock: 190,031,684 common shares

CAPITAL STATUS

Type of stock	Authorized to be offered publicly (Shares)	Subscribed, Issued and Paid-in (Ps.)
Ordinary certified shares of Ps. 1 face value and 1 vote each	501,562,730	501,562,730

Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Condensed Interim Consolidated Statements of Financial Position
as of September 30, 2013 and June 30, 2013

(All amounts in thousands of Argentine Pesos, except shares and per share data and as otherwise indicated)

Free translation from the original prepared in Spanish for publication in Argentina

	Note	September 30, 2013	June 30, 2013
ASSETS			
Non-current assets			
Investment properties	10	4,255,433	4,179,901
Property, plant and equipment	11	1,935,584	1,841,454
Trading properties	12	182,867	182,553
Intangible assets	13	129,153	125,312
Biological assets	14	269,479	303,128
Investments in associates and joint ventures	8, 9	1,553,549	1,486,862
Deferred income tax assets	26	290,141	179,228
Income tax credit		206,036	198,871
Restricted assets	17	57,943	54,631
Trade and other receivables	18	303,123	291,430
Investment in financial assets	19	665,215	253,742
Derivative financial instruments	20	15,273	25,377
Total non-current assets		9,863,796	9,122,489
Current Assets			
Trading properties	12	10,813	11,689
Biological assets	14	100,490	97,564
Inventories	15	241,837	252,376
Restricted assets	17	1,179	1,022
Income tax credit		4,897	4,779
Trade and other receivables	18	1,211,625	1,446,091
Investment in financial assets	19	580,358	385,585
Derivative financial instruments	20	18,671	41,544
Cash and cash equivalents	21	634,759	1,047,586

Total current assets	2,804,629	3,288,236
TOTAL ASSETS	12,668,425	12,410,725
SHAREHOLDERS EQUITY		
Capital and reserves attributable to equity holders of the parent		
Share capital	496,562	496,562
Treasury stock	5,001	5,001
Inflation adjustment of share capital and treasury stock	65,425	65,425
Share premium	773,079	773,079
Share warrants	106,264	106,264
Cumulative translation adjustment	73,874	2,284
Changes in non-controlling interest	(22,204)	(21,996)
Equity-settled compensation	13,917	8,345
Legal reserve	46,835	46,835
Reserve for new developments	337,065	337,065
Special reserve	695,628	695,628
Retained earnings	(124,371)	(26,522)
Equity attributable to equity holders of the parent	2,467,075	2,487,970
Non-controlling interest	2,310,410	2,231,096
TOTAL SHAREHOLDERS EQUITY	4,777,485	4,719,066

The accompanying notes are an integral part of these Unaudited Condensed Interim Consolidated Financial Statements.

Cresud S.A.C.I.F. y A.

By: /s/ Alejandro G. Elsztain
Alejandro G. Elsztain
Vice- President II acting as President

Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Condensed Interim Consolidated Statements of Financial Position
as of September 30, 2013 and June 30, 2013 (Continued)

(All amounts in thousands of Argentine Pesos, except shares and per share data and as otherwise indicated)

Free translation from the original prepared in Spanish for publication in Argentina

	Note	September 30, 2013	June 30, 2013
LIABILITIES			
Non-current liabilities			
Trade and other payables	22	251,786	228,267
Income tax liabilities		66,979	-
Borrowings	25	4,032,506	4,189,896
Deferred income tax liabilities	26	518,821	530,263
Derivative financial instruments	20	-	2,773
Payroll and social security liabilities	23	5,611	3,984
Provisions	24	102,718	71,626
Total non-current liabilities		4,978,421	5,026,809
Current liabilities			
Trade and other payables	22	868,803	911,700
Income tax liabilities		35,005	80,024
Payroll and social security liabilities	23	103,534	120,835
Borrowings	25	1,881,637	1,527,390
Derivative financial instruments	20	8,205	8,691
Provisions	24	15,335	16,210
Total current liabilities		2,912,519	2,664,850
TOTAL LIABILITIES		7,890,940	7,691,659
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		12,668,425	12,410,725

Cresud S.A.C.I.F. y A.

By: /s/ Alejandro G. Elsztain
Alejandro G. Elsztain

Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Condensed Interim Consolidated Statements of Income
for the three-month periods ended September 30, 2013 and 2012

(All amounts in thousands of Argentine Pesos, except shares and per share data and as otherwise indicated)

Free translation from the original prepared in Spanish for publication in Argentina

	Note	September 30, 2013	September 30, 2012
Revenues	28	1,126,122	749,968
Costs	29	(885,868)	(640,722)
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest		126,252	188,662
Changes in the net realizable value of agricultural produce after harvest		(8,012)	23,240
Gross profit		358,494	321,148
Gain from disposal of investment properties		-	29,468
General and administrative expenses	30	(111,242)	(76,875)
Selling expenses	30	(80,885)	(60,427)
Other operating results	32	(4,718)	(36,824)
Profit from operations		161,649	176,490
Share of profit of associates and joint ventures	8, 9	38,366	15,746
Profit from operations before financing and taxation		200,015	192,236
Finance income	33	73,492	51,024
Finance cost	33	(473,780)	(242,211)
Other financial results	33	65,876	22,655
Financial results, net	33	(334,412)	(168,532)
(Loss) / profit before income tax		(134,397)	23,704
Income tax expense	26	45,382	(15,703)
(Loss) / profit for the period		(89,015)	8,001
Attributable to:			
Equity holders of the parent		(97,849)	(16,518)
Non-controlling interest		8,834	24,519
Profit per share attributable to equity holders of the parent during the period:			
Basic		(0.20)	(0.03)
Diluted		(i) (0.20)	(i) (0.03)

(i) Due to the loss for the period, there is no diluted effect on this result.

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The accompanying notes are an integral part of these Unaudited Condensed Interim Consolidated Financial Statements.

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Cresud Sociedad Anónima,
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Unaudited Condensed Interim Consolidated Statements of Comprehensive Income
for the three-month periods ended September 30, 2013 and 2012
(All amounts in thousands of Argentine Pesos, except shares and per share data and as otherwise indicated)
Free translation from the original prepared in Spanish for publication in Argentina

	September 30, 2013	September 30, 2012
(Loss) / profit for the period	(89,015)	8,001
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Currency translation adjustment	144,156	50,789
Currency translation adjustment from associates and joint ventures	(855)	245
Other comprehensive income for the period (i)	143,301	51,034
Total comprehensive income for the period	54,286	59,035
Attributable to:		
Equity holders of the parent	(26,259)	5,979
Non-controlling interest	80,545	53,056

(i) Components of other comprehensive income have no impact on income tax.

The accompanying notes are an integral part of these Unaudited Condensed Interim Consolidated Financial Statements.

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Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
for the three-month periods ended September 30, 2013 and 2012

(All amounts in thousands of Argentine Pesos, except shares and per share data and as otherwise indicated)

Free translation from the original prepared in Spanish for publication in Argentina

	Share Capital	Treasury Stock	Inflation adjustment of Treasury Capital and Stock	Share premium	Share warrants	Subtotal	Changes in non-controlling interest	Cumulative in currency translation adjustment	Equity-settled compensation	Legal reserves	Reserve for new developments
Balance as of July 1, 2013	496,562	5,001	65,425	773,079	106,264	1,446,331	(21,996)	2,284	8,345	46,835	337,000
(Loss) / gain for the period	-	-	-	-	-	-	-	-	-	-	-
Others comprehensive income for the period	-	-	-	-	-	-	-	71,590	-	-	-
Total comprehensive income / (loss) for the period	-	-	-	-	-	-	-	71,590	-	-	-
Equity-settled compensation	-	-	-	-	-	-	-	-	5,860	-	-
Changes in non-controlling interest	-	-	-	-	-	-	(208)	-	-	-	-
Cancellation of Brasilagro warrants	-	-	-	-	-	-	-	-	(288)	-	-
Cash dividends	-	-	-	-	-	-	-	-	-	-	-
Capital contribution of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-
Capital distribution	-	-	-	-	-	-	-	-	-	-	-
Balance as of September 30, 2013	496,562	5,001	65,425	773,079	106,264	1,446,331	(22,204)	73,874	13,917	46,835	337,000

(1) Related to CNV General Resolution No. 609/12. See Note 27.

The accompanying notes are an integral part of these Unaudited Condensed Interim Consolidated Financial Statements.

Cresud S.A.C.I.F. y A.

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Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
for the three-month periods ended September 30, 2013 and 2012

(All amounts in thousands of Argentine Pesos, except shares and per share data and as otherwise indicated)

Free translation from the original prepared in Spanish for publication in Argentina

	Share Capital	Treasury Stock	Inflation adjustment of Share Capital and Treasury Stock	Share premium	Share warrants	Subtotal	Changes in non-controlling interest	Cumulative adjustment	Equity settled compensation	Legal reserve	Reserve for new developments
Balance as of July 1, 2012	496,562	5,001	166,218	773,079	106,263	1,547,123	(9,596)	(81,939)	4,540	42,922	389,200
(Loss) / Gain for the period	-	-	-	-	-	-	-	-	-	-	-
Others comprehensive income for the period	-	-	-	-	-	-	-	22,497	-	-	-
Total comprehensive (loss) / income for the period	-	-	-	-	-	-	-	22,497	-	-	-
Changes in non-controlling interest	-	-	-	-	-	-	2,103	-	-	-	-
Equity-settled compensation	-	-	-	-	-	-	-	-	1,823	-	-
Capital contribution of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-
Capital distribution	-	-	-	-	-	-	-	-	-	-	-
Exercise of warrants	-	-	-	-	1	1	-	-	-	-	-
Balance as of September 30, 2012	496,562	5,001	166,218	773,079	106,264	1,547,124	(7,493)	(59,442)	6,363	42,922	389,200

The accompanying notes are an integral part of these Unaudited Condensed Interim Consolidated Financial Statements.

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Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Condensed Interim Consolidated Statements of Cash Flows
for the three-month periods ended September 30, 2013 and 2012

(All amounts in thousands of Argentine Pesos, except shares and per share data and as otherwise indicated)

Free translation from the original prepared in Spanish for publication in Argentina

	Note	September 30, 2013	September 30, 2012
Net cash generated from operating activities:			
Cash generated from operations	21	420,589	416,869
Income tax paid		(48,778)	(25,972)
Net cash generated from operating activities		371,811	390,897
Net cash generated from investing activities:			
Acquisition of associates and joint ventures		(13,259)	-
Capital contributions to joint ventures		(1,220)	(7,570)
Acquisition of derivative financial instruments		(2,000)	-
Suppliers advances		(13,120)	-
Purchases of investment properties		(71,698)	(37,210)
Proceeds from sale of subsidiaries		274	-
Proceeds from sale of investment properties		119,000	53,487
Purchases of property, plant and equipment		(29,858)	(138,497)
Proceeds from sale of property, plant and equipment		650	2,546
Proceeds from sale of farmlands		15,504	2,270
Purchases of intangible assets		(281)	(707)
Acquisition of Investment in financial assets		(915,896)	(127,302)
Proceeds from disposals of Investment in financial assets		380,089	65,900
Loans granted to associates and joint ventures		(14,280)	(18,245)
Loans repayments received from associates and joint ventures		445	211
Proceeds from sale of joint ventures		7,736	-
Dividends received		15,878	4,953
Net cash used in investing activities		(522,036)	(200,164)
Net cash generated from financing activities:			
Repurchase of equity interest		(3,478)	-
Proceeds from issuance of non-convertible notes, net		-	142,168
Payment of non-convertible notes net		(151,538)	(96,904)
Borrowings		248,760	103,624
Payment of seller financing of shares		(1,640)	-
Repayments of borrowings		(215,887)	(258,695)
Payments of borrowings from subsidiaries, associates and joint ventures		(186)	-

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Proceeds from borrowings from associates and joint ventures	2,000	47,181
Proceeds from warrants	-	1
Cancellation of Brasilagro warrants	(288)	-
Payment of seller financing	(438)	(2,044)
Acquisition of non-controlling interest in subsidiaries	-	(5,694)
Dividend paid to non-controlling interest	(5,790)	(38,684)
Contributions from non-controlling interest	347	1,700
Capital reduction of subsidiaries	(812)	(10,215)
Interest paid	(174,149)	(130,430)
Net cash used in financing activities	(303,099)	(247,992)
Net decrease in cash and cash equivalents	(453,324)	(57,259)
Cash and cash equivalents at beginning of period	21	1,047,586
Foreign exchange gain on cash and cash equivalents	40,497	6,694
Cash and cash equivalents at end of period	634,759	421,357

The accompanying notes are an integral part of these Unaudited Condensed Interim Consolidated Financial Statements

Cresud S.A.C.I.F. y A.

By: /s/ Alejandro G. Elsztain
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Vice- President II acting as President

Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Condensed Interim Consolidated Financial Statements
(All amounts in thousands of Argentine Pesos, except shares and per share data and as otherwise indicated)
Free translation from the original prepared in Spanish for publication in Argentina

1. General information

1.1 The Group's business and general information

Cresud Sociedad Anónima, Comercial, Inmobiliaria, Financiera y Agropecuaria ("Cresud" or the "Company") was founded in 1936 as a subsidiary of Credit Foncier, a Belgian company primarily engaged in providing rural and urban loans in Argentina and administering real estate holdings foreclosed by Credit Foncier. Credit Foncier was liquidated in 1959, and as part of such liquidation, the shares of Cresud were distributed to Credit Foncier's shareholders. From the 1960s through the end of the 1970s, the business of Cresud shifted exclusively to agricultural activities.

In 2002, Cresud acquired a 19.85% interest in IRSA Inversiones y Representaciones Sociedad Anónima ("IRSA"), a real estate company related to certain shareholders of Cresud. In 2009, Cresud increased its ownership percentage in IRSA to 55.64% and IRSA became Cresud's principal subsidiary.

Cresud and its subsidiaries are collectively referred to hereinafter as the Group. See Note 2.3 to the Consolidated Financial Statements as of June 30, 2013 and 2012 for a description of the Group's companies.

As of September 30, 2013, the Group operates in two major lines of business: (i) Agricultural business, (ii) Investment and Development Properties business. See Note 7 to the Unaudited Condensed Interim Consolidated Financial Statements as of June 30, 2013 and 2012 for a description of the Group's segments.

The Group's Agricultural business operations are comprised of crop production, cattle feeding, raising and fattening, milk production, sugarcane production and brokerage activities. The Group's Agro-industrial business operations are conducted through its subsidiary, Cactus Argentina S.A., and are engaged in cattle feeding services in specialized feedlots primarily for third parties. Feedlots provide accommodation, health care and animal feeding services based on specialized diets. Cactus also uses the feedlot to finish own cattle prior to slaughter in owned slaughtering houses. The Group currently has agricultural operations and investments in Argentina, Brazil, Uruguay, Paraguay and Bolivia.

The business line known as urban property and investments also includes the Group's financial transactions. The Group's Investment and Development Properties business operations are conducted primarily through its subsidiary IRSA and IRSA's principal subsidiary, Alto Palermo S.A. ("APSA"). Through APSA, the Group primarily owns, manages and develops shopping centers across Argentina. APSA has also a direct 20% stake in a credit card company. Through IRSA, the Group primarily owns, manages and develops a portfolio of office and other rental properties in Buenos Aires, the capital of Argentina. Through IRSA or APSA, the Group also develops residential properties for sale. The Group, through IRSA, is also involved in the operation of branded hotels. The Group uses the term "real estate" indistinctively in these consolidated financial statements to denote investment, development and/or trading properties activities.

Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Condensed Interim Consolidated Financial Statements (Continued)
(All amounts in thousands of Argentine Pesos, except shares and per share data and as otherwise indicated)
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1. General information (Continued)

In 2009, IRSA entered into the US real estate market, mainly through the acquisition of non-controlling interests in US assets, primarily office properties and hotel investments.

The Group's financial transactions and transactions in other businesses are carried out mainly through its subsidiary IRSA and through APSA, which is IRSA's main subsidiary. IRSA has also a 29.77% interest (without considering treasury shares) in Banco Hipotecario S.A. ("BHSA"). BHSA is a commercial bank offering a wide variety of banking activities and related financial services to individuals, small and medium-sized companies and large corporations, including the provision of mortgaged loans. BHSA's shares are listed on the Buenos Aires Stock Exchange. Additionally, APSA holds a participating interest of 20 % in Tarshop S.A. ("Tarshop"), whose main business comprises extending loans and credit cards.

Cresud's and APSA's shares are listed and traded on both the Buenos Aires Stock Exchange ("BASE") and the National Association of Securities Dealers Automated Quotation ("NASDAQ"). IRSA's shares are listed and traded on both the BASE and the New York Stock Exchange ("NYSE").

Cresud is the ultimate parent company and is a corporation incorporated and domiciled in the Republic of Argentina. The address of its registered office is Moreno 877, 23rd Floor, Buenos Aires, Argentina.

These consolidated financial statements have been approved for issue by the Board of Directors on November 11, 2013.

2. Basis of preparation of the Unaudited Condensed Interim Consolidated Financial Statements

2.1. Basis of preparation

The present unaudited condensed interim consolidated financial statements for the three-month periods ended September 30, 2013 and 2012 (the "Unaudited Condensed Interim Consolidated Financial Statements") have been prepared in accordance with IAS 34 "Interim Financial Reporting".

These Unaudited Condensed Interim Consolidated Financial Statements should be read together with the annual consolidated financial statements of the Company as of June 30, 2013. These Unaudited Condensed Interim Consolidated Financial Statements are expressed in thousands of Argentine Pesos.

Cresud Sociedad Anónima,
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Notes to the Unaudited Condensed Interim Consolidated Financial Statements (Continued)
(All amounts in thousands of Argentine Pesos, except shares and per share data and as otherwise indicated)
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2. Basis of preparation of the unaudited condensed interim consolidated financial statements (Continued)

The Condensed Interim Consolidated Financial Statements corresponding to the three-month periods ended as of September 30, 2013 and 2012 have not been audited. The Company's management believes they include all necessary adjustments to fairly present the results of each period. Results for the three-month periods ended as of September 30, 2013 and 2012 do not necessarily reflect proportionally the Company's results for the complete fiscal years.

2.2 Significant Accounting Policies

The accounting policies applied in the preparation of these Unaudited Condensed Interim Consolidated Financial Statements are consistent with those applied in the preparation of the information under IFRS as of June 30, 2013. Most significant accounting policies are described in note 2 included in the Consolidated Financial Statements as of June 30, 2013 and 2012.

2.3 Use of estimates

The preparation of financial statements at a certain date requires the Management to make estimations and evaluations affecting the amount of assets and liabilities recorded and contingent assets and liabilities disclosed at such date, as well as income and expenses recorded during the period. Actual results might differ from the estimates and evaluations made at the date of preparation of these financial statements.

In the preparation of these condensed interim consolidated financial statements, the significant judgments made by Management in applying the Group's accounting policies and the main sources of uncertainty were the same applied by the Group in the preparation of the annual consolidated financial statements for the year ended as of June 30, 2013, save for changes in accrued income tax, provision for legal claims and allowance for doubtful accounts.

3. Seasonal effects on operations

The operations of the Group's agricultural business are also subject to seasonal effects. The harvests and sale of grains (corn, soybean and sunflower) generally take place between February and June every year. Wheat is generally harvested between November and January. In Bolivia, weather conditions make it possible to have two soybeans, corn and barley seasons and, therefore, these crops are harvested in April and October, whereas wheat and sunflower are harvested in August and September, respectively. Other segments of the agricultural business, such as beef cattle and milk production tend to be more stable. However, beef cattle and milk production is generally larger during the second quarter, when conditions are more favorable. In case of sugar cane, harvest and sale take place between May and November of each year. As a result, there may be material fluctuations in the agricultural business results across quarters.

Cresud Sociedad Anónima,
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Notes to the Unaudited Condensed Interim Consolidated Financial Statements (Continued)
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3. Seasonal effects on operations (Continued)

The operations of the Group's shopping centers are also subject to seasonal effects, which affect the level of sales recorded by lessees. During summer time (January and February), the lessees of shopping centers experience the lowest sales levels in comparison with the winter holidays (July) and December (Christmas) when they tend to record peaks of sales. Apparel stores generally change their collections during the spring and the fall, which impacts positively on shopping mall sales. Sale discounts at the end of each season also affect the business. As a consequence, a higher level of revenues is generally expected in the second half of the year rather than the first in shopping center operations.

In November, 2012, the Group took control over Ribgy 183 LLC ("Rigby"), a company that owns a rental office building located in New York, US (see Note 4 to the annual consolidated financial statements). Therefore, balances as of September 30, 2012 do not include Rigby's operations.

4. Acquisitions and disposals

For the three-month period ended as of September 30, 2013

Subscription of shares of Avenida Inc. and Avenida Compras S.A.

On August 29, 2013, the Group, through Torodur S.A., subscribed 3,703,704 shares of Avenida Inc. and 23,077 shares of Avenida Compras S.A., representing 26.09% and 2.10% of its outstanding capital, respectively. Additionally, Avenida Inc. owns 90.91% of Avenida Compras S.A., thus being the Group's indirect interest in Avenida Compras of 25.81%. The amount of the transaction was Ps. 13,034, which has already been paid in full. The Group has a warrant to increase such equity interest up to 37.04% of the company.

Stock Call Option Agreement for Arcos del Gourmet S.A.

On September 16, 2013, Alto Palermo S.A. (APSA) entered into an agreement with Messrs. Eduardo Giana, Pablo Bossi and Patricio Tobal whereby the latter grant to APSA an exclusive and irrevocable option to purchase 10% of the equity interest and all the related rights of Sociedad Arcos del Gourmet S.A. The term to exercise the option runs from the execution of the agreement to December 31, 2018. The stock purchase price, in the event the option is exercised, is US\$ 0.8 million per each percentage point of the Company's capital stock. The option price is made up of a fixed amount of US\$ 2 million and another variable amount payable monthly, which results from applying 4.5% on the amounts accrued in each previous calendar month for rental and right of admission, net of certain expenses, from the opening of the shopping mall until the end of the lease agreement between APSA and Arcos.

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4. Acquisitions and disposals (Continued)

Transfer of Entretenimiento Universal S.A.'s shares

On September 11, 2013, Entertainment Holdings S.A. ("EHSA") sold to APSA 300 shares of stock with a nominal value of Ps. 1 and one voting right each, accounting for 2.5% of Entretenimiento Universal S.A.'s capital stock ("ENUSA", a company exclusively engaged in the entertainment business and in organizing other social and corporate events), which APSA already owned indirectly. The consideration for the transfer was set at Ps. 0.001 for all shares.

Transactions with non-controlling interest

BRASILAGRO

During the three-month period ended September 30, the Group sold 10,400 shares of BrasilAgro, representing a 0.02% interest, for a total amount of Ps. 0.27 million. Consequently, the Company recognized an increase in non-controlling interest for an amount of Ps. 0.25 million and an increase in equity attributable to owners of the parent of Ps. 0.02 million. The effect on shareholders' equity of this change in the equity interest in BrasilAgro is summarized as follows:

	Ps. (million)
Carrying value of the non controlling interests sold by the Group	(0.25)
Consideration collected from non-controlling interests	0.27
Reserve recorded in shareholders' equity	0.02

On the other hand, on September 2, 2013, BrasilAgro approved a share repurchase program for up to 3,511,130 common shares and for up to an aggregate amount not to exceed the balance of profits or available reserves disclosed in BrasilAgro's latest financial statements. As of September 30, 2013, BrasilAgro purchased 95,900 common shares for an aggregate amount of R\$ 0.9 million. Below is a summary of the effects of such transaction on shareholders' equity:

	Ps. (million)
Amount paid for repurchase	(2.29)
Decrease in non-controlling interest	2.31
Reserve recorded in shareholders' equity	0.02

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4. Acquisitions and disposals (Continued)

IRSA

On July 25, 2013, IRSA's Board of Directors set forth the terms and conditions governing the purchase of the Company's own stock pursuant to Section 64 of Law No. 26,831 and the CNV's regulations, for up to an aggregate amount of Ps. 200.0 million and up to 5% of the capital stock, in the form of shares or Global Depositary Shares (GDS) representing 10 shares each, and up to a daily limit of 25% of the average daily transaction volume experienced by the IRSA's shares, along with the markets where they are listed, during the prior 90 business days, and at a price ranging from a minimum of Ps. 1 up to Ps. 8 per share, payable in Argentine legal tender. Subsequently, the Board of Directors decided to increase the maximum price to Ps. 14.50 per common share and US\$ 15.00 per GDS (see Note 37). The effect on shareholders' equity of that transaction is summarized as follows:

	Ps. (million)
Amount paid for repurchase	(1.18)
Decrease in non-controlling interest	0.93
Reserve recorded in shareholders' equity	(0.25)

5. Financial risk management

The group's diverse activities are exposed to a variety of financial risk: market risk (including foreign currency risk, interest rate risk and price risk) credit risk, liquidity risk and capital risk.

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6. Segment reporting

Below is a summarized analysis of the lines of business of the Group for the three-month period ended September 30, 2013:

	Agricultural business (I)	Urban properties and investments (II)	Total
Revenues	506,329	638,375	1,144,704
Costs	(592,527)	(307,656)	(900,183)
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	126,604	-	126,604
Changes in the net realizable value of agricultural produce after harvest	(8,012)	-	(8,012)
Gross profit	32,394	330,719	363,113
General and administrative expenses	(53,239)	(58,698)	(111,937)
Selling expenses	(50,302)	(31,821)	(82,123)
Other operating results	4,678	(10,237)	(5,559)
(Loss) / profit from operations	(66,469)	229,963	163,494
Share of profit of associates	2	34,356	34,358
Segment (loss) / profit	(66,467)	264,319	197,852
Investment properties	24,150	4,392,113	4,416,263
Property, plant and equipment	1,778,459	229,373	2,007,832
Trading properties	-	205,164	205,164
Goodwill	6,872	79,692	86,564
Biological assets	371,554	-	371,554
Inventories	230,024	15,361	245,385
Interests in associates	27,893	1,217,520	1,245,413
Total segment assets	2,438,952	6,139,223	8,578,175

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6. Segment information (Continued)

Below is a summarized analysis of the lines of business of the Group for the three-month period ended September 30, 2012:

	Agricultural business (I)	Urban properties and investments (II)	Total
Revenues	268,791	532,689	801,480
Costs	(401,633)	(280,353)	(681,986)
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	189,643	-	189,643
Changes in the net realizable value of agricultural produce after harvest	23,240	-	23,240
Gross Profit	80,041	252,336	332,377
Gain from disposal of investment properties	-	29,468	29,468
General and administrative expenses	(34,276)	(43,986)	(78,262)
Selling expenses	(37,076)	(27,334)	(64,410)
Other operating results	(27,955)	(9,379)	(37,334)
(Loss) / profit from operations	(19,266)	201,105	181,839
Share of profit of associates	1,408	13,043	14,451
Segment (loss) / profit	(17,858)	214,148	196,290
Investment properties	42,262	3,573,644	3,615,906
Property, plant and equipment	1,729,189	246,669	1,975,858
Trading properties	-	256,460	256,460
Goodwill	6,120	25,533	31,653
Biological assets	384,912	-	384,912
Inventories	270,796	17,728	288,524
Interests in associates	28,323	1,218,070	1,246,393
Total segment assets	2,461,602	5,338,104	7,799,706

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6. Segment information (Continued)

(I) Agriculture line of business:

The following tables present the reportable segments of the agriculture line of business of the Group:

	September 30, 2013						
	Agriculture				Agriculture Rentals and services	Agriculture Subtotal	Lan transform and sale
	Crops	Cattle	Dairy	Sugarcane			
Revenues	271,079	24,422	11,763	66,735	2,124	376,123	-
Costs	(295,301)	(52,568)	(22,895)	(107,124)	(2,573)	(480,461)	(1,700)
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	63,265	10,860	11,482	40,997	-	126,604	-
Changes in the net realizable value of agricultural produce after harvest	(8,012)	-	-	-	-	(8,012)	-
Gross profit / (loss)	31,031	(17,286)	350	608	(449)	14,254	(1,700)
General and administrative expenses	(26,278)	(7,252)	(1,671)	(10,720)	(2,361)	(48,282)	(306)
Selling expenses	(32,368)	(4,127)	(439)	(339)	(239)	(37,512)	107
Other operating results	5,346	(960)	(220)	-	(310)	3,856	(40)
(Loss) / profit from operations	(22,269)	(29,625)	(1,980)	(10,451)	(3,359)	(67,684)	(2,000)
Share of (loss)/profit of associates	(37)	-	-	-	-	(37)	-
Segment (loss)/profit	(22,306)	(29,625)	(1,980)	(10,451)	(3,359)	(67,721)	(2,000)
Investment properties	-	-	-	-	24,150	24,150	-
Property, plant and equipment	1,189,688	139,824	21,262	324,994	481	1,676,249	57,600
Goodwill	4,742	-	-	2,130	-	6,872	-
Biological assets	67,694	189,800	27,935	86,059	-	371,488	-
Inventories	171,830	18,543	-	1,354	-	191,727	-
Interests in associates	25,489	-	-	-	-	25,489	-
Total segment assets	1,459,443	348,167	49,197	414,537	24,631	2,295,975	57,600

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6. Segment information (Continued)

	September 30, 2012						
	Agriculture				Agriculture Rentals and services	Agriculture Subtotal	Land transform and sales
	Crops	Cattle	Dairy	Sugarcane			
Revenues	155,914	18,250	8,446	42,181	6,587	231,378	-
Costs	(231,070)	(31,475)	(17,019)	(81,965)	(1,835)	(363,364)	(1,64
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	108,349	11,390	9,613	60,341	-	189,693	-
Changes in the net realizable value of agricultural produce after harvest	23,254	(14)	-	-	-	23,240	-
Gross profit / (loss)	56,447	(1,849)	1,040	20,557	4,752	80,947	(1,64
General and administrative expenses	(16,923)	(4,307)	(846)	(7,947)	(1,065)	(31,088)	(146
Selling expenses	(31,279)	(2,659)	(334)	(6)	(440)	(34,718)	(16
Other operating results	(26,411)	(798)	(155)	(29)	(195)	(27,588)	(27
(Loss) / profit from operations	(18,166)	(9,613)	(295)	12,575	3,052	(12,447)	(1,83
Share of profit / (loss) of associates	881	-	-	-	-	881	-
Segment (loss) / profit	(17,285)	(9,613)	(295)	12,575	3,052	(11,566)	(1,83
Investment properties	-	-	-	-	42,262	42,262	-
Property, plant and equipment	931,541	132,507	20,938	556,254	2,714	1,643,954	57,60
Goodwill	4,286	-	-	1,834	-	6,120	-
Biological assets	82,792	187,723	27,010	87,387	-	384,912	-
Inventories	257,129	1,931	-	6,334	-	265,394	-
Interests in associates	12,783	7,304	522	2,087	261	22,957	-
Total segment assets	1,288,531	329,465	48,470	653,896	45,237	2,365,599	57,60

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6. Segment information (Continued)

(II) Urban properties and investments

The following tables present the reportable segments of the urban properties and investments line of business of the Group:

	September 30, 2013						Total urban and investment properties (II)
	Shopping Center Properties	Offices	Sales and developments	Hotel	International	Financial operations and others	
Revenues	455,839	74,004	16,060	72,927	19,361	184	638,375
Costs	(204,865)	(29,181)	(11,871)	(49,745)	(11,745)	(249)	(307,656)
Gross profit / (loss)	250,974	44,823	4,189	23,182	7,616	(65)	330,719
General and administrative expenses	(24,994)	(8,134)	(7,325)	(13,867)	(4,323)	(55)	(58,698)
Selling expenses	(14,044)	(6,968)	(2,532)	(8,674)	-	397	(31,821)
Other operating results	(5,909)	(868)	(1,147)	(106)	(135)	(2,072)	(10,237)
Profit / (loss) from operations	206,027	28,853	(6,815)	535	3,158	(1,795)	229,963
Share of profit / (loss) of associates	-	1,173	632	129	(23,437)	55,859	34,356
Segment profit / (loss)	206,027	30,026	(6,183)	664	(20,279)	54,064	264,319
Investment properties	2,304,091	847,645	438,246	-	794,211	7,920	4,392,113
Property, plant and equipment	18,723	28,825	4,010	177,611	204	-	229,373
Trading properties	1,484	99	122,563	-	81,018	-	205,164
Goodwill	8,582	11,661	4,541	-	54,908	-	79,692
Inventories	8,101	-	508	6,752	-	-	15,361
Interests in associates	-	25,268	33,391	21,468	974	1,136,419	1,217,520
Total segment assets	2,340,981	913,498	603,259	205,831	931,315	1,144,339	6,139,223

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6. Segment information (Continued)

	September 30, 2012						Total urban properties and investments (II)
	Shopping Center Properties	Offices	Sales and developments	Hotels	International	Financial operation and others	
Revenues	355,578	70,122	52,503	53,793	-	693	532,689
Costs	(170,526)	(29,543)	(39,139)	(40,729)	-	(416)	(280,353)
Gross profit	185,052	40,579	13,364	13,064	-	277	252,336
Gain from disposal of investment properties	-	-	29,468	-	-	-	29,468
General and administrative expenses	(14,408)	(6,752)	(6,981)	(12,348)	(3,241)	(256)	(43,986)
Selling expenses	(11,902)	(2,852)	(5,044)	(6,990)	-	(546)	(27,334)
Other operating results	(5,902)	(819)	(1,675)	185	(2,084)	916	(9,379)
Profit / (loss) from operations	152,840	30,156	29,132	(6,089)	(5,325)	391	201,105
Share of profit / (loss) of associates	-	-	564	43	(18,339)	30,775	13,043
Segment profit / (loss)	152,840	30,156	29,696	(6,046)	(23,664)	31,166	214,148
Investment properties	2,050,028	969,754	545,327	-	-	8,535	3,573,64
Property, plant and equipment	14,613	36,732	3,761	191,364	199	-	246,669
Trading properties	-	127	189,742	-	66,591	-	256,460
Goodwill	7,422	13,232	4,879	-	-	-	25,533
Inventories	11,312	-	484	5,932	-	-	17,728
Interests in associates	-	-	41,423	21,299	104,192	1,051,156	1,218,07
Total segment assets	2,083,375	1,019,845	785,616	218,595	170,982	1,059,691	5,338,10

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6. Segment information (Continued)

The following tables present reconciliation between the total results of segment operations and the results of operations as per the statement of income. The adjustments relate to the presentation of the results of operations of joint ventures accounted for under the equity method under IFRS.

	September 30, 2013		
	Adjustment for share of profit / (loss) of joint ventures		
	Total segment information		Total Statement of Income
Revenues	1,144,704	(18,582)	1,126,122
Costs	(900,183)	14,315	(885,868)
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	126,604	(352)	126,252
Changes in the net realizable value of agricultural produce after harvest	(8,012)	-	(8,012)
Gross profit / (loss)	363,113	(4,619)	358,494
General and administrative expenses	(111,937)	695	(111,242)
Selling expenses	(82,123)	1,238	(80,885)
Other operating results	(5,559)	841	(4,718)
Profit from operations before share of associates and Joint Ventures	163,494	(1,845)	161,649
Share of profit of associates and joint ventures	34,358	4,008	38,366
Profit from operations before Financing and Taxation	197,852	2,163	200,015

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6. Segment information (Continued)

	September 30, 2012		
	Adjustment for share of profit / (loss) of joint ventures		Total Statement of Income
	Total segment information		
Revenues	801,480	(51,512)	749,968
Costs	(681,986)	41,264	(640,722)
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	189,643	(981)	188,662
Changes in the net realizable value of agricultural produce after harvest	23,240	-	23,240
Gross profit	332,377	(11,229)	321,148
Gain from disposal of investment properties	29,468	-	29,468
General and administrative expenses	(78,262)	1,387	(76,875)
Selling expenses	(64,410)	3,983	(60,427)
Other operating results	(37,334)	510	(36,824)
Profit from operations before share of associates and Joint Ventures	181,839	(5,349)	176,490
Share of profit of associates and joint ventures	14,451	1,295	15,746
Profit from operations before Financing and Taxation	196,290	(4,054)	192,236

Total segment assets are allocated based on the operations of the segment and the physical location of the asset. In line with the analysis above, segment assets include the proportionate share of the assets of joint ventures. The statement of financial position under IFRS shows the net investment in these joint ventures as a single item.

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6. Segment information (Continued)

Total reportable segments' assets are reconciled to total assets as per the statement of financial position as follows:

	September 30, 2013
Total reportable assets as per Segment Information	8,578,175
Deconsolidation of investment properties	(160,830)
Deconsolidation of property, plant and equipment	(72,248)
Deconsolidation of trading properties	(11,484)
Deconsolidation of goodwill	(5,235)
Deconsolidation of biological assets	(1,585)
Deconsolidation of inventories	(3,548)
Deconsolidation of investments in associates and joint ventures	308,136
Total assets as per the Statement of Financial Position	8,631,381

7. Information about principal subsidiaries

The Group conducts its business through several operating and holding subsidiaries See breakdown of Group, their percentage of ownership interest, materiality criteria and other relevant information on the Group's subsidiaries in Note 2.3.a) of the Consolidated Financial Statements as of June 30, 2013 and 2012.

Set out below is the summarized financial information for each subsidiary that has non-controlling interests that are material to the Group:

Summarized statements of financial position

	IRSA September 30, 2013	June 30, 2013	Brasilagro September 30, 2013	June 30, 2013
Assets				
Non-current assets	7,096,268	6,487,209	1,267,709	1,210,560
Current assets	1,301,673	1,839,320	705,318	667,656
Total assets	8,397,941	8,326,529	1,973,027	1,878,216
Liabilities				
Non-current liabilities	3,853,168	3,590,593	161,438	168,553
Current liabilities	1,351,138	1,605,247	295,520	278,594
Total liabilities	5,204,306	5,195,840	456,958	447,147
Net assets	3,193,635	3,130,689	1,516,069	1,431,069

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7. Information about principal subsidiaries (Continued)

Summarized statements of income and statements of comprehensive income

	IRSA		Brasilagro	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
Revenues	621,447	483,047	93,474	88,539
Profit before income tax	48,216	88,436	(12,592)	(809)
Income tax expense	(12,948)	(37,626)	2,656	1,337
Profit / (loss) for the period	35,268	50,810	(9,936)	528
Other comprehensive income	23,293	10,490	96,476	41,071
Total other comprehensive income	58,561	61,300	86,540	41,599
Loss attributable to non-controlling interest	(11,268)	(9,668)	-	-

Summarized cash flows

	IRSA		Brasilagro	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
Cash flow from operating activities				
Net cash generated from operating activities	203,441	246,108	104,398	96,001
Cash flow from investing activities				
Net cash used in investing activities	(493,797)	(72,077)	(12,324)	(115,586)
Cash flow from financing activities				
Net cash used in financing activities	(246,189)	(153,759)	(18,872)	(11,377)
Net (decrease) / increase in cash and cash equivalents	(536,545)	20,272	73,202	(30,962)
Cash and cash equivalents at beginning of period	796,902	259,169	197,113	151,064
Foreign exchange gain on cash and cash equivalents	20,831	1,901	18,015	4,347
Cash and cash equivalents at end of period	281,188	281,342	288,330	124,449

The information above is the corresponding to balances and transactions before inter-company eliminations.

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8. Interests in joint ventures

As of June 30, 2013 the joint ventures of the Group were Cresca, Cyrsa S.A., Puerto Retiro S.A., Baicom Networks S.A., Quality Invest S.A., Nuevo Puerto Santa Fe S.A. (NPSF) and Entertainment Holdings S.A.

As stated in Note 4, APSA acquired shares of ENUSA. Thus as of September 30, 2013, the joint ventures of the Group are Cresca, Cyrsa S.A., Puerto Retiro S.A., Baicom Networks S.A., Quality Invest S.A., Nuevo Puerto Santa Fe S.A. (NPSF), EHSA and ENUSA (indirectly through an investment in EHSA. See Note 4). The shares in these joint ventures are not publicly traded.

As of November 29, 2012, APSA acquired shares representing 50% of capital stock and votes of EHSA.

On September 25, 2013, Sociedad Rural Argentina (SRA), La Rural de Palermo S.A. (LRPSA), Boulevard Norte S.A. (BNSA), Ogden Argentina S.A. (OASA), EHSA, ENUSA and La Rural S.A. (LRSA) executed a joint venture agreement and a shareholder's agreement mostly amending certain provisions set forth in prior agreements. APSA is now in the process of assessing any potential effect on the preliminary allocation of the purchase price of said acquisition.

Changes in the Group's investments in joint ventures for the three-month period ended as of September 30, 2013 and for the year ended June 30, 2013 were as follows:

	September 30, 2013	June 30, 2013
Beginning of the period / year	324,194	260,994
Acquisition of Joint Ventures (ii)	(12)	25,899
Capital contribution	1,220	42,892
Disposal of joint ventures	-	(6,534)
Cash dividends (i)	-	(1,250)
Share of profit/(loss)	5,183	(661)
Currency translation adjustments	2,795	2,854
End of the period / year (iii)	333,380	324,194

(i) During year ended on 2013, the Group cashed dividends from Nuevo Puerto Santa Fe in the amount of Ps. 1.3 million.

(ii) See Note 4.

(iii) Include a balance of Ps. (22) reflecting interests in companies with negative equity as of September 30, 2013 which are reclassified to "Provision". See Note 24.

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9. Interests in associates

As of June 30, 2013, the associates of the Group were New Lipstick LLC, BHSA, Tarshop S.A., Manibil S.A., Lipstick Management LLC, Banco de Crédito and Securitización S.A. ("BACS"), Bitania 26 S.A., Agrouanga S.A. and Agromanagers S.A..

As stated in Note 4, the Group acquired, through a subsidiary, equity interest in Avenida Inc and Avenida Compras S.A. (which will be dedicated to e-commerce business). Thus as of September 30, 2013, the associates of the Group are New Lipstick LLC, BHSA, Tarshop S.A., Manibil S.A., Lipstick Management LLC, BACS and Bitania 26 S.A., Agrouanga S.A., Agromanagers S.A., Avenida Inc and Avenida Compra S.A..

The evolution of the Group's investments in associates for the three-month period ended as of September 30, 2013 and for the year ended as of June 30, 2013 was as follows:

	September 30, 2013	June 30, 2013
Beginning of the period / year	1,123,577	1,239,566
Acquisition of Associates	13,057	-
Capital contribution	-	37,721
Business combinations	-	(103,315)
Share of profit / (loss)	33,183	(9,157)
Currency translation adjustments	(3,650)	(1,139)
Cash dividends (i)	(12,476)	(40,099)
End of the period / year (ii)	1,153,691	1,123,577

- (i) As of September, 2013, the Group cashed dividends from Agro-Uranga S.A. and BHSA in the amount of Ps. 2.0 million and Ps. 9.1 million, respectively. During the year ended on 2013, the Group cash dividends from Agro-Uranga S.A., Manibil S.A. and BHSA in the amount of Ps. 3.4 million, Ps. 4.8 million and Ps. 30.5 million, respectively.
- (ii) Include a balance of Ps. (66,456) and Ps. (39,091) reflecting interests in companies with negative equity as of September 30, 2013 and June 30, 2013, respectively, which is reclassified to "Provisions" (see Note 24).

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10. Investment properties

The evolution of the Group's investment properties for the three-month period ended as of September 30, 2013 and for the year ended as of June 30, 2013 was as follows:

	September 30, 2013	June 30, 2013
Beginning of the period / year	4,179,901	3,463,941
Additions	71,698	213,052
Reclassification of property, plant and equipment	(2,932)	10,095
Acquisition of interest in subsidiaries	-	679,219
Disposals	(64)	(69,505)
Depreciation charge (i)	(50,844)	(195,911)
Currency translation adjustments	57,674	79,010
End of the period / year	4,255,433	4,179,901

(i) Depreciation charges of investment properties were included in "Group Costs" in the Statement of Income (Note 30).

The following amounts have been recognized in the statement of income:

	September 30, 2013	September 30, 2012
Rental and service income	557,390	436,022
Direct operating expenses	(245,217)	(200,015)
Gain from disposal of investment properties	-	29,468

Properties under development mainly comprise works in Shopping Neuquén S.A. and Arcos del Gourmet S.A.. As of September 30, 2013 and June 30, 2013 works in Shopping Neuquén amount to Ps. 51,014 and Ps. 43,138, respectively. Works in Arcos del Gourmet as of September 30, 2013 and June 30, 2013 amount to Ps. 185,389 and Ps. 136,313, respectively.

As of September 30, 2013 contractual obligations mainly correspond to constructions regarding to both projects. In Shopping Neuquén S.A. contractual obligations amount to Ps. 205 million and the Project is expected to be completed in September, 2014. In Arcos del Gourmet S.A. contractual obligations amount to Ps. 234 million and the Project is expected to be completed in December, 2013.

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11. Property, plant and equipment

The evolution of the Group's property, plant and equipment for the three-month period ended as of September 30, 2013 and for the year ended as of June 30, 2013 were as follows:

	September 30, 2013	June 30, 2013
Beginning of the period / year	1,841,454	1,872,920
Currency translation adjustments	78,421	100,895
Additions	29,858	140,014
Reclassifications to investment properties	2,932	(10,095)
Reclassifications to intangibles assets	-	(336)
Disposals	(801)	(183,143)
Depreciation charge (Note 30) (i)	(16,280)	(78,801)
End of the period / year	1,935,584	1,841,454

- (i) For the three-month period ended as of September 30, 2013, depreciation charges of property, plant and equipment were included as follows: Ps. 1,465 under the line item "General and administrative expenses", Ps. 69 under the line item "Selling expenses" and Ps. 14,746 under the line item "Cost" in the Statement of Income. For the fiscal year ended June 30, 2013, depreciation charges of property, plant and equipment were included as follows: Ps. 5,663 under the line item "General and administrative expenses", Ps. 279 under the line item "Selling expenses" and Ps. 72,859 under the line item "Cost" in the Statement of Income.

12. Trading properties

The evolution of the Group's trading property for the three-month period ended as of September 30, 2013 and for the year ended as of June 30, 2013 was as follows:

	September 30, 2013	June 30, 2013
Beginning of the period / year	194,242	181,001
Currency translation adjustments	(30)	17,757
Additions	588	1,482
Disposals	(1,120)	(5,998)
End of the period / year	193,680	194,242

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13. Intangible assets

The evolution of the Group's intangible assets for the three-month period ended as of September 30, 2013 and for the year ended as of June 30, 2013 was as follows:

	September 30, 2013	June 30, 2013
Beginning of the period / year	125,312	75,077
Currency translation adjustments	4,671	6,514
Additions	281	2,691
Reclassification to property, plant and equipment	-	336
Acquisition of interest in subsidiaries	-	45,723
Disposals	-	(3)
Amortization charge (i)	(1,111)	(5,026)
End of the period / year	129,153	125,312

(i) Amortization charges are included in "General and administrative expenses" in the Statement of Income. (Note 30). There was no impairment charges for any of the periods presented.

14. Biological assets

The evolutions of the Group's biological assets for the three-month period ended as of September 30, 2013 and for the year ended as of June 30, 2013 were as follows:

	September 30, 2013	June 30, 2013
Beginning of the period / year	400,692	363,459
Purchases	341	8,375
Initial recognition and changes in the fair value of biological assets	115,173	851,289
Harvest	(125,510)	(756,067)
Sales	(28,334)	(73,788)
Consumes	(223)	(1,232)
Currency translation adjustments	7,830	8,656
End of the period / year	369,969	400,692

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14. Biological assets (Continued)

Biological assets as of September 30, 2013 and June 30, 2013 were as follows:

	Classification	September 30, 2013	June 30, 2013
Non-current			
Cattle for dairy production	Production	27,817	27,957
Breeding cattle	Production	146,938	155,058
Sugarcane	Production	86,059	111,063
Others	Production	8,665	9,050
Non-current biological assets		269,479	303,128
Current			
Cattle for dairy production	Consumable	118	177
Cattle for sale	Consumable	32,121	40,692
Crops	Consumable	67,260	55,879
Others	Consumable	991	816
Current biological assets		100,490	97,564
Total biological assets		369,969	400,692

15. Inventories

Group's inventories as of September 30, 2013 and June 30, 2013 were as follows:

	September 30, 2013	June 30, 2013
Current		
Crops	27,007	120,697
Materials and inputs	177,303	92,900
Seeds and fodder	16,997	22,397
Hotel supplies	6,752	5,962
Beef	11,856	8,985
Others	1,922	1,435
Current inventories	241,837	252,376
Total inventories	241,837	252,376

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16. Financial instruments by category

Determining fair values

IFRS 9 defines the fair value of a financial instrument as the amount for which a financial asset could be exchanged, or a financial liability settled, between knowledgeable, willing parties in an arm's length transaction. All financial instruments recognized at fair value are allocated to one of the valuation hierarchy levels of IFRS 7. This valuation hierarchy provides for three levels. The initial basis for the allocation is the "economic investment class". Only if this does not result in an appropriate allocation the Company deviates from such an approach in individual cases. The allocation reflects which of the fair values derive from transactions in the market and where valuation is based on models because market transactions are lacking.

In the case of Level 1, valuation is based on non-adjusted quoted prices in active markets for identical financial assets or liabilities that the Group can refer to at the date of the statement of financial position. A market is deemed active if transactions take place with sufficient frequency and in sufficient quantity for price information to be available on an ongoing basis. Since a quoted price in an active market is the most reliable indicator of fair value, this should always be used if available. The financial instruments the Group has allocated to this level mainly comprise equity investments, mutual funds, government bonds and corporate bonds for which quoted prices in active markets are available. In the case of shares, the Group allocates them to this level when either a stock market price is available or prices are provided by a price quotation on the basis of actual market transactions.

In the case of Level 2, fair value is determined by using valuation methods based on inputs directly or indirectly observable in the market. If the financial instrument concerned has a fixed contract period, the inputs for valuation must be observable for the whole of this period. The financial instruments the Group has allocated to this level mainly comprise interest rate swaps and foreign currency contracts.

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16. Financial instruments by category (Continued)

In the case of Level 3, the Group uses valuation techniques not based on inputs observable in the market. This is only permissible insofar as no observable market data are available. The inputs used reflect the Group's assumptions regarding the factors which market players would consider in their pricing. The Group uses the best available information for this, including internal company data. The financial instruments that the Group has allocated to this level mainly comprise warrants and shares without market price.

As of September 30, 2013, the Group has determined that Arcos del Gourmet S.A.'s stock option is a Level 3 financial instrument and is currently estimating its fair value, to be updated in the next accounting period.

Since June 30, 2013, there have been no transfers between the several tiers used in estimating the fair value of the Group's financial instruments, or reclassifications among their respective categories.

The Group's Finance Division has a team in place in charge of estimating valuation of financial assets required to be reported in the financial statements, including the fair value of Level 3 instruments. The team directly reports to the Chief Financial Officer (CFO).

The CFO and the valuation team discuss the valuation methods and results upon the acquisition of an asset and, if necessary, on a quarterly basis, in line with the Group's quarterly reports.

According to the Group's policy, transfers among the several categories of valuation tiers are recognized when occurred, or when there are changes in the prevailing circumstances requiring the transfer.

The following tables present the Group's financial assets and financial liabilities that are measured at fair value as of September 30, 2013 and June 30, 2013 and their allocation to the fair value hierarchy:

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16. Financial instruments by category (Continued)

	September 30, 2013			
	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through profit or loss				
- Investment in equity securities in TGLT	54,517	-	-	54,517
- Investment in equity securities in Hersha	32,159	-	-	32,159
- Other equity securities in public companies	894	-	-	894
- Corporate bonds	25,051	-	-	25,051
- Mutual funds	681,276	-	-	681,276
- Shares of Supertel	-	-	121,426	121,426
- Non-convertible notes	25,680	-	-	25,680
- Don Mario S.G.R.	12,213	-	-	12,213
- Government bonds	292,357	-	-	292,357
Derivative financial instruments:				
- Commodity derivatives	14,542	-	-	14,542
- Foreign-currency contracts	-	4,129	-	4,129
- Interest-rate swaps	-	3,223	-	3,223
- Warrants of Supertel	-	-	10,050	10,050
- Stock call option for the shares of Arcos del Gourmet S.A.	-	-	2,000	2,000
Cash and cash equivalents	168,011	-	-	168,011
Total assets	1,306,700	7,352	133,476	1,447,528
Liabilities				
Derivative financial instruments:				
- Foreign-currency contracts	-	1,639	-	1,639
- Interest-rate swaps	-	818	-	818
- Commodity derivatives	5,748	-	-	5,748
Total liabilities	5,748	2,457	-	8,205

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16. Financial instruments by category (Continued)

	June 30, 2013			
	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through profit or loss:				
- Investment in equity securities in TGLT	56,859	-	-	56,859
- Investment in equity securities in Hersha	30,163	-	-	30,163
- Corporate bonds	26,738	-	-	26,738
- Other equity securities in public companies	323	-	-	323
- Mutual funds	195,814	15,851	-	211,665
- Shares of Supertel	-	-	139,120	139,120
- Non-convertible notes	5,136	-	-	5,136
- Don Mario S.G.R.	11,691	-	-	11,691
- Government bonds	157,632	-	-	157,632
Derivative financial instruments:				
- Commodity derivatives	35,706	-	-	35,706
- Foreign-currency contracts	-	10,007	-	10,007
- Interest-rate swaps	-	4,259	-	4,259
- Warrants of Supertel	-	-	16,949	16,949
Cash and cash equivalents	129,880	-	-	129,880
Total assets	649,942	30,117	156,069	836,128
Liabilities				
Derivative financial instruments:				
- Foreign-currency contracts	-	11,461	-	11,461
- Commodity derivatives	3	-	-	3
Total liabilities	3	11,461	-	11,464

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16. Financial instruments by category (Continued)

The following table presents the changes in Level 3 instruments for the years ended September 30, 2013:

	Purchase option for the shares of Arcos	Warrants of Supertel	Shares of Supertel	Total
Balance as of June 30, 2013	-	16,949	139,120	156,069
Acquisition	2,000	-	-	2,000
Total losses for the period (i)	-	(6,899)	(17,694)	(24,593)
Balance as of September 30, 2013	2,000	10,050	121,426	133,476

(i) The gain / (loss) is not realized as of September 30, 2013 and is accounted for under “Other financial results” in the Statement of Income (Note 33)

Upon initial recognition (January, 2012), the consideration paid for the Shares and Warrants was assigned to both instruments based on the relative fair values of those instruments upon acquisition. The fair value of these instruments exceeded the transaction price and were determined using a valuation technique that uses inputs not observable in the market. As a result of the use of this technique, the Group has not recognized a gain at the time of initial recognition in the amount of US\$ 7.9 million.

According to Group estimates, all factors being constant, a 10% decline in the price of the underlying assets of Level 3 financial instruments (data observed in the market) as of September 30, 2013, would reduce pre-tax income by Ps. 16.2 million.

According to Group estimates, all factors being constant, a 10% increase in the credit spread (data which is not observable in the market) used in the valuation model applied to Level 3 financial instruments as of September 30, 2013, would reduce pre-tax income by Ps. 2.7 million. The rate used as of September 30, 2013 was 14.01%.

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16. Financial instruments by category (Continued)

When no quoted prices in an active market are available, fair values (particularly with derivatives) are based on recognized valuation methods. The Company uses a range of valuation models for the measurement of Level 2 and Level 3 instruments, details of which may be obtained from the following table:

Description	Pricing model	Pricing method	Parameters
Foreign-currency contracts	Present value method	Theoretical price	Money market curve; Interest curve Foreign exchange curve.
Swaps	Cash flows	Theoretical price	Interest rate futures and flows of funds
Shares of Supertel	Binomial tree	Theoretical price	Underlying asset (market price) and (historic) stock volatility and market interest rate (Libor curve)
Warrants of Supertel	Black-Scholes	Theoretical price	Price of underlying asset (market price) and (historic) stock volatility and market interest rate (Libor curve)
Call option of Arcos del Gourmet S.A.	Cost	-	-

17. Restricted assets

The following table presents the restricted assets as of September 30, 2013 and June 30, 2013:

	September 30, 2013	June 30, 2013
Non-current		
Escrow deposits	14,018	10,881
Mutual funds	43,925	43,750
Total Non-Current	57,943	54,631
Current		
Escrow deposits	1,179	1,022
Total Current	1,179	1,022
Total restricted assets	59,122	55,653

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18. Trade and other receivables

The table below shows trade and other receivables of the Group as of September 30, 2013 and June 30, 2013:

	September 30, 2013	June 30, 2013
Non-current		
Leases and services receivable	59,926	58,783
Consumer financing receivables	-	214
Receivables from sale of agriculture products	1,636	-
Property sales receivable (i)	86,842	88,387
Less: Allowance for doubtful accounts	(2,208)	(2,266)
Non-current trade receivables	146,196	145,118
Trade receivables from disposal of joint ventures	2,317	2,147
Prepayments	4,624	5,210
VAT receivables	21,134	28,944
Other tax receivables	71,031	62,759
Loans	1,667	-
Others	6,753	4,499
Non-current other receivables	107,526	103,559
Related parties (Note 35)	49,401	42,753
Non-current trade and other receivables	303,123	291,430
Current		
Consumer financing receivables	15,681	15,735
Leases and services receivable	215,786	369,289
Receivables from sale of agriculture products and farmlands leases	217,172	407,127
Receivables from hotel operations	32,134	26,201
Deferred checks received	193,932	213,541
Debtors under legal proceedings	54,145	51,610
Property sales receivable (i)	85,072	91,142
Less: allowance for doubtful accounts	(88,143)	(84,418)
Trade receivables	725,779	1,090,227
Trade receivables from disposal of joint ventures	13,894	20,555
Prepayments	64,975	78,603
VAT receivables	44,120	39,342
Gross sales tax credit	3,211	2,420
Other tax receivables	42,474	37,353
Loans	10,410	8,982

Expenses and services to recover	4,306	3,757
Suppliers advances	152,234	54,961
Guarantee deposits	48,024	10
Dividends received	345	2,828
Others	29,821	29,906
Less: allowance for doubtful accounts	(218)	(218)
Current other receivables	413,596	278,499
Related parties (Note 35)	72,250	77,365
Current trade and other receivables	1,211,625	1,446,091
Total trade and other receivables	1,514,748	1,737,521

(i) Property sales receivables primarily comprise trading properties, investment properties and farmlands.

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18. Trade and other receivables (Continued)

The fair values of current trade and other receivables approximate their respective carrying amounts due to their short-term nature.

The evolution of the Group's provision for impairment of trade receivables were as follows:

	September 30, 2013	June 30, 2013
Beginning of the period / year	86,902	72,480
Charge for the year	10,134	32,229
Unused amounts reversed	(4,800)	(16,142)
Used during the period/year	(2,043)	(1,610)
Receivables written off	-	(235)
Currency translation adjustments	376	180
End of the period / year	90,569	86,902

The creation and release of provision for impaired receivables have been included in "Selling expenses" in the statement of income (Note 30). Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash.

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19. Investment in financial assets

Group's investment in financial assets as of September 30, 2013 and June 30, 2013 were as follows:

	September 30, 2013	June 30, 2013
Non-current		
Financial assets at fair value through profit or loss		
Investment in equity securities in TGLT	54,517	56,859
Investment in equity securities in Hersha	32,159	30,163
Mutual Funds (Note 35) (i)	446,753	17,249
Shares of Supertel	121,426	139,120
Other equity securities in public companies	90	93
Don Mario S.G.R.	10,060	10,060
Shares	210	198
Total Investment in Financial Assets Non-current	665,215	253,742
Current		
Financial assets at fair value through profit or loss		
Mutual funds	234,523	194,416
Don Mario S.G.R.	2,153	1,631
Corporate Notes – Related Parties	-	22,261
Non-convertible notes	25,680	5,136
Corporate bonds	25,051	4,477
Government bonds	292,357	157,632
Others	594	32
Total Investment in Financial Assets current	580,358	385,585
Total Investment in Financial Assets	1,245,573	639,327

(i) During the quarter the Group has subscribed, through subsidiaries Tyrus and Ritelco, shares from Dolphin for the amount of US\$ 75 million. See Note 37.

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20. Derivative financial instruments

Group's derivative financial instruments as of September 30, 2013 and June 30, 2013 were as follows:

	September 30, 2013	June 30, 2013
Assets		
Non-current		
Swaps	3,223	4,259
Foreign-currency contracts	-	4,169
Supertel warrants (i)	10,050	16,949
Call option of Arcos del Gourmet S.A. (Note 4)	2,000	-
Total non-current	15,273	25,377
Current		
Commodities	14,542	35,706
Foreign-currency contracts	4,129	5,838
Total current	18,671	41,544
Total assets	33,944	66,921
Liabilities		
Non-current		
Foreign-currency contracts	-	2,773
Total non-current	-	2,773
Current		
Commodities	5,748	3
Foreign-currency contracts	1,639	8,688
Swaps	818	-
Total current	8,205	8,691
Total liabilities	8,205	11,464

(i) The balance represents the fair value of Supertel's warrants, which were acquired in February 2012.

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21. Cash flow information

The following table shows the amounts of cash and cash equivalents as of September 30, 2013 and June 30, 2013:

	September 30, 2013	June 30, 2013
Cash at bank and on hand	263,692	769,485
Short-term bank deposits	203,056	148,221
Mutual funds	168,011	129,880
Total cash and cash equivalents	634,759	1,047,586

Following is a detailed description of cash flows generated by the Group's operations for the three-month periods ended as of September 30, 2013 and 2012.

	Note	September 30, 2013	September 30, 2012
(Loss) Gain for the period		(89,015)	8,001
Adjustments for:			
Income tax expense		(45,382)	15,703
Depreciation and amortization		68,235	67,521
Gain from disposal of investment properties		-	(29,468)
Loss (Gain) on the revaluation of receivables arising from the sale of farmland		761	(4,890)
Loss (Gain) from disposal of property, plant and equipment		8	(239)
Release of investment property and property, plant and equipment		155	885
Dividends income		(3,061)	(6,657)
Share-based payments		8,498	2,764
Unrealized gain on derivative financial instruments		(4,988)	(40,583)
Changes in the fair value of financial assets		(61,963)	6,590
Interest expense, net		131,693	107,124
Unrealized initial recognition and changes in the fair value of biological assets and agricultural produce		(48,193)	(41,658)
Changes in the net realizable value of agricultural produce after harvest		8,012	(23,240)
Provisions and allowances		25,211	28,245
Share of loss of associates and joint ventures		(38,366)	(15,746)
Unrealized foreign exchange loss, net		227,720	101,721
		12	-

Result from purchase of joint venture		
Result from repurchase of Non-convertible Notes	14,271	(42)
Other finance results	-	(11,892)
Changes in operating assets and liabilities:		
Decrease in biological assets	91,590	56,048
Decrease in inventories	5,638	54,071
Decrease in trading properties	533	56
Decrease (increase) in trade and other receivables	121,364	(23,226)
Increase in derivative financial instruments	(1,098)	(20,622)
Increase in trade and other payables	25,837	211,038
Decrease in payroll and social security liabilities	(16,864)	(23,684)
Decrease in provisions	(19)	(951)
Net cash generated from operating activities before income tax paid	420,589	416,869

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21. Cash flow information (Continued)

The following table shows a detail of non-cash transactions occurred in the three-month periods ended September 30, 2013 and 2012:

	September 30, 2013	September 30, 2012
Transferences of property, plant and equipment to investment property	-	(6,502)
Increase of interest in associates and joint ventures by exchange differences on translating foreign operations	-	10,849
Decrease of interest in associates and joint ventures through an increase in trade and other receivables	(476)	33,813
Acquisition of non-controlling interest	-	333
Increase in trade and other receivables through an increase in trade and other payables	-	803
Financed sales of property, plant and equipment	-	125

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22. Trade and other payables

Group's trade and other payables as of September 30, 2013 and June 30, 2013 were as follows:

	September 30, 2013	June 30, 2013
Non-current		
Admission rights	115,408	112,654
Sales, rent and services payments received in advance	52,982	53,300
Guarantee deposits	17,966	17,352
Non-current trade payables	186,356	183,306
Minimum presumed income tax	7,450	-
Other tax payables	15,096	14,136
Deferred income	8,571	8,660
Shareholders' personal tax payable	1,399	1,476
Tax amnesty plan for payable taxes	15,408	15,641
Others	5,428	5,028
Non-current other payables	53,352	44,941
Related parties (Note 35)	12,078	20
Non-current trade and other payables	251,786	228,267
Current		
Trade payables	277,536	212,797
Accrued invoices	136,337	141,657
Admission rights	102,864	98,656
Sales, rent and services payments received in advance	206,786	199,909
Guarantee deposits	9,459	13,477
Current trade payables	732,982	666,496
Withholdings tax	14,075	9,800
VAT payables	22,997	26,739
Gross sales tax payable	979	1,836
Minimum presumed income tax	6,833	12,158
Other tax payables	33,345	41,996
Deferred revenue	356	1,246
Dividends payable	5,710	11,445
Tax amnesty plan for payable taxes	309	310
Shareholders' personal tax payable	5,936	3,220
Others	16,051	6,930
Current other payables	106,591	115,680
Related parties (Note 35)	29,230	129,524
Current trade and other payables	868,803	911,700
Total trade and other payables	1,120,589	1,139,967

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22. Trade and other payables (Continued)

The fair values of current trade and other payables approximate their respective carrying amounts due to their short-term nature.

23. Payroll and social security liabilities

Group's Salaries and social security liabilities as of September 30, 2013 and June 30, 2013 were as follows:

	September 30, 2013	June 30, 2013
Non-current		
Others	5,611	3,984
Non-current payroll and social security liabilities	5,611	3,984
Current		
Provision for vacation and bonuses	64,908	89,238
Social security payable	35,981	28,967
Salaries payable	1,610	1,776
Others	1,035	854
Current payroll and social security liabilities	103,534	120,835
Total payroll and social security liabilities	109,145	124,819

24. Provisions

The table below shows the movements in the Group's provisions for other liabilities categorized by type of provision:

	Labor and legal claims	Tax and social security claims	Investments in associates (i)	Total
As of June 30, 2013	47,054	1,691	39,091	87,836
Additions	5,127	224	23,571	28,922
Used during period	(1,514)	(138)	-	(1,652)
Currency translation adjustments	(869)	-	3,816	2,947
As of September 30, 2013	49,798	1,777	66,478	118,053

(i) Corresponds to equity interests in associates with negative equity.

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24. Provisions (Continued)

The analysis of total provisions is as follows:

	September 30, 2013	June 30, 2013
Non-current	102,718	71,626
Current	15,335	16,210
	118,053	87,836

25. Borrowings

Group's borrowings as of September 30, 2013 and June 30, 2013 were as follows:

					Nominal value (in millions)	Book value September 30, 2013	June 30, 2013
	Secured/ unsecured	Currency	Fixed/ Floating	Effective interest rate %			
Non-current							
CRESUD NCN Class VIII due 2014	Unsecured	US\$	Fixed	7.50%	60	-	322,925
CRESUD NCN Class XI due 2015	Unsecured	Ps.	Floating	Badlar + 375 bps	80.5	39,495	39,415
CRESUD NCN Class XII due 2014	Unsecured	Ps.	Floating	Badlar + 410 bps	102	33,959	67,819
CRESUD NCN Class XIII due 2015	Unsecured	US\$	Fixed	1.90%	79	458,544	425,658
CRESUD NCN Class XIV due 2018	Unsecured	US\$	Fixed	1.50%	32	184,134	171,084
IRSA NCN Class I due 2017	Unsecured	US\$	Fixed	8.50%	150	815,886	784,855
IRSA NCN Class II due 2020	Unsecured	US\$	Fixed	11.50%	150	842,002	781,338
APSA NCN Class I due 2017	Unsecured	US\$	Fixed	7.87%	120	613,550	568,362
Syndicated loan (I)	Unsecured	Ps.	Fixed	15.01%	229	150,603	175,604
Banco M&T loan	Secured	US\$	Floating	Libor + 3.25%	75	429,975	399,691
Long term loans	Unsecured	US\$	Floating	Libor + 300 bps o 6% (the higher)	15	83,648	77,780

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Long term loans	Unsecured	Ps.	Floating	Rate Survey PF 30-59 days	20	20,000	19,784
Long term loans	Unsecured	Ps.	Fixed	15.01%	24	13,572	13,543
Long term loans	Secured	Rs.	Floating	TJLP + 1.95 to 3.10 and 5.5 to 10	20.5	13,633	17,162
Long term loans	Secured	Rs.	Fixed	7.23%	98.7	119,642	121,289
Other long term loans		Ps.	Fixed		-	15,990	19,163
Other long term loans		Bol.	Floating			6,813	6,136
Seller financing	Secured	US\$	Fixed	3.50 % and 5%	17.9	85,150	78,371
Finance leases	Secured	US\$	Fixed	7.50%	792	1,554	1,590
Related parties						104,356	98,327
Non-current borrowings						4,032,506	4,189,896

(i) Includes Ps. 35,557 in Banco Hipotecario as of June 30, 2013. See Note 35.

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25. Borrowings (Continued)

					Nominal	Book value	
	Secured/ unsecured	Currency	Fixed/ Floating	Effective interest rate %	value (in millions)	September 30, 2013	June 30, 2013
Current							
CRESUD NCN Class VIII due 2014	Unsecured	US\$	Fixed	7.5%	60	347,765	6,074
				Badlar +			
CRESUD NCN Class IX due 2014	Unsecured	Ps.	Floating	300 bps	161	50,714	101,316
CRESUD NCN Class X due 2014	Unsecured	US\$	Fixed	7.75%	31.5	178,548	165,810
CRESUD NCN Class X – 2nd tranche due 2014	Unsecured	US\$	Fixed	7.75%	30	175,185	163,477
				Badlar +			
CRESUD NCN Class XI due 2015	Unsecured	Ps.	Floating	375 bps	80.5	19,641	19,652
				Badlar +			
CRESUD NCN Class XII due 2014	Unsecured	Ps.	Floating	410 bps	102	69,379	35,083
CRESUD NCN Class XIII due 2015	Unsecured	US\$	Fixed	1.90%	79	(1,907)	(1,954)
CRESUD NCN Class XIV due 2018	Unsecured	US\$	Fixed	1.50%	32	(55)	(74)
IRSA NCN Class I due 2017	Unsecured	US\$	Fixed	8.50	150	10,344	26,675
IRSA NCN Class II due 2020	Unsecured	US\$	Fixed	11.50	150	18,726	40,604
				Badlar +			
IRSA NCN Class III due 2013	Unsecured	Ps.	Floating	249 bps	153	-	52,240
IRSA NCN Class IV due 2014	Unsecured	US\$	Fixed	7.45%	16.9	98,838	137,750
APSA NCN due 2014 (Note 35)	Unsecured	US\$	Fixed	10.00%	50	-	-
APSA NCN Class I due 2017	Unsecured	US\$	Fixed	7.88%	120	19,012	5,499
APSA NCN Class II due 2012	Unsecured	Ps.	Fixed	11%		-	-
Bank overdrafts	Unsecured	Ps.	Fixed	-		520,378	444,527
Short term loans	Unsecured	US\$	Floating	Libor + 300 bps o 6% (the higher)	15	5,449	6,266
Short term loans	Unsecured	Ps.	Floating	Rate Survey PF 30-59 days	20	164	893
Short term loans	Unsecured	Rs.	Floating	TJLP + 1.95 to 3.10'	84.1	84,145	-
Short term loans	Unsecured	Rs.	Fixed	7.23%	19.1	-	19,081

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Short term loans	Unsecured	Ps.	Fixed	15.01%	24	7,684	6,895
Short term loans	Secured	Rs.	Fixed	7.23%	11.9	20,503	-
Short term loans	Secured	Rs.	Floating	9.54 TJLP + 1.95 to 3.10	-	-	84,933
Short term loans	Secured	Rs.	Floating	5.5 to 10 TJLP + 1.95 to 3.10	5.5	5,527	5,263
Other short term loans		Ps.	Fixed			(3)	9,625
Syndicated loans (i)	Unsecured	Ps.	Fixed	15.01%	229	76,596	51,005
Other short term loans		Bol.	Floating			23,932	9,968
Seller financing	Secured	US\$	Fixed	3.5%	1.8	25,925	12,809
Seller financing	Unsecured	Rs.	Floating	IGPM/CDI	102	123,490	106,165
Other seller - financed debt					9.9	-	16,348
Finance lease obligations	Secured	US\$	Fixed	10.75% y7.5%	792	1,657	1,460
Current borrowings						1,881,637	1,527,390
Total borrowings						5,914,143	5,717,286

(i) Includes Ps. 9,738 with Banco Hipotecario as of June 30, 2013. See Note 35.

During the three-month period, the Group, through APSA, acquired nominal value 770,000 of IRSA's Non-convertible Notes due 2020, for a total amount of Ps. 7.2 million and nominal value 1,000,000 of IRSA's Non-convertible Notes due 2017, for a total amount of Ps. 8.5 million. In addition, during the same period, the Group, through Panamerican Mall S.A., acquired nominal value 3,125,000 of IRSA's Non-convertible Notes due 2020, for a total amount of Ps. 25.8 million. These acquisitions of own Non-convertible Notes generated a loss of Ps. 14.2 million included in "Financial results, net".

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26. Taxation

The details of the provision for the Group's income tax are as follows:

	September 30, 2013	September 30, 2012
Current income tax	(73,623)	(71,210)
Deferred income tax	119,209	55,617
Minimum Presumed Income Tax	(204)	(110)
Income tax expense	45,382	(15,703)

The gross movement on the deferred income tax account was as follows:

	September 30, 2013	June 30, 2013
Beginning of the period / year	(351,035)	(549,337)
Currency translation adjustments	3,146	5,965
Additions for business combinations	-	(26,103)
Charged / Credited to the statement of income	119,209	218,440
End of the period / year	(228,680)	(351,035)

The Group did not recognize deferred income tax assets of Ps. 62.1 million and Ps. 70.1 million as of September 30, 2013 and June 30, 2013, respectively. Although management believes that it will become profitable in the foreseeable future, as a result of the history of recent losses incurred during the development phase of the different Group's business operations and the lack of verifiable and objective evidence due to the limited operating history of the Group itself, the Board of Directors has determined that there is sufficient uncertainty as to the generation of sufficient income to utilize the losses within a reasonable timeframe, therefore, no deferred tax asset is recognized in relation to these losses.

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26. Taxation (Continued)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	September 30, 2013	September 30, 2012
Tax calculated at the tax rates applicable to profits in the respective countries	(43,583)	9,598
Permanent differences:		
Share of loss of associates and joint ventures	(13,428)	(5,511)
Non-taxable income	8,968	(4,638)
Others	2,661	16,254
Income tax expense	(45,382)	15,703

27. Shareholders' Equity

Special Reserve

Pursuant to CNV General Ruling No. 609/12, the Company set up a special reserve, to reflect the positive difference between the balance at the beginning of retained earnings disclosed in the first financial statements prepared according to IFRS and the balance at closing of retained earnings disclosed in the last financial statements prepared in accordance with previously effective accounting standards. This reserve may not be used to make distributions in kind or in cash, and may only be reversed to be capitalized, or otherwise to absorb potential negative balances in Retained Earnings. See Note 37.

Dividends

Cash dividends in respect of the year ended as of June 30, 2013 amounted to Ps. 120 million have been approved at the annual general ordinary and extraordinary shareholders' meeting on October 31, 2013. See Note 37.

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28. Revenues

	September 30, 2013				September 30, 2012			
	Urban properties and investments	Agriculture	Feed lot / slaughtering house	Total	Urban properties and investments	Agriculture	Feed lot / slaughtering house	Total
Trading properties	4,286	-	-	4,286	7,625	-	-	7,625
Crops	-	270,022	-	270,022	-	155,110	-	155,110
Cattle	-	23,906	-	23,906	-	17,393	-	17,393
Milk	-	11,763	-	11,763	-	8,446	-	8,446
Sugarcane	-	66,735	-	66,735	-	42,181	-	42,181
Beef	-	-	105,089	105,089	-	-	18,338	18,338
Supplies	-	12,626	-	12,626	-	10,359	-	10,359
Agriculture products and services income	4,286	385,052	105,089	494,427	7,625	233,489	18,338	259,452
Base rent	239,807	2,102	-	241,909	180,791	6,561	-	187,352
Contingent rent	71,744	-	-	71,744	55,668	-	-	55,668
Admission rights	28,508	-	-	28,508	24,232	-	-	24,232
Parking fees	19,653	-	-	19,653	15,090	-	-	15,090
Commissions	8,330	-	-	8,330	4,195	-	-	4,195
Property management fee	6,365	-	-	6,365	8,255	-	-	8,255
Expenses and Collective Promotion Funds	160,908	-	-	160,908	126,978	-	-	126,978
Flattening of tiered lease payments	7,541	-	-	7,541	4,671	-	-	4,671
Agricultural services	-	22	-	22	-	23	521	544
Advertising and brokerage fees	-	12,009	-	12,009	-	7,616	-	7,616
Others	-	401	-	401	848	573	-	1,421
Leases and service income	542,856	14,534	-	557,390	420,728	14,773	521	436,022
Other revenues:								
Consumer financing	184	-	-	184	-	-	-	-
Hotel operations	72,927	-	-	72,927	53,793	-	-	53,793
Others	1,194	-	-	1,194	695	-	6	701
Other revenues	74,305	-	-	74,305	54,488	-	6	54,494
Total Group revenue	621,447	399,586	105,089	1,126,122	482,841	248,262	18,865	749,968

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Costs

	September 30, 2013				September 30, 2012			
	Urban properties and investments	Agricultural	Feed lot/ slaughtering house	Total	Urban properties and investments	Agriculture	Feed lot / slaughtering house	Total
Cost of leases and services	-	1,934	-	1,934	-	1,821	-	1,821
Other operative costs	-	1,763	-	1,763	-	1,646	-	1,646
Cost of property operations	-	3,697	-	3,697	-	3,467	-	3,467
Crops	-	293,390	-	293,390	-	228,650	-	228,650
Cattle	-	51,683	-	51,683	-	30,341	-	30,341
Milk	-	22,895	-	22,895	-	17,019	-	17,019
Sugarcane	-	107,124	-	107,124	-	81,965	-	81,965
Beef	-	-	85,893	85,893	-	-	20,014	20,014
Supplies	-	10,118	-	10,118	-	9,306	-	9,306
Agriculture services	-	639	4,079	4,718	-	-	1,404	1,404
Brokerage fees	-	7,281	-	7,281	-	4,759	-	4,759
Others	-	2,953	-	2,953	-	1,528	-	1,528
Cost of agricultural sales and services	-	496,083	89,972	586,055	-	373,568	21,418	394,986
Cost of sale of trading properties	3,189	-	-	3,189	3,288	-	-	3,288
Cost from hotel operations	49,548	-	-	49,548	40,529	-	-	40,529
Cost of leases and services	243,283	-	-	243,283	198,194	-	-	198,194
Other costs	96	-	-	96	258	-	-	258
Other costs	296,116	-	-	296,116	242,269	-	-	242,269
Total Group costs	296,116	499,780	89,972	885,868	242,269	377,035	21,418	640,722

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30. Expenses by nature

For the three-month period ended as of September 30, 2013:

	Group costs									Total
	Cost of property operations	Cost of agricultural sales and services	Cost of agriculture production	Cost of sale of properties	Cost from consumer financing	Cost from hotel operations	Other operational costs	General and administrative expenses	Selling expenses	
Leases, services charges and vacant property costs	3,789	314	300	363	-	206	38	2,842	284	8,136
Depreciation and amortization	53,316	6,774	1,535	143	-	2,729	1,093	2,576	69	68,235
Allowance for doubtful accounts	-	-	-	-	-	-	-	29	5,394	5,423
Advertising, publicity and other selling expenses	26,152	-	-	-	-	-	-	-	4,961	31,113
Taxes, rates and contributions	18,520	378	1,210	805	-	106	59	1,867	30,375	53,320
Maintenance and repairs	58,199	4,145	3,840	847	-	6,221	188	5,770	199	79,409
Fees and payments for services	7,059	28,212	1,067	13	93	209	58	11,531	1,648	49,890
Director's fees	-	-	-	-	-	-	-	34,197	-	34,197
Payroll and social security expenses	71,686	18,180	9,808	38	-	28,168	1,242	46,067	7,539	182,728
Cost of sale of properties	-	-	-	974	-	2,713	-	-	-	3,687
Food, beverage and lodging expenses	-	-	-	-	-	8,176	-	1,422	772	10,370
Changes in biological assets and agricultural produce	-	355,551	-	-	-	-	-	-	-	355,551
Supplies and labor	-	13,807	135,484	-	-	-	114	-	154	149,559
Freights	13	302	2,550	-	-	-	13	13	21,762	24,653
Bank commissions and expenses	-	888	5	1	-	925	-	1,660	1,201	4,680
Conditioning and clearance	-	-	-	-	-	-	-	-	5,524	5,524
Others	4,549	1,410	1,074	5	3	95	113	3,268	1,003	11,520
Total expenses by nature	243,283	429,961	156,873	3,189	96	49,548	2,918	111,242	80,885	1,077,999

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30. Expenses by nature (Continued)

For the three-month period ended as of September 30, 2012:

	Group costs									
	Cost of property operations	Cost of agricultural sales and services	Cost of agricultural production	Cost of sale of trading properties	Cost from Consumer Financing	Cost from hotel operations	Other operational costs	General and administrative expenses	Selling expenses	Total
Leases, services charges and vacant property costs	7,114	277	226	498	-	136	33	580	314	9,178
Depreciation and amortization	45,248	11,990	1,301	-	-	3,304	884	4,508	286	67,521
Allowance for doubtful accounts	-	-	-	-	-	-	-	-	3,902	3,902
Advertising, publicity and other selling expenses	18,907	-	-	-	-	163	2	1	2,741	21,814
Taxes, rates and contributions	13,632	357	683	300	-	73	69	2,371	16,270	33,755
Maintenance and repairs	50,431	1,030	2,826	510	22	6,056	602	5,178	242	66,897
Fees and payments for services	6,849	20,959	1,066	19	234	178	33	10,856	1,730	41,924
Director's fees	-	-	-	-	-	-	-	17,661	-	17,661
Payroll and social security expenses	53,737	13,026	8,131	62	2	22,048	1,222	31,382	4,960	134,570
Cost of sale of properties	-	-	-	1,890	-	-	-	-	-	1,890
Food, beverage and lodging expenses	-	-	-	-	-	7,365	-	589	155	8,109
Changes in biological assets and agricultural produce	-	-	-	-	-	-	-	-	-	-