

CRESUD INC
Form 6-K
November 21, 2003

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 November, 2003

**CRESUD SOCIEDAD ANONIMA 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)

Hipolito Yrigoyen 440, 3rd Floor, (1001)

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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 SOCIEDAD ANONIMA COMERCIAL INMOBILIARIA

FINANCIERA Y AGROPECUARIA

(THE COMPANY)

REPORT ON FORM 6-K

Attached is a copy of the translation into English of the Quarterly Financial Statements for the period ended on September 30, 2003 filed with the *Bolsa de Comercio de Buenos Aires* and with the *Comisión Nacional de Valores*

Cresud Sociedad Anónima
Comercial, Inmobiliaria, Financiera
y Agropecuaria

Unaudited Financial Statements
as at September 30, 2003 and 2002

Cresud Sociedad Anónima
Comercial, Inmobiliaria, Financiera y Agropecuaria
Unaudited Financial Statements

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Unaudited Business Highlights

Limited Review Report

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Name of the Company: **Cresud Sociedad Anónima**
Comercial, Inmobiliaria,
Financiera y Agropecuaria

Legal Address: Avda.Hipólito Yrigoyen 440, 3rd Floor,
Ciudad Autónoma de Buenos Aires

Principal Activity: Agriculture and livestock and real-estate

Financial statements for the period ended September 30, 2003 presented in comparative form with the previous year and with the same period of the previous year

Financial period N° 69 started on July 1, 2003

DATES OF REGISTRATION AT THE PUBLIC REGISTRY OF COMMERCE

Of the by-laws: February 19,1937
Of the latest amendment: June 2, 1997
Duration of the Company: June 6, 2082

Information on controlled companies in Note 3

CAPITAL STATUS (Note 3)
SHARES

| <u>Type of stock</u> | <u>Authorized pesos</u> | <u>Subscribed pesos</u> | <u>Paid-in pesos</u> |
|---|-------------------------|-------------------------|----------------------|
| Ordinary certified shares of \$1 face value and 1 vote each | 124,524,029 | 124,524,029 | 124,524,029 |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Unaudited Consolidated Balance Sheet at September 30, 2003, June 30, 2003 and September 30, 2002

| | September 30, 2003 | June 30, 2003 | September 30, 2002 | | September 30, 2003 | June 30, 2003 | September 30, 2002 |
|--|-----------------------------------|-----------------------------------|-----------------------------------|---|-----------------------------------|-----------------------------------|-----------------------------------|
| | (Notes 1, 2, 3 and 4) Pesos | (Notes 1, 2, 3 and 4) Pesos | (Notes 1, 2, 3 and 4) Pesos | | (Notes 1, 2, 3 and 4) Pesos | (Notes 1, 2, 3 and 4) Pesos | (Notes 1, 2, 3 and 4) Pesos |
| ASSETS | | | | LIABILITIES | | | |
| Current Assets | | | | Current Liabilities | | | |
| Cash and banks (Note 5.a.) | 11,605,047 | 16,995,803 | 43,391,790 | Debts: | | | |
| Investments (Note 5.b.) | 7,240,980 | 5,459,835 | 2,347,397 | Trade accounts payable (Note 5.f. and Schedule G) | 4,374,679 | 4,399,323 | 10,042,275 |
| Trade accounts receivable (Note 5.c.) | 3,111,505 | 6,899,952 | 14,272,462 | Loans (Note 5.g.) | 4,446,939 | 1,425,499 | 6,839,512 |
| Other receivables and prepaid expenses (Note 5.d.) | 9,202,859 | 6,231,659 | 10,308,015 | Salaries and social security payable (Note 5.h.) | 747,537 | 1,096,627 | 464,554 |
| Inventories (Note 5.e.) | 24,476,627 | 22,841,977 | 33,969,657 | Taxes payable (Note 5.i.) | 1,155,277 | 1,887,453 | 10,555,877 |
| Total current assets | 55,637,018 | 58,429,226 | 104,289,321 | Other debts (Note 5.j.) | 3,792,925 | 6,267,925 | 7,292,121 |
| | | | | Total Debts | 14,517,357 | 15,076,827 | 35,194,339 |
| | | | | Total current liabilities | 14,517,357 | 15,076,827 | 35,194,339 |
| Non-current assets | | | | | | | |
| Other receivables and prepaid expenses (Note 5.d.) | 1,243,403 | 542,193 | 3,097,564 | | | | |
| Inventories (Note 5.e.) | 36,328,790 | 37,796,987 | 31,940,504 | Non-current liabilities | | | |
| Investments (Note 5.b. and Schedule C) | 204,494,972 | 202,321,555 | 138,278,779 | Loans (Note 5.g.) | 142,528,076 | 137,951,054 | |
| Other investments (Note 5.b. and Schedule C) | 145,459,360 | 139,160,243 | 20,717 | Taxes payable (Note 5.i.) | 23,559,586 | 22,749,374 | 24,247,274 |
| Fixed assets, net (Schedule A) | 149,105,616 | 148,510,846 | 127,863,746 | Total non-current liabilities | 166,087,662 | 160,700,428 | 24,247,274 |
| Intangible assets (Schedule B) | 246,425 | 369,637 | 724,127 | | | | |
| Subtotal Non-Current Assets | 536,878,566 | 528,701,461 | 301,925,437 | Subtotal | 180,605,019 | 175,777,255 | 59,441,613 |
| Goodwill (Note 5.b. and Schedule C) | (21,249,708) | (19,347,598) | (14,645,858) | Minority interest | 156,019 | 206,709 | 376,238 |
| Total Non-Current Assets | 515,628,858 | 509,353,863 | 287,279,579 | SHAREHOLDERS EQUITY | 390,504,838 | 391,799,125 | 331,751,049 |
| Total Assets | 571,265,876 | 567,783,089 | 391,568,900 | Total Liabilities and Shareholders Equity | 571,265,876 | 567,783,089 | 391,568,900 |

The accompanying notes and schedules are an integral part of these complementary information

Eduardo Sergio Elsztain

Chairman

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Unaudited Consolidated Statements of Income

For the periods ended September 30, 2003 and 2002

| | September 30, 2003 (Notes 1 and 2) | September 30, 2002 (Notes 1 and 2) |
|--|---------------------------------------|---------------------------------------|
| | Pesos | Pesos |
| Sales | | |
| Crops | 5,606,579 | 16,832,895 |
| Beef cattle | 5,528,436 | 4,185,436 |
| Milk | 884,035 | 544,799 |
| Others | 185,643 | 149,786 |
| Total Sales | 12,204,693 | 21,712,916 |
| Cost of sales (Schedule F) | | |
| Crops | (4,457,008) | (13,429,085) |
| Beef cattle | (4,607,661) | (2,358,479) |
| Milk | (629,272) | (340,066) |
| Others | (371,815) | (384,831) |
| Total cost of sales | (10,065,756) | (16,512,461) |
| Gross income | 2,138,937 | 5,200,455 |
| Selling expenses (Schedule H) | (994,700) | (1,429,856) |
| Administrative expenses (Schedule H) | (1,142,571) | (654,389) |
| Gain from fixed assets sales | 709,642 | 23,884 |
| Gain from inventory holdings (Schedule F) | 845,092 | 7,657,431 |
| Operating income | 1,556,400 | 10,797,525 |
| Financial results (Note 5.k.) | | |
| Financial income (loss) generated by assets | 9,342,376 | (8,246,764) |
| Financial (loss) income generated by liabilities | (9,182,630) | 3,001,971 |
| Other expenses | | |
| Donations | | (705,527) |
| Others | (97,013) | (47,719) |
| (Loss) income from related companies | (2,833,342) | 12,706,903 |
| Management fees | | (1,567,839) |
| (Loss) income before income tax | (1,214,209) | 15,938,550 |
| Income tax expense | (807,243) | (6,908,472) |
| Minority interest | 50,693 | 54,515 |
| Net (loss) income for the period | (1,970,759) | 9,084,593 |

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| | | |
|-----------------------------------|--------|------|
| Basic earnings per share | (0.02) | 0.09 |
| Diluted earnings per share | 0.01 | 0.09 |

The accompanying notes and schedules are an integral part of these complementary information.

Eduardo Sergio Elsztain

Chairman

Cresud Sociedad Anónima
Comercial, Inmobiliaria, Financiera y Agropecuaria and
Subsidiaries

Unaudited Consolidated Cash Flow Statements

For the periods ended September 30, 2003 and 2002

| | September 30, 2003 (Notes 1, 2, 3 and 4) | September 30, 2002 (Notes 1, 2, 3 and 4) |
|--|---|---|
| | Pesos | Pesos |
| Changes in funds | | |
| Funds at the beginning of the period | 20,930,230 | 44,339,538 |
| Funds at the end of the period | 14,235,618 | 44,656,009 |
| Net (decrease) increase in funds | (6,694,612) | 316,471 |
| Causes of changes in funds | | |
| Operations activities | | |
| (Loss) income for the period | (1,970,759) | 9,084,593 |
| Liabilities interest | 3,021,440 | 395,972 |
| Income tax | 807,243 | 6,908,472 |
| Adjustments made to reach net funds from operations activities | | |
| Results from interest in controlled and related companies | 2,833,342 | (12,706,903) |
| Minority interest | (50,693) | (54,515) |
| Increase in allowances and reserves | 1,301,142 | 2,254,493 |
| Amortization and depreciation | 852,767 | 873,164 |
| Results from inventory holdings | (845,092) | (7,657,431) |
| Financial results | (2,234,706) | (2,954,751) |
| Result from sale of fixed assets | (709,642) | (23,884) |
| Changes in operating assets and liabilities | | |
| Increase in current investments | (59,862) | (1,024,225) |
| Decrease in trade accounts receivable | 3,788,447 | 2,741,098 |
| Increase in other receivables | (2,997,938) | (3,682,498) |
| Decrease in inventories | 664,081 | 9,358,666 |
| (Decrease) increase in social securities charges & taxes payable and advances to customers | (1,776,958) | 2,714,052 |
| Decrease in trade accounts payable | (24,644) | (2,290,551) |
| Dividends collected | | 63,239 |
| Decrease in other liabilities | (5,087,892) | (645,015) |
| Net fund (applied to) provided by operations | (2,489,724) | 3,353,976 |
| Investment activities | | |
| Increase in permanent investments | (916,678) | |
| Increase in interest in related companies | (3,208,034) | (2,580,045) |
| Acquisition and upgrading of fixed assets | (2,206,738) | (472,849) |
| Collection of receivables related to the sale of fixed assets | | |
| Sale of fixed assets | 1,606,612 | 119,168 |
| Net funds applied to investment activities | (4,724,838) | (2,933,726) |

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| | | |
|---|--------------------|------------------|
| Financing activities | | |
| Exercise of warrant | 503,950 | |
| Exercise of rights offering on treasury stock | 16,000 | 49,338 |
| Increase in financial loans | | 1,913,800 |
| Decrease in financial loans | | (2,066,917) |
| Net funds provided by (applied to) financing activities | 519,950 | (103,779) |
| Net (decrease) increase in funds | (6,694,612) | 316,471 |
| Items not involving changes in funds | | |
| Transfer of inventory to fixed assets | 14,558 | 6,803 |
| Repayment of financial loans through issue of stock by exercise of conversion right | 156,522 | |

The accompanying notes and schedules are an integral part of these complementary information.

Eduardo Sergio Elsztain

Chairman

**Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria
and Subsidiaries**

Notes to the Unaudited Consolidated Financial Statements

For the periods ended September 30, 2003 and 2002

NOTE 1: ARGENTINE ECONOMIC CONTEXT

Argentina's current economic situation is highly sensitive, its main indicators being high levels of external indebtedness, a financial system in critical conditions and an economic recession that mainly until the end of 2002 brought about a major fall in the demand for goods and services and a significant increase in unemployment.

In response to the economic crisis, starting in December 2001, the Government adopted several measures and enacted laws, decrees and regulations that dramatically changed the economic model in force until that time. These changes included the flotation of the exchange rate, which led to a significant devaluation of the Argentine Peso in the first months of 2002, and the re-denomination into Pesos of certain assets and liabilities denominated in foreign currency and held in Argentina.

During 2002 in particular, this situation led to a significant and disparate increase in the various economic indicators, such as the exchange rate, the wholesale domestic price index (used to restate the financial statements for the previous period) and specific indexes for the goods and services related to the Company's business. These events have affected the comparability of the financial statements, which should be interpreted in the light of those circumstances.

Impact on the Company's economic condition

Following the devaluation of the Argentine Peso and the increase in the profitability of the agricultural-livestock business, the demand for land has begun to increase, leading to a considerable rise in US Dollar prices, which are now at levels comparable to those prior to the Argentine crisis. Given this scenario, the Company's Board of Directors will be in a position to identify and take advantage of market opportunities for purchases and sales of land.

In addition, by fiscal period end IRSA Inversiones y Representaciones S.A., in which we hold an interest, had overcome the crisis that had caused uncertainties in its course of business as of September 30, 2002. At present, this subsidiary has a liquidity position that will allow it to take advantage of any opportunities that may arise in the real estate market.

NOTE 2: BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

As a consequence of the application of General Resolutions No. 368/01, 434/03 and 441/03 of the Argentine Securities and Exchange Commission, which require that consolidated Financial Statements be presented as established by Technical Resolution No. 4 of the Argentine

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Federation of Professional Councils in Economic Sciences, as amended by Technical Resolution No. 19, the Balance Sheet as of September 30, 2003 and 2002 and the Income Statements and the Statements of Cash Flows for the fiscal periods then ended were consolidated on a line by line basis with the financial statements of such companies in which it holds a majority of the voting shares, by application of the new rules and discontinuation of adjustment for inflation, respectively (see Note 1 .b and 1 .c to the unaudited basic financial statements).

Cresud Sociedad Anónima,

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 2: (Continued)

The Financial Statements of the Subsidiary Companies Inversiones Ganaderas S.A. and Futuros y Opciones.Com S.A. as of September 30, 2003 and 2002 have been used to determine the proportional equity value and carry out the consolidation. For purposes of comparability, reclassifications have been made on the information at September 30, 2002.

These Financial Statements and the corresponding notes and schedules are prepared in Argentine Pesos.

NOTE 3: CORPORATE CONTROL

The Company's interest in other companies is shown in the following table.

| <u>COMPANY</u> | <u>PERCENTAGE OF VOTING SHARES OWNED</u> |
|-----------------------------|--|
| Inversiones Ganaderas S.A. | 99.99 |
| Futuros y Opciones.Com S.A. | 70.00 |

NOTE 4: SIGNIFICANT ACCOUNTING POLICIES

The Financial Statements of the Subsidiary Companies mentioned in Note 3 have been prepared based on accounting principles consistent with those followed by Cresud Sociedad Anónima Comercial, Inmobiliaria, Financiera y Agropecuaria for the preparation of its Financial Statements, as detailed in Note 2 of the unaudited basic financial statements.

The most significant valuation criteria used for the preparation of the Financial Statements of the Subsidiary Companies not detailed in the valuation criteria of the Parent Company were as follows:

Intangible Assets - Development expenditures

These expenses include organizational and development costs of the web page incurred until March 31, 2001. These expenses were restated to period-end currency and were depreciated by the straight line method over thirty-six months as from April 1, 2001. For being less than five periods, this depreciation term qualifies under the second option of the transitional rules provided in section 8.2.3. of Technical Resolution No. 17.

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 5: Details of consolidated balance sheet and consolidated income statement accounts**a. Cash and banks**

| | September 30, 2003 | June 30, 2003 | September 30, 2002 |
|--|-----------------------|-------------------|-----------------------|
| | Pesos | Pesos | Pesos |
| Cash | 83,046 | 43,967 | 88,606 |
| Foreign currency (Schedule G) | 5,610 | 3,239,854 | 721,636 |
| Lecop currency | 7,100 | | 44 |
| Local currency checking account | 3,375,175 | 645,182 | 2,515,244 |
| Patacones currency checking account | 54 | 171,891 | 50,114 |
| Lecop currency checking account | 175 | 62,532 | 3,829 |
| Foreign currency checking account (Schedule G) | 7,891,533 | 12,370,530 | 38,461,652 |
| Local currency saving account | 3,712 | 20,583 | 1,261,698 |
| Checks to be deposited | 238,642 | 415,481 | 260,451 |
| Patacones checks to be deposited | | 25,783 | 28,516 |
| | <u>11,605,047</u> | <u>16,995,803</u> | <u>43,391,790</u> |

b. Investments and Goodwill

| | September 30, 2003 | June 30, 2003 | September 30, 2002 |
|--|-----------------------|--------------------|-----------------------|
| | Pesos | Pesos | Pesos |
| Investment | | | |
| Schedule C | 7,240,980 | 5,459,835 | 2,347,397 |
| | <u>7,240,980</u> | <u>5,459,835</u> | <u>2,347,397</u> |
| Investment | | | |
| Investment from related companies (Schedule C) | 204,494,972 | 202,321,555 | 138,278,779 |
| | <u>204,494,972</u> | <u>202,321,555</u> | <u>138,278,779</u> |
| Other investments | | | |
| Schedule C | 145,459,360 | 139,160,243 | 20,717 |
| | <u>145,459,360</u> | <u>139,160,243</u> | <u>20,717</u> |
| Goodwill | | | |

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| | | | |
|-----------------------|---------------------|---------------------|---------------------|
| Goodwill (Schedule C) | <u>(21,249,708)</u> | <u>(19,347,598)</u> | <u>(14,645,858)</u> |
| | <u>(21,249,708)</u> | <u>(19,347,598)</u> | <u>(14,645,858)</u> |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 5: (Continued)

c. Trade accounts receivable

| | September 30, 2003 | June 30, 2003 | September 30, 2002 |
|---|-----------------------|------------------|-----------------------|
| | Pesos | Pesos | Pesos |
| Current | | | |
| Accounts receivable in local currency | 3,216,992 | 5,345,126 | 4,000,935 |
| Accounts receivable in foreign currency (Schedule G) | 359,450 | 2,020,242 | 10,738,498 |
| Subsidiaries and related companies Law 19,550 Article 33: | | | |
| Cactus Argentina S.A. | 14,188 | 13,709 | 243,102 |
| Less: | | | |
| Provision for defaulting debtors | (479,125) | (479,125) | (710,073) |
| | <u>3,111,505</u> | <u>6,899,952</u> | <u>14,272,462</u> |

d. Other receivables and prepaid expenses

| | September 30, 2003 | June 30, 2003 | September 30, 2002 |
|---|-----------------------|------------------|-----------------------|
| | Pesos | Pesos | Pesos |
| Current | | | |
| Other | 486,510 | 267,392 | 1,945,262 |
| Prepaid leases | 3,188,751 | 1,894,560 | 3,589,813 |
| Tax on Minimum Hypothetical Income (Note 6) | 127,560 | | |
| Guarantee deposits (Schedule G) | 444,027 | 682,027 | 1,894,258 |
| Secured by mortgage and under legal proceedings | 548,532 | 531,602 | 1,212,938 |
| Prepaid expenses | 620,639 | 864,244 | 808,132 |
| Surety bonds received | | | 372,765 |
| Tax credits | 1,995,703 | 201,559 | 195,173 |
| Subsidiaries and related companies Law 19,550 Article 33: | | | |
| Cactus Argentina S.A. | 1,335,554 | 1,334,692 | 281,534 |
| IRSA Inversiones y Representaciones Sociedad Anónima | | | 8,140 |
| Shareholders | 455,583 | 455,583 | |
| | <u>9,202,859</u> | <u>6,231,659</u> | <u>10,308,015</u> |
| Non-current | | | |
| Secured by mortgage | 505,673 | 504,192 | 952,973 |
| Prepaid leases | | | 176,453 |
| Tax on Minimum Hypothetical Income | 728,204 | 26,574 | 147,140 |

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| | | | |
|---|------------------|----------------|------------------|
| Other | 9,526 | 11,427 | 94,799 |
| Subsidiaries and related companies Law 19,550 Article 33: | | | |
| Cactus Argentina S.A. | | | 1,726,199 |
| | <u>1,243,403</u> | <u>542,193</u> | <u>3,097,564</u> |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 5: (Continued)

e. Inventories

| | September 30, 2003 | June 30, 2003 | September 30, 2002 |
|-----------------------|-----------------------|-------------------|-----------------------|
| | Pesos | Pesos | Pesos |
| Current | | | |
| Livestock | 15,560,181 | 13,116,997 | 13,353,305 |
| Crops | 2,144,068 | 6,301,776 | 11,391,585 |
| Unharvested crops | 3,018,307 | 1,112,230 | 2,835,596 |
| Seeds and fodder | 54,572 | 171,486 | 171,276 |
| Materials and others | 2,873,365 | 1,501,686 | 4,526,842 |
| Advances to suppliers | 826,134 | 637,802 | 1,691,053 |
| | <u>24,476,627</u> | <u>22,841,977</u> | <u>33,969,657</u> |
| Non-Current | | | |
| Livestock | 36,328,790 | 37,796,987 | 31,940,504 |
| | <u>36,328,790</u> | <u>37,796,987</u> | <u>31,940,504</u> |

f. Trade accounts payable

| | September 30, 2003 | June 30, 2003 | September 30, 2002 |
|---|-----------------------|------------------|-----------------------|
| | Pesos | Pesos | Pesos |
| Current | | | |
| Suppliers in local currency | 3,349,544 | 3,759,549 | 2,569,334 |
| Suppliers in foreign currency (Schedule G) | 399,426 | 436,439 | 7,468,935 |
| Subsidiaries and related companies Law 19,550 Article 33: | | | |
| Cactus Argentina S.A. | 624,878 | 203,335 | 4,006 |
| IRSA Inversiones y Representaciones Sociedad Anónima | 831 | | |
| | <u>4,374,679</u> | <u>4,399,323</u> | <u>10,042,275</u> |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 5: (Continued)

g. Loans

| | September 30, 2003 Pesos | June 30, 2003 Pesos | September 30, 2002 Pesos |
|--|--------------------------------|---------------------------|--------------------------------|
| Current | | | |
| Local financial loans | | | 6,839,512 |
| Convertible Bonds 2007 Interest payable (Schedule G) | 4,446,939 | 1,425,499 | |
| | <u>4,446,939</u> | <u>1,425,499</u> | <u>6,839,512</u> |
| Non Current | | | |
| Convertible Bonds 2007 (Schedule G) | 145,008,870 | 139,450,965 | |
| Convertible Bonds 2007 expenses | (2,480,794) | (1,499,911) | |
| | <u>142,528,076</u> | <u>137,951,054</u> | |

h. Salaries and social security payable

| | September 30, 2003 Pesos | June 30, 2003 Pesos | September 30, 2002 Pesos |
|--|--------------------------------|---------------------------|--------------------------------|
| Current | | | |
| Vacation, statutory annual bonus and incentive allowance | 369,582 | 859,519 | |
| Social security administration | 150,464 | 138,564 | 165,754 |
| Salaries payable | 225,602 | 94,607 | 257,782 |
| Health care scheme | (1,332) | 1,043 | 25,244 |
| Other | 3,221 | 2,894 | 15,774 |
| | <u>747,537</u> | <u>1,096,627</u> | <u>464,554</u> |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 5: (Continued)**i. Taxes payable**

| | September 30, 2003 | June 30, 2003 | September 30, 2002 |
|--|-----------------------|-------------------|-----------------------|
| | Pesos | Pesos | Pesos |
| Current | | | |
| Accrual for income tax | 203,231 | 6,304,357 | 10,256,716 |
| Advances to Income tax | | (4,669,379) | |
| Tax on Minimum Hypothetical Income | 698,974 | (124,503) | (2,029,261) |
| Value added tax | (959,003) | 45,164 | 1,714,695 |
| Property tax payable | 176,912 | 179,614 | 257,264 |
| Taxes withheld for income tax | 1,130,358 | 45,494 | 334,331 |
| Personal assets tax | | 148,824 | |
| Sales tax payable | 140,808 | 169,448 | 14,861 |
| Taxes withheld-Gross sales tax payable | (101,906) | (83,328) | 2,519 |
| Taxes withheld-Value added tax payable | (141,642) | (134,693) | |
| Other | 7,545 | 6,455 | 4,752 |
| | <u>1,155,277</u> | <u>1,887,453</u> | <u>10,555,877</u> |
| Non-current | | | |
| Deferred tax | 23,271,293 | 22,749,374 | 24,229,897 |
| Income tax | 285,323 | | |
| Tax on Minimum Hypothetical Income | 2,970 | | 17,377 |
| | <u>23,559,586</u> | <u>22,749,374</u> | <u>24,247,274</u> |

j. Other debts

| | September 30, 2003 | June 30, 2003 | September 30, 2002 |
|---|-----------------------|------------------|-----------------------|
| | Pesos | Pesos | Pesos |
| Current | | | |
| Accrual for other expenses (Schedule G) | 3,477,035 | 2,816,293 | 5,396,615 |
| Subsidiaries and related companies Law 19,550 Article 33: IRSA Inversiones y Representaciones Sociedad Anónima | 28,633 | | |

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| | | | |
|-----------------------------------|------------------|------------------|------------------|
| Accrual for Directors Fees | 41,806 | 41,806 | 465,507 |
| Advances to Directors | (37,968) | (37,968) | (316,901) |
| Accrual for cereal expenses | | 108,825 | 18,393 |
| Accrual for Management fees | 149,223 | 3,204,773 | 1,595,210 |
| Loan to FYO minority shareholders | 134,196 | 134,196 | 133,297 |
| | <u>3,792,925</u> | <u>6,267,925</u> | <u>7,292,121</u> |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 5: (Continued)**k. Financial results**

| | September 30, 2003 | September 30, 2002 |
|---|-----------------------|-----------------------|
| | Income (Loss) | Income (Loss) |
| | Pesos | Pesos |
| Generated by assets: | | |
| Exchange differences and discounts | 6,447,516 | (5,544,001) |
| Interest income | 110,348 | 230,153 |
| Subsidiaries and related companies Law 19,550 Article 33: | | |
| IRSA Inversiones y Representaciones Sociedad Anónima | | 203,627 |
| Reference stabilization index (CER) | 9,206 | 334,503 |
| Tax on debts and credits | (260,752) | (250,348) |
| Holding results | | (1,862,530) |
| Inflation adjustment | | (1,492,442) |
| Holding results and operations of stocks and bonds | | |
| Convertible Bonds purchase interest | 3,037,803 | |
| Others | (1,745) | 134,274 |
| | <u>9,342,376</u> | <u>(8,246,764)</u> |
| | | |
| | September 30, 2003 | September 30, 2002 |
| | Income (Loss) | Income (Loss) |
| | Pesos | Pesos |
| Generated by liabilities: | | |
| Holding results | | 526,488 |
| Inflation adjustment | | 1,857,603 |
| Reference stabilization index (CER) | | (345,191) |
| Financial expenses | | |
| Convertible Bonds issued interest | (3,021,440) | |
| Others | (274,352) | (444,210) |
| Exchange differences and discounts | (5,886,838) | 1,407,281 |
| | <u>(9,182,630)</u> | <u>3,001,971</u> |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 6:**ASSETS AND LIABILITIES, CLASSIFIED ACCORDING TO THEIR COLLECTION OR PAYMENT MATURITIES****a) Based on their estimated collection or payment term (in pesos)**

| Based on their estimated collection or payment term | Current and non-current investment | | | Trade accounts receivable | | | Other receivables and prepaid expenses | | |
|--|---------------------------------------|-------------|---------------|------------------------------|-----------|---------------|---|-----------|------------------|
| | September 30, | June 30, | September 30, | September 30, | June 30, | September 30, | September 30, | June 30, | September 30, |
| | 2003 | 2003 | 2002 | 2003 | 2003 | 2002 | 2003 | 2003 | 2002 |
| 1st quarter 2004/2003 financial period | | 1,422,315 | | | 6,874,952 | | | 2,471,562 | |
| 2nd quarter 2004/2003 financial period | 4,460,118 | | | 3,111,505 | | 14,272,462 | 2,029,522 | 129,130 | 5,432,143 |
| 3rd quarter 2004/2003 financial period | | | | | | | 507,265 | 505,786 | 476,486 |
| 4th quarter 2004/2003 financial period | | | | | | | 260,432 | 250,925 | |
| 1st quarter 2005/2004 financial period | | | | | | | 1,643 | | 420,470 |
| 2nd quarter 2005/2004 financial period | | | | | | | | | 346,011 |
| 3rd quarter 2005/2004 financial period | | | | | | | 505,672 | 504,192 | 496,920 |
| 4th quarter 2005/2004 financial period | | | | | | | | | |
| 1st quarter 2006/2005 financial period | | | | | | | | | |
| 2nd quarter 2006/2005 financial period | | | | | | | | | |
| 3rd quarter 2006/2005 financial period | | | | | | | | | 476,486 |
| 4th quarter 2006/2005 financial period | | | | | | | | | |
| 1st quarter 2007/2006 financial period | | | | | | | | | |
| 2nd quarter 2007/2006 financial period | | | | | | | | | |
| 3rd quarter 2007/2006 financial period | | | | | | | | | |
| 4th quarter 2007/2006 financial period | | | | | | | | | |
| 2nd quarter 2008/2007 financial period | 145,459,360 | 139,160,243 | | | | | | | |

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| | | | | | | | | | |
|---------------------|--------------------|--------------------|------------------|------------------|------------------|-------------------|-------------------|------------------|-------------------|
| Overdue | | | | | 25,000 | | 487,878 | | |
| With no stated term | 2,780,862 | 4,037,520 | 2,347,397 | | | | 6,653,850 | 2,912,257 | 5,757,063 |
| Total | 152,700,340 | 144,620,078 | 2,347,397 | 3,111,505 | 6,899,952 | 14,272,462 | 10,446,262 | 6,773,852 | 13,405,579 |

b) Assets and liabilities classified according to the interest rate that they accrued (in pesos)

| Interest rate that they accrued | Current and non-current | | | | | | Other receivables and | | |
|---------------------------------|-------------------------|--------------------|--------------------|---------------------------|------------------|--------------------|-----------------------|------------------|--------------------|
| | investment | | | Trade accounts receivable | | | prepaid expenses | | |
| | September 30, 2003 | June 30, 2003 | September 30, 2002 | September 30, 2003 | June 30, 2003 | September 30, 2002 | September 30, 2003 | June 30, 2003 | September 30, 2002 |
| At fixed interest rate | 145,459,360 | 139,160,243 | | | | | 2,068,964 | 1,322,687 | 2,949,858 |
| At variable interest rate | 2,721,000 | 4,037,520 | 2,347,397 | | | | 557,621 | 277,048 | 1,461,116 |
| Non-interest bearing | 4,519,980 | 1,422,315 | | 3,111,505 | 6,899,952 | 14,272,462 | 7,819,677 | 5,174,117 | 8,994,605 |
| Total | 152,700,340 | 144,620,078 | 2,347,397 | 3,111,505 | 6,899,952 | 14,272,462 | 10,446,262 | 6,773,852 | 13,405,579 |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 6:

ASSETS AND LIABILITIES, CLASSIFIED ACCORDING TO THEIR COLLECTION OR PAYMENT MATURITIES

a) Based on their estimated collection or payment term (in pesos)

| | Salaries payable and social | | | | | | | | | | | | | |
|----------------------|-----------------------------|-----------|------------|-----------|-------------|-------------|------------------|-----------|-----------|---------------|-----------|------------|-----------|-----|
| | Trade payables | | Loans | | | | security payable | | | Taxes payable | | | Other | |
| | September | June | September | September | June | September | September | June | September | September | June | September | September | |
| Estimated collection | 30, | 30, | 30, | 30, | 30, | 30, | 30, | 30, | 30, | 30, | 30, | 30, | 30, | 30, |
| Payment term | 2003 | 2003 | 2002 | 2003 | 2003 | 2002 | 2003 | 2003 | 2002 | 2003 | 2003 | 2002 | 2003 | |
| 03 | | 4,352,500 | | | 1,425,499 | | | 1,083,306 | | | 1,664,184 | | | 6,1 |
| 03 | 4,362,074 | | 10,034,547 | 4,446,939 | | 6,839,512 | 747,537 | 13,321 | 464,554 | 1,138,351 | 204,794 | 16,660 | 3,658,729 | |
| 03 | | | | | | | | | | | | 10,526,689 | | |
| 03 | | | | | | | | | | 314 | 2,795 | | | |
| 04 | | | | | | | | | | | | | 17,377 | |
| 04 | | | | | | | | | | 288,293 | | | | |
| 04 | | | | | | | | | | 16,612 | | | | |
| 04 | | | | | | | | | | | | | | |
| 05 | | | | | | | | | | | | | | |
| 05 | | | | | | | | | | | | | | |
| 05 | | | | | | | | | | | | | | |
| 06 | | | | | | | | | | | | | | |
| 06 | | | | | | | | | | | | | | |
| 06 | | | | | | | | | | | | | | |
| 06 | | | | | | | | | | | | | | |
| | | | | | 142,528,076 | 137,951,054 | | | | | | | | |

07

| | | | | | | | | | | | | | |
|--|-----------|-----------|------------|-------------|-------------|-----------|---------|-----------|---------|------------|------------|------------|-----------|
| | | | | | | | | | | 15,680 | 12,527 | | |
| | 12,605 | 46,823 | 7,728 | | | | | | | 23,271,293 | 22,749,374 | 24,229,898 | 134,196 |
| | 4,374,679 | 4,399,323 | 10,042,275 | 146,975,015 | 139,376,553 | 6,839,512 | 747,537 | 1,096,627 | 464,554 | 24,714,863 | 24,636,827 | 34,803,151 | 3,792,925 |

b) Assets and liabilities classified according to the interest rate that they accrued (in pesos)

| | Salaries payable and social | | | | | | | | | | | | | |
|-------------------|-----------------------------|-----------|------------|-------------|-------------|-----------|------------------|-----------|-----------|---------------|------------|------------|-------------------|-----------|
| | Trade payables | | | Loans | | | security payable | | | Taxes payable | | | Other liabilities | |
| | September | June | September | September | June | September | September | June | September | September | June | September | September | June |
| ate that crued | 30, | 30, | 30, | 30, | 30, | 30, | 30, | 30, | 30, | 30, | 30, | 30, | 30, | 30, |
| | 2003 | 2003 | 2002 | 2003 | 2003 | 2002 | 2003 | 2003 | 2002 | 2003 | 2003 | 2002 | 2003 | 2003 |
| terest | | | | 142,528,076 | 137,951,054 | 6,640,153 | | | | | | | | |
| e e st | 4,374,679 | 4,399,323 | 10,042,275 | 4,446,939 | 1,425,499 | 199,359 | 747,537 | 1,096,627 | 464,554 | 24,714,863 | 24,636,827 | 34,803,151 | 3,792,925 | 6,267,925 |
| | 4,374,679 | 4,399,323 | 10,042,275 | 146,975,015 | 139,376,553 | 6,839,512 | 747,537 | 1,096,627 | 464,554 | 24,714,863 | 24,636,827 | 34,803,151 | 3,792,925 | 6,267,925 |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 7: EARNINGS PER SHARE

| <u>BASIC Earnings per Share</u> | <u>September 30, 2003</u> | <u>September 30, 2002</u> |
|-----------------------------------|---------------------------|---------------------------|
| Earnings | (1,970,759) | 10,444,568 |
| Number of shares | 124,491,979 | 120,191,015 |
| Earnings per share | (0.02) | 0.09 |
| | | |
| <u>DILUTED Earnings per Share</u> | <u>September 30, 2003</u> | <u>September 30, 2002</u> |
| Earnings | 3,707,555 | 10,444,568 |
| Number of shares | 320,646,305 | 120,191,015 |
| Earnings per share | 0.01 | 0.09 |

NOTE 8: DATA PER SEGMENT

As of September 30, 2003:

| <u>Description</u> | <u>Crops</u> | <u>Beef Cattle</u> | <u>Milk</u> | <u>Other</u> | <u>Total</u> |
|-----------------------------------|--------------|--------------------|-------------|--------------|--------------|
| Sales | 5,606,579 | 5,528,436 | 884,035 | 185,643 | 12,204,693 |
| Assets | 90,400,286 | 135,759,841 | 9,390,074 | 335,715,675 | 571,265,876 |
| Liabilities | 3,837,901 | 826,212 | 56,970 | 175,883,936 | 180,605,019 |
| Fixed asset additions | 2,040,476 | 25,780 | 59,887 | 80,595 | 2,206,738 |
| Depreciation of fixed assets | 332,438 | 290,731 | 49,320 | 57,067 | 729,556 |
| Amortization of intangible assets | | | | 123,211 | 123,211 |
| Income from related companies | (293,794) | (76,991) | (37,150) | 3,241,277 | (2,833,342) |

Cresud Sociedad Anónima Comercial,
Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Unaudited Consolidated Fixed Assets

For the periods of three months ended September 30, 2003, June 30, 2003, and September 30, 2002

(Notes 1,2, 3 and 4)

Schedule A

| Principal Account | Value at | | | | Depreciation | | | | | Net carrying | Net carrying | Net carrying |
|------------------------------------|--------------------|-------------------|------------------|--------------------|------------------|-------------------|------------------|------------------|-------------------|--------------------|--------------------|--------------|
| | the beginning | Additions | Deductions | Value at | Accumulated | | Current | Accumulated | value at | value at | value at | |
| | of the period | and/or | and/or | the end of | at the beginning | Decrease | period | at the end of | September | June | September | |
| | Pesos | transfers | transfers | period | Rate | of the period | of the period | Amount | period | 30, 2003 | 30, 2003 | 30, 2002 |
| | | | | | % | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos |
| Real estate | 124,332,894 | | 608,215 | 123,724,679 | | | | | | 123,724,679 | 124,332,894 | 101,685,516 |
| Wire fences | 5,487,465 | 1,260 | | 5,488,725 | 3 | 1,290,600 | | 43,172 | 1,333,772 | 4,154,953 | 4,196,865 | 4,307,455 |
| Watering troughs | 3,677,240 | | | 3,677,240 | 3 | 852,156 | | 44,742 | 896,898 | 2,780,342 | 2,825,084 | 2,956,406 |
| Alfalfa fields and meadows | 3,358,824 | 190,300 | 1,581,013 | 1,968,111 | 13-25-50 | 2,368,752 | 1,393,205 | 106,242 | 1,081,789 | 886,322 | 990,072 | 1,002,778 |
| Buildings and constructions | 5,573,995 | | | 5,573,995 | 2 | 1,881,588 | | 24,127 | 1,905,715 | 3,668,280 | 3,692,407 | 3,941,785 |
| Machinery | 9,136,628 | 36,762 | 398,906 | 8,774,484 | 10 | 5,547,697 | 303,892 | 200,655 | 5,444,460 | 3,330,024 | 3,588,931 | 4,822,713 |
| Vehicles | 1,160,475 | | 59,720 | 1,100,755 | 20 | 732,760 | 59,720 | 44,820 | 717,860 | 382,895 | 427,715 | 462,121 |
| Tools | 192,157 | | 365 | 191,792 | 10 | 120,938 | 210 | 3,565 | 124,293 | 67,499 | 71,219 | 78,352 |
| Furniture and equipment | 1,099,079 | 2,064 | | 1,101,143 | 10 | 701,722 | | 21,621 | 723,343 | 377,800 | 397,357 | 450,360 |
| Breeding livestock | 385,598 | | 251,843 | 133,755 | 20 | 385,598 | 251,843 | | 133,755 | | | 1,318 |
| Corral and leading lanes | 624,985 | | | 624,985 | 3 | 109,968 | | 5,088 | 115,056 | 509,929 | 515,017 | 485,769 |
| Roads | 1,364,949 | | | 1,364,949 | 10 | 717,322 | | 31,231 | 748,553 | 616,396 | 647,627 | 734,786 |
| Facilities | 6,022,694 | | | 6,022,694 | 10-20-33 | 2,848,525 | | 153,559 | 3,002,084 | 3,020,610 | 3,174,169 | 3,393,407 |
| Computer equipment | 1,290,810 | 17,188 | | 1,307,998 | 10 | 966,549 | | 33,106 | 999,655 | 308,343 | 324,261 | 283,617 |
| Planes | 10,444 | | | 10,444 | 10 | 10,444 | | | 10,444 | | | |
| Silo plants | 1,166,150 | | | 1,166,150 | 2 | 252,571 | | 15,732 | 268,303 | 897,847 | 913,579 | 846,934 |
| Constructions in progress | 2,331,204 | 1,141,225 | 5,778 | 3,466,651 | | | | 1,896 | 1,896 | 3,464,755 | 2,331,204 | 2,293,782 |
| Advances to suppliers | 82,445 | 832,497 | | 914,942 | | | | | | 914,942 | 82,445 | 116,647 |
| Total at September 30, 2003 | 167,298,036 | 2,221,296 | 2,905,840 | 166,613,492 | | 18,787,190 | 2,008,870 | 729,556 | 17,507,876 | 149,105,616 | | |
| Total at June 30, 2003 | 145,825,463 | 31,208,768 | 9,736,195 | 167,298,036 | | 17,593,154 | 1,887,815 | 3,081,851 | 18,787,190 | | 148,510,846 | |

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| | | | | | | | | | | | |
|-----------------------------------|-------------|---------|---------|-------------|--|------------|---------|---------|------------|--|-------------|
| Total at September 30, 2002 | 145,825,463 | 479,652 | 488,994 | 145,816,121 | | 17,593,154 | 396,412 | 755,633 | 17,952,375 | | 127,863,746 |
|-----------------------------------|-------------|---------|---------|-------------|--|------------|---------|---------|------------|--|-------------|

Cresud Sociedad Anónima Comercial,
Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Unaudited Consolidated Intangible Assets

For the periods of three ended September 30, 2003, June 30, 2003, and September 30, 2002

(Notes 1, 2, 3 and 4)

Schedule B

| Principal Account | Value at the beginning of the period Pesos | Value at the end of period Pesos | Accumulated at the beginning of period Pesos | Amortization | | Accumulated at the end of period Pesos | Net carrying | Net carrying | Net carrying |
|------------------------------------|---|-------------------------------------|---|----------------|--------------------------------|---|--------------------------------|---------------------------|--------------------------------|
| | | | | Current period | | | value at | value at | value at |
| | | | | Rate % | Amount ⁽¹⁾ Pesos | | September 30, 2003 Pesos | June 30, 2003 Pesos | September 30, 2002 Pesos |
| Development expenditures | 1,410,368 | 1,410,368 | 1,057,775 | 33 | 117,530 | 1,175,305 | 235,063 | 352,593 | 705,189 |
| Brands and patents | 18,938 | 18,938 | 1,895 | | 5,681 | 7,576 | 11,362 | 17,044 | 18,938 |
| Total at September 30, 2003 | 1,429,306 | 1,429,306 | 1,059,670 | | 123,211 | 1,182,881 | 246,425 | | |
| Total at June 30, 2003 | 1,429,306 | 1,429,306 | 587,653 | | 472,016 | 1,059,669 | | 369,637 | |
| Total at September 30, 2002 | 1,429,306 | 1,429,306 | 587,653 | | 117,526 | 705,179 | | | 724,127 |

⁽¹⁾ The destiny of the amortization of the period is included in the Consolidated Schedule H.

**Cresud Sociedad Anónima Comercial,
Inmobiliaria, Financiera y Agropecuaria and Subsidiaries**

Unaudited Consolidated Investments

For the periods of three ended September 30, 2003, June 30, 2003 and September 30, 2002

(Notes 1, 2, 3 and 4)

Schedule C

| INFORMATION ON THE ISSUER | | | | | | | | | |
|--|---------|--------------------------|---------------------|--------------------------|--------------|--------------------|---------------|------------------------------------|---------------------------|
| Latest financial statements | | | | | | | | | |
| Type and characteristics of the securities | Amount | Value at | Value at | Value at | Market value | Principal activity | Capital Pesos | Income (loss) for the period Pesos | Shareholders Equity Pesos |
| | | September 30, 2003 Pesos | June 30, 2003 Pesos | September 30, 2002 Pesos | | | | | |
| Current Investments | | | | | | | | | |
| Mutual Funds | | | | | | | | | |
| ABN AMRO in pesos | | | 2,888,061 | | | | | | |
| Fondo especial Banco Rio in pesos | | | 1,042,426 | | | | | | |
| Fondo Deutsche Bank in Euros | 801,211 | 2,626,609 | | | 3,278,299 | | | | |
| Fondo plazo fijo Banco Rio (in dollars) | 1,778 | 3,962 | 3,938 | 2,728 | 2,228,346 | | | | |
| Fondo Letes Banco Frances | | | | 1,056 | | | | | |
| Fondo Letes Banco Rio | | | | 2,941 | | | | | |
| | | 2,630,571 | 3,934,425 | 6,725 | | | | | |
| Notes and Convertible Bonds | | | | | | | | | |
| Convertible Bonds | | | | | | | | | |
| 2007 - IRSA | | 4,460,118 | 1,422,315 | | | | | | |
| Bonos Global 2010 | 110,000 | 89,799 | 102,465 | 85,506 | 0.816355 | | | | |
| Lebac | | | | 993,675 | | | | | |
| Bocon Pro 1 | 157,647 | 630 | 630 | | 0.003996 | | | | |
| | | 4,550,547 | 1,525,410 | 1,079,181 | | | | | |
| Deposits in local banks | | | | | | | | | |
| | | | | 1,261,491 | | | | | |
| | | | | 1,261,491 | | | | | |

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| | | | | | | | | | |
|---|------------|---------------------|---------------------|---------------------|----------|--|-------------|--------------|-------------|
| Shares | | | | | | | | | |
| Renault Argentina S.A. | 49,000 | 59,862 | | | | | 1.221673 | | |
| | | <u>59,862</u> | | | | | | | |
| Total current investments | | <u>7,240,980</u> | <u>5,459,835</u> | <u>2,347,397</u> | | | | | |
| Non-current investments | | | | | | | | | |
| Related companies | | | | | | | | | |
| Law 19,550. | | | | | | | | | |
| Article 33 | | | | | | | | | |
| AGRO-URANGA S A. | | | | | unlisted | Agricultural and livestock | 2,500,000 | 961,004 | 15,250,528 |
| Shares | 893,069 | 5,314,477 | 4,971,181 | 4,638,820 | | | | | |
| Contribution on account of future subscriptions of shares | | 7,865 | 7,865 | 7,865 | | | | | |
| Higher value of property | | 11,179,150 | 11,179,150 | 11,179,385 | | | | | |
| | | <u>16,501,492</u> | <u>16,158,196</u> | <u>15,826,070</u> | | | | | |
| CACTUS ARGENTINA S.A. | | | | | unlisted | Exploitation and administration of agricultural and beef cattle products | 1,300,000 | 129,275 | 5,884,822 |
| Shares | 650,000 | 806,718 | 742,155 | 767,131 | | | | | |
| Contribution on account of future subscriptions of shares | | 2,135,693 | 2,135,618 | 2,135,689 | | | | | |
| | | <u>2,942,411</u> | <u>2,877,773</u> | <u>2,902,820</u> | | | | | |
| IRSA Inversiones y Representaciones S.A. | | | | | listed | Real state | 212,212,000 | (15,166,000) | 794,320,000 |
| Shares | 48,022,307 | 185,051,069 | 183,285,586 | 119,549,889 | | | | | |
| | | <u>185,051,069</u> | <u>183,285,586</u> | <u>119,549,889</u> | | | | | |
| Subtotal | | <u>204,494,972</u> | <u>202,321,555</u> | <u>138,278,779</u> | | | | | |
| Others | | | | | | | | | |
| Convertible Bonds 2007 - IRSA | 49,893,188 | 145,438,642 | 139,139,526 | | | | | | |
| Coprolan | | 20,718 | 20,717 | 20,717 | unlisted | | | | |
| Subtotal | | <u>145,459,360</u> | <u>139,160,243</u> | <u>20,717</u> | | | | | |
| Goodwill | | | | | | | | | |
| Goodwill | | 1,154,433 | 1,319,353 | 1,814,149 | | | | | |
| IRSA negative goodwill | | (22,404,141) | (20,666,951) | (16,460,007) | | | | | |
| Subtotal | | <u>(21,249,708)</u> | <u>(19,347,598)</u> | <u>(14,645,858)</u> | | | | | |
| | | <u>328,704,624</u> | <u>322,134,200</u> | <u>123,653,638</u> | | | | | |

Total non-current
investments

**Cresud Sociedad Anónima Comercial,
Inmobiliaria, Financiera y Agropecuaria and Subsidiaries**

Unaudited Consolidated Investments

For the periods of three months ended September 30, 2003, June 30, 2003 and September 30, 2002

(Notes 1, 2, 3 and 4)

Schedule E

| <u>Item</u> | <u>Opening balances</u> | <u>Increases</u> | <u>Decreases</u> | <u>Inflation adjustment</u> | <u>Value at September 30, 2003</u> | <u>Value at June 30, 2003</u> | <u>Value at September 30, 2002</u> |
|--|-----------------------------|------------------|------------------|---------------------------------|--|---------------------------------------|--|
| Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos |
| Deducted from asset Defaulting debtors | 479,125 | | | | 479,125 | 479,125 | 710,073 |
| Total at September 30, 2003 | 479,125 | | | | 479,125 | | |
| Total at June 30, 2003 | 802,934 | 50,000 | 286,146 | (87,663) | | 479,125 | |
| Total at September 30, 2002 | 802,934 | | | (92,861) | | | 710,073 |

**Cresud Sociedad Anónima Comercial,
Inmobiliaria, Financiera y Agropecuaria and Subsidiaries**

Unaudited Consolidated Cost of sales

For the periods ended September 30, 2003 and 2002

(Notes 1, 2, 3 and 4)

Schedule F

| Crops | | Beef cattle | | Milk | | Others | | Total | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| September 30, 2003 | September 30, 2002 | September 30, 2003 | September 30, 2002 | September 30, 2003 | September 30, 2002 | September 30, 2003 | September 30, 2002 | September 30, 2003 | September 30, 2002 |
| Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos |
| | | 48,619,300 | 35,445,265 | 2,294,684 | 1,467,561 | | | 50,913,984 | 36,912,826 |
| 6,301,776 | 25,222,406 | | | | | | | 6,301,776 | 25,222,406 |
| 1,112,230 | 835,288 | | | | | | | 1,112,230 | 835,288 |
| | | 112,517 | 291,033 | 58,969 | 115,435 | | | 171,486 | 406,468 |
| 1,222,255 | 2,749,377 | | 30,355 | 33,362 | 51,732 | 246,069 | 293,378 | 1,501,686 | 3,124,842 |
| 8,636,261 | 28,807,071 | 48,731,817 | 35,766,653 | 2,387,015 | 1,634,728 | 246,069 | 293,378 | 60,001,162 | |
| | | 797,592 | 7,684,877 | 47,500 | (27,446) | | | 845,092 | |
| 291,905 | (1,592,270) | | | | | | | 291,905 | |
| (164,529) | (93,183) | (12,613) | (16,979) | | | | | (177,142) | |
| (13,303) | (6,803) | | | | | (1,255) | | (14,558) | |
| (578,775) | (749,360) | (80,817) | (173,556) | (129,715) | (89,618) | (148,090) | (131,838) | (937,397) | |
| 3,280,734 | 4,272,871 | 846 | 132,084 | (846) | (132,084) | | | | |
| | | 1,578,869 | 1,125,200 | 167,053 | 79,800 | 140,879 | 170,591 | 5,167,535 | |
| 741,006 | 1,248,386 | 3,204,375 | 1,845,050 | 559,503 | 394,945 | 363,558 | 289,072 | 4,868,442 | |
| | | (49,591,392) | (43,900,040) | (2,297,579) | (1,393,769) | | | (51,888,971) | (45,293,809) |

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| | | | | | | | | | | |
|-------------|--------------|-----------|-----------|----------|----------|-----------|-----------|-------------|--------------|-------------|
| (2,144,068) | (11,391,585) | | | | | | | (2,144,068) | (11,391,585) | |
| (3,018,307) | (2,835,596) | | | | | | | (3,018,307) | (2,835,596) | |
| | | (21,016) | (89,093) | (33,556) | (82,183) | | | (54,572) | (171,276) | |
| (2,573,916) | (4,230,446) | | (15,717) | (70,103) | (44,307) | (229,346) | (236,372) | (2,873,365) | (59,979,283) | (4,526,842) |
| 4,457,008 | 13,429,085 | 4,607,661 | 2,358,479 | 629,272 | 340,066 | 371,815 | 384,831 | | 10,065,756 | |

Cresud Sociedad Anónima Comercial,

Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Unaudited Consolidated Foreign currency assets and liabilities

For the periods of three months ended September 30, 2003, June 30, 2003 and September 30, 2002

(Notes 1,2, 3 and 4)

Schedule G

| Item | September 30, 2003 | | | June 30, 2003 | | September 30, 2002 | |
|---|-------------------------------------|-----------------------------|--------------------------------|-------------------------------------|--------------------------------|-------------------------------------|--------------------------------|
| | Type and amount of foreign currency | Current exchange rate Pesos | Amount in local currency Pesos | Type and amount of foreign currency | Amount in local currency Pesos | Type and amount of foreign currency | Amount in local currency Pesos |
| Current Asset | | | | | | | |
| Cash and banks | US\$ 2,805,379 | 2.815 | 7,897,143 | US\$ 5,781,624 | 15,610,384 | US\$ 10,837,249 | 39,183,288 |
| Investments: | | | | | | | |
| Mutual funds | US\$ 1,407 | 2.815 | 3,962 | US\$ 1,459 | 3,938 | US\$ | |
| Mutual funds | 801,211 | 3.278 | 2,626,609 | | | | |
| Convertible Bonds 2007 | | | | | | | |
| - IRSA | US\$ 1,530,058 | 2.915 | 4,460,118 | US\$ 507,970 | 1,422,315 | US\$ | |
| Trade accounts receivable | | | | | | | |
| Accounts receivable | US\$ 127,691 | 2.815 | 359,450 | US\$ 748,238 | 2,020,242 | US\$ 2,970,036 | 10,738,498 |
| Other receivables and prepaid expenses: | | | | | | | |
| Guarantee deposits | US\$ 157,738 | 2.815 | 444,027 | US\$ 252,603 | 682,027 | US\$ 460,161 | 1,663,764 |
| Others | US\$ | | | US\$ | | US\$ 454,329 | 1,642,678 |
| Non-Current Asset | | | | | | | |
| Investments: | | | | | | | |
| Convertible Bonds 2007 | | | | | | | |
| - IRSA | US\$ 49,893,188 | 2.915 | 145,438,643 | US\$ 49,692,688 | 139,139,526 | US\$ | |
| US\$ | US\$ 54,515,461 | | 158,603,343 | US\$ 56,984,581 | 158,878,432 | US\$ 14,721,775 | 53,228,228 |
| | 801,211 | | 2,626,609 | | | | |
| Total Asset | | | 161,229,952 | | 158,878,432 | | 53,228,228 |
| Current liabilities | | | | | | | |
| Trade payables: | | | | | | | |
| Suppliers | US\$ 137,024 | 2.915 | 399,426 | US\$ 155,871 | 436,439 | US\$ 2,010,512 | 7,468,936 |
| Loans: | | | | | | | |
| Convertible Bonds 2007 | US\$ 1,525,537 | 2.915 | 4,446,939 | US\$ 509,107 | 1,425,499 | US\$ | |
| Other | | | | | | | |
| Accrual for other expenses | US\$ 323,082 | 2.915 | 941,783 | US\$ 168,608 | 472,102 | US\$ 851,810 | 3,164,424 |

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Non-current liabilities

Loans:

| | | | | | | | |
|--------------------------|------------------------|-------|-----------------------|------------------------|--------------------|-----------------------|-------------------|
| Convertible Bonds 2007 | US\$ 49,745,753 | 2.915 | 145,008,870 | US\$ 49,803,916 | 139,450,965 | US\$ | |
| Total Liabilities | US\$ 51,731,396 | | \$ 150,797,018 | US\$ 50,637,502 | 141,785,005 | US\$ 2,862,322 | 10,633,360 |

Cresud Sociedad Anónima Comercial,

Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Unaudited Consolidated Information submitted in compliance with Section 64, subsection B of Law N°19,550

For the periods ended September 30, 2003 and 2002

(Notes 1, 2, 3 and 4)

Schedule H

| Items | Total | Operating Expenses | | | | | Expenses | | Total |
|------------------------------------|--------------------------------|--------------------|------------------|----------------------|----------------|-----------------|------------------|-------------------------|--------------------------------|
| | September 30, 2003 Pesos | Total Pesos | Crops Pesos | Beef cattle Pesos | Milk Pesos | Others Pesos | Selling Pesos | Administrative Pesos | September 30, 2002 Pesos |
| Directors fees | | | | | | | | | 31,419 |
| Fees and payments for services | 379,979 | 105,163 | 32,652 | 54,491 | 1,537 | 16,483 | | 274,816 | 246,586 |
| Salaries and wages | 1,170,227 | 598,124 | 100,314 | 347,993 | 59,889 | 89,928 | 7,791 | 564,312 | 717,698 |
| Social security contributions | 216,337 | 100,247 | 23,215 | 51,651 | 5,502 | 19,879 | 1,710 | 114,380 | 167,894 |
| Taxes, rates and contributions | 102,672 | 92,168 | 18,896 | 55,929 | 7,439 | 9,904 | | 10,504 | 67,710 |
| Gross sales taxes | 167,615 | | | | | | 167,615 | | 196,118 |
| Office and administrative expenses | 61,848 | 30,107 | | 827 | | 29,280 | | 31,741 | 89,646 |
| Bank commissions and expenses | 9,398 | 5,773 | 1,052 | 1,885 | 112 | 2,724 | | 3,625 | 5,244 |
| Depreciation of fixed assets | 729,556 | 689,960 | 337,336 | 274,093 | 47,627 | 30,904 | | 39,596 | 755,633 |
| Vehicle and travelling expenses | 105,010 | 81,757 | 23,833 | 43,193 | 6,964 | 7,767 | 940 | 22,313 | 113,017 |
| Spare parts and repairs | 242,817 | 242,817 | 80,386 | 124,270 | 32,508 | 5,653 | | | 193,607 |
| Insurance | 81,751 | 5,648 | 2,230 | 2,844 | 279 | 295 | | 76,103 | 95,144 |
| Employees maintenance | 37,066 | 31,907 | 5,272 | 22,273 | 1,713 | 2,649 | | 5,159 | 36,362 |
| Amortization of intangible assets | 123,211 | 123,211 | | | | | 123,211 | | 117,531 |
| Livestock expenses | 2,342,127 | 1,997,345 | | 1,997,345 | | | 344,782 | | 1,319,357 |
| Dairy farm expenses | 388,681 | 388,681 | | | 388,681 | | | | 288,503 |
| Agricultural expenses | 532,282 | 68,918 | 68,918 | | | | 463,364 | | 1,217,438 |
| Silo expenses | 43,269 | 43,269 | 43,269 | | | | | | 73,608 |
| Coal expenses | 5,019 | 1,746 | | | | 1,746 | 3,273 | | 14,643 |
| Firewood expenses | | | | | | | | | 9,510 |
| FyO expenses | 20,782 | 15,557 | | | | 15,557 | 5,225 | | 11,380 |
| General expenses | 246,066 | 246,044 | 3,633 | 227,581 | 7,252 | 7,578 | | 22 | 100,335 |
| Contributions and services | | | | | | | | | 616 |
| Total at September 30, 2003 | 7,005,713 | 4,868,442 | 741,006 | 3,204,375 | 559,503 | 363,558 | 994,700 | 1,142,571 | |
| Total at September 30, 2002 | | 3,777,453 | 1,248,386 | 1,845,050 | 394,945 | 289,072 | 1,429,856 | 654,389 | 5,868,999 |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Balance Sheet as at September 30, 2003, June 30, 2003 and September 30, 2002

| | September 30, 2003 (Notes 1 and 2) Pesos | June 30, 2003 (Notes 1 and 2) Pesos | September 30, 2002 (Notes 1 and 2) Pesos | | September 30, 2003 (Notes 1 and 2) Pesos | June 30, 2003 (Notes 1 and 2) Pesos | September 30, 2002 (Notes 1 and 2) Pesos |
|--|---|--|---|---|---|--|---|
| ASSETS | | | | LIABILITIES | | | |
| Current Assets | | | | Current Liabilities | | | |
| Cash and banks (Note 8.a.) | 9,449,551 | 16,804,920 | 43,159,863 | Debts: | | | |
| Investments (Note 8.b.) | 7,240,980 | 5,459,835 | 2,347,397 | Trade accounts payable (Note 8.f. and Schedule G) | 3,787,942 | 4,326,017 | 10,027,408 |
| Trade accounts receivable (Note 8.c.) | 2,107,784 | 6,216,651 | 14,067,829 | Loans (Note 8.g.) | 4,446,939 | 1,425,499 | 6,839,512 |
| Other receivables and prepaid expenses (Note 8.d.) | 8,999,581 | 6,132,962 | 10,124,841 | Salaries and social security payable (Note 8.h.) | 687,972 | 1,052,445 | 446,033 |
| Inventories (Note 8.e.) | 24,326,007 | 22,086,691 | 33,713,528 | Taxes payable (Note 8.i.) | 907,401 | 1,769,547 | 10,522,718 |
| Total Current Assets | 52,123,903 | 56,701,059 | 103,413,458 | Other (Note 8.j.) | 4,343,917 | 7,008,037 | 7,849,461 |
| | | | | Total Debts | 14,174,171 | 15,581,545 | 35,685,132 |
| Non-Current Assets | | | | Total Current Liabilities | 14,174,171 | 15,581,545 | 35,685,132 |
| Other receivables and prepaid expenses (Note 8.d.) | 1,204,332 | 504,192 | 2,950,416 | | | | |
| Inventories (Note 8.e.) | 33,048,828 | 34,947,790 | 29,045,402 | Non-Current Liabilities | | | |
| Investments (Note 8.b. and Schedule C) | 215,788,634 | 213,361,465 | 149,397,122 | Taxes payable (Note 8.i.) | 22,291,783 | 21,877,809 | 23,610,198 |
| Other investments (Note 8.b. and Schedule C) | 145,459,360 | 139,160,243 | 20,717 | Loans (Note 8.g.) | 142,528,076 | 137,951,054 | |
| Fixed assets, net (Schedule A) | 143,123,519 | 141,882,382 | 121,084,428 | Other (Note 8.j.) | | | 219,306 |
| Subtotal Non-Current Assets | 538,624,673 | 529,856,072 | 302,498,085 | Total Non-Current Liabilities | 164,819,859 | 159,828,863 | 23,829,504 |
| Goodwill (Note 8.b. and Schedule C) | (21,249,708) | (19,347,598) | (14,645,858) | Total liabilities | 178,994,030 | 175,410,408 | 59,514,636 |
| Total Non-Current Assets | 517,374,965 | 510,508,474 | 287,852,227 | SHAREHOLDERS EQUITY (as per corresponding statement) | 390,504,838 | 391,799,125 | 331,751,049 |
| Total Assets | 569,498,868 | 567,209,533 | 391,265,685 | | 569,498,868 | 567,209,533 | 391,265,685 |

**Total Liabilities and
Shareholders Equity**

The accompanying notes and schedules are an integral part of these financial statements.

Eduardo Sergio Elsztain

Chairman

Cresud Sociedad Anónima
Comercial, Inmobiliaria, Financiera y Agropecuaria
Unaudited Income Statement

For the periods ended September 30, 2003 and 2002

| | September 30, 2003 (Notes 1 and 2) Pesos | September 30, 2002 (Notes 1 and 2) Pesos |
|---|---|---|
| Sales | | |
| Crops | 5,606,579 | 16,832,895 |
| Beef cattle | 4,883,223 | 3,212,358 |
| Milk | 884,035 | 544,799 |
| Other | 37,996 | 1,349 |
| Total Sales | 11,411,833 | 20,591,401 |
| Cost of sales (Schedule F) | | |
| Crops | (4,457,008) | (13,429,086) |
| Beef cattle | (4,185,048) | (1,561,532) |
| Milk | (629,272) | (340,066) |
| Other | (19,430) | (10,334) |
| Total cost of sale | (9,290,758) | (15,341,018) |
| Gross income | 2,121,075 | 5,250,383 |
| Selling expenses (Schedule H) | (927,515) | (1,396,075) |
| Administrative expenses (Schedule H) | (1,107,233) | (624,174) |
| Gains from fixed assets sales | 125,520 | 23,884 |
| Gain from inventory holdings (Schedule F) | 789,267 | 7,273,068 |
| Operating income | 1,001,114 | 10,527,086 |
| Financial Results (Note 8.k.) | | |
| Financial loss generated by assets | 9,300,267 | (8,050,048) |
| Financial gain generated by liabilities | (9,181,564) | 2,960,610 |
| Other expenses: | | |
| Donations | | (705,527) |
| Others | (97,013) | (47,717) |
| (Loss) gain from related companies | (2,579,589) | 12,643,573 |
| Management fees (Note 5) | | (1,567,839) |
| (Loss) income before income tax | (1,556,785) | 15,760,138 |
| Income tax expense (Note 6) | (413,974) | (6,675,545) |

| | | |
|---|--------------------|------------------|
| Net (loss) income for the period | (1,970,759) | 9,084,593 |
|---|--------------------|------------------|

The accompanying notes and schedules are an integral part of these financial statements.

Eduardo Sergio Elsztain

Chairman

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Statement of Changes in Shareholders' Equity

For the periods ended September 30, 2003 and 2002

(Notes 1 and 2)

| Items | Shareholders' contributions | | | | | | Total at September 30, 2003 | Total at September 30, 2002 | |
|---|-----------------------------|-------------------|-------------------------|--------------------|-------------|------------------|--------------------------------------|--------------------------------------|----------------------|
| | Common stock | Treasury stock | Inflation adjustment | Paid-in capital | Total | Legal reserve | | | Retained earnings |
| | (Note 3) | (Note 3) | of Common stock | | | | | | |
| | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | |
| Balances at the beginning of the period | 124,098,095 | 572,437 | 166,218,124 | 89,991,775 | 380,880,431 | 5,833,163 | 5,085,531 | 391,799,125 | 322,617,118 |
| Subscription of incentive plan (Note 12) | 16,000 | (16,000) | | | | | 16,000 | 16,000 | 49,338 |
| Conversion of bonds in common stock (Note 13) | 114,538 | | | 41,984 | 156,522 | | | 156,522 | |
| Exercise of Warrants | 295,396 | | | 208,554 | 503,950 | | | 503,950 | |
| Net (loss) income for the period | | | | | | | (1,970,759) | (1,970,759) | 9,084,593 |
| Balances at September 30, 2003 | 124,524,029 | 556,437 | 166,218,124 | 90,242,313 | 381,540,903 | 5,833,163 | 3,130,772 | 390,504,838 | |
| Balances at September 30, 2002 | 120,197,102 | 4,087,290 | 166,218,124 | 89,784,877 | 380,287,393 | 5,833,163 | (54,369,507) | | 331,751,049 |

The accompanying notes and schedules are an integral part of these financial statements.

Eduardo Sergio Elsztain

Chairman

Cresud Sociedad Anónima
Comercial, Inmobiliaria, Financiera y Agropecuaria
Unaudited Cash Flow Statement

For the periods ended September 30, 2003 and 2002

| | September 30, 2003 | September 30, 2002 |
|---|-----------------------|-----------------------|
| | (Notes 1 and 2) | (Notes 1 and 2) |
| | Pesos | Pesos |
| Changes in funds | | |
| Funds at the beginning of the period | 20,739,345 | 44,184,079 |
| Funds at the end of the period | 12,080,122 | 44,424,082 |
| Net (decrease) increase in funds | (8,659,223) | 240,003 |
| Causes of changes in funds | | |
| Operations activities | | |
| (Loss) income for the period | (1,970,759) | 9,084,593 |
| Liabilities interest | 3,021,440 | 395,972 |
| Income tax | 413,974 | 6,675,545 |
| Adjustments made to reach net cash flow from operations activities | | |
| Results from interest in controlled and related companies | 2,579,589 | (12,643,573) |
| Increase in allowances and reserves | 1,301,142 | 2,254,493 |
| Depreciation | 670,744 | 696,642 |
| Results from inventory holdings | (789,267) | (7,273,068) |
| Financial results | (2,234,707) | (3,075,315) |
| Result from sale of fixed assets | (125,520) | (23,884) |
| Changes in operating assets and liabilities | | |
| Increase in current investments | (59,862) | (1,024,225) |
| Decrease in trade accounts receivable | 4,108,867 | 2,626,998 |
| Increase in other receivables | (2,892,287) | (3,710,990) |
| Decrease in inventories | 434,355 | 9,408,068 |
| (Decrease) increase in social securities, charges & taxes payable and advances to customers | (1,925,280) | 2,686,337 |
| Decrease in trade accounts payable | (538,075) | (2,260,546) |
| Dividends collected | | 63,239 |
| Decrease in other liabilities | (5,277,012) | (616,878) |
| Net funds (applied to) provided by operations | (3,282,658) | 3,263,408 |
| Investment activities | | |
| Increase in permanent investments | (916,678) | |
| Increase in interest in related companies | (3,208,034) | (2,580,045) |
| Acquisition and upgrading of fixed assets | (2,177,853) | (458,749) |
| Sale of fixed assets | 406,050 | 119,168 |
| Net funds applied to investment activities | (5,896,515) | (2,919,626) |

| | | |
|---|--------------------|------------------|
| Financing activities | | |
| Exercise of Warrants | 503,950 | |
| Exercise of rights offering on treasury stock | 16,000 | 49,338 |
| Increase in financial loans | | 1,913,800 |
| Decrease in financial loans | | (2,066,917) |
| Net funds provided by (applied to) financing activities | 519,950 | (103,779) |
| Net (decrease) increase in funds | (8,659,223) | 240,003 |
| Items not involving changes in funds | | |
| Transfer of inventory to fixed assets | 14,558 | 6,803 |
| Repayment of financial loans through issue of stock by exercise of conversion right | 156,522 | |

The accompanying notes and schedules are an integral part of these financial statements.

Eduardo Sergio Elsztain

Chairman

**Cresud Sociedad Anónima, Comercial,
Inmobiliaria, Financiera y Agropecuaria
Notes to the Unaudited Financial Statements**

For the periods ended on September 30, 2003 and 2002

NOTE 1: PRESENTATION OF FINANCIAL STATEMENTS IN CONSTANT PESOS

a. Presentation standards

These financial statements are stated in Argentine pesos, and have been prepared in accordance with the disclosure and valuation accounting standards contained in the Technical Resolutions issued by the Argentine Federation of Professional Councils in Economic Sciences, as approved, with certain amendments, by the Professional Council of Economic Sciences of the City of Buenos Aires and the Argentine Securities Commission.

b. Accounting for inflation

The Company's financial statements have been prepared in accordance with Resolution M.D. 3/02 of the Professional Council of Economic Sciences of the City of Buenos Aires, which has established the application of Technical Resolution No. 6, as amended by Technical Resolution No. 19 of the Argentine Federation of Professional Councils in Economic Sciences, as from fiscal years or interim periods ended on or after March 31, 2002.

On March 25, 2003, the National Executive Branch issued Decree No. 664 establishing that financial statements for fiscal periods ended as from that date should be stated in nominal currency. Therefore, in accordance with Resolution No. 441 issued by the Argentine Securities and Exchange Commission on April 8, 2003, the Company discontinued restatement of its financial statements effective March 1, 2003. This criterion is not in compliance with the professional accounting standards in force. However, as of September 30, 2003, this deviation did not have a material effect on the Company's financial statements.

As a consequence of the above, the Company's financial statements are presented in constant currency as of February 28, 2003, having considered the accounting measurements restated by the changes in the purchasing power of the currency until interruption of the adjustment and those arising in the period of stability, restated into currency of December 2001.

The coefficients prepared based on the domestic wholesale price index have been applied for purposes of the abovementioned restatement.

Amounts corresponding to the year ended on June 30, 2003 are exposed only for comparative effect in the Balance Sheet.

Amounts corresponding to the period ended on September 30, 2002 have been restated at February 28, 2003 for purposes of presentation on a comparative basis.

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In the income statement for this fiscal period, the result from exposure to changes in the currency's purchasing power and the financial results are both included in Financial Results .

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 1: (Continued)c. New Accounting Standards

The Professional Council of Economic Sciences of the City of Buenos Aires enacted the following technical resolutions: N° 16: Conceptual regime for professional accounting regulations ; N° 17: Professional accounting regulations: development of matters of general application , N° 18: Professional accounting regulations: development of some matters of particular application and N° 19 Modifications to technical resolutions N° 4, 5, 6, 8, 9, 11 and 14 and 20 Derivative instruments and hedging transactions , through Resolutions C 238/01, C 243/01, C 261/01, C 262/01 and C 187/02, respectively; establishing that such technical resolutions and the modifications incorporated, will be in force for fiscal years initiated as from July 1, 2002 (other than Technical Resolution No. 20, which shall become effective for fiscal years beginning as from January 1, 2003).

The Argentine Securities and Exchange Commission, through Resolution N° 434/03 has adopted such technical resolutions with some exceptions and modifications, which will be in force for fiscal years initiated as from January 1, 2003.

The main modifications included by the above mentioned technical resolutions, which would imply significant adjustments on the company's accounting statements. The main changes basically result from the registration of income tax under the deferred tax method, as concerns agreements involving derivative instruments and the valuation of receivables and payables with no stated rate at their current value.

In addition, there are certain transitional rules that allow, and sometimes require, to apply prospectively the valuation and disclosure criteria introduced by the new accounting regulations, thus affecting comparability of the financial statements. The following table contains changes in comparative Financial Statements:

| <u>Description</u> | <u>Effect on accumulative results at September 30, 2002 Income (Loss) Pesos</u> | <u>Effect on results at September 30, 2002 Income (Loss) Pesos</u> |
|--|---|--|
| Application of Deferred Tax (vs. Current Tax method) | (20.629.666) | (2.980.532) |
| Market value of premiums for forward transactions | 283.767 | (53.273) |
| Registration in Long Term Investments of Adjustment of Results of Previous Fiscal Periods in related companies | 655.889 | (1.999.348) |
| Total | (19.690.010) | (5.033.153) |

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

The principal valuation and disclosure criteria for the preparation of the financial statements, applied on a basis consistent with respect to the last fiscal period, except as stated in note 1.c., which explains the changes in rules and adjustments of results of previous fiscal periods.

a. Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Estimates are used when accounting for the allowance for doubtful accounts, depreciation, amortization, impairment of long-lived assets, income taxes and contingencies and assets recoverable value. Actual results could differ from those estimates.

b. Local currency assets and liabilities

The local currency assets and liabilities are stated at period-end nominal currency.

c. Foreign currency assets and liabilities

Foreign currency assets and liabilities have been translated at the official rate of exchange in effect at September 30, 2003.

d. Temporary investments

Mutual funds and notes and convertible bonds are carried at market value as of period-end. Temporary investments do not exceed their recoverable value estimated at fiscal period-end.

e. Trade accounts receivable and payable

Trade accounts receivable and payable have been valued at their cash price estimated at the time of the transaction, plus interest and implied financial components accrued on the basis of the internal rate of return determined at such time, provided they are significant.

f. Credits and loans

Credits and loans have been valued in accordance with the sum of money delivered and received, respectively, net of transaction costs, plus financial results accrued on the basis of the rate estimated at such time as of period-end.

g. Futures and Options

Futures and options relate to cereal commitments deliverable at a previously agreed price (see Note 4) and are carried at market value at fiscal period-end.

Cresud Sociedad Anónima, Comercial,

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Notes to the Unaudited Financial Statements (Continued)

NOTE 2: (Continued)

h. Other receivables and payables

Miscellaneous receivables and payables have been valued at agreed values plus interest accrued at fiscal period-end.

i. Balances with related parties

Receivables and payables with related parties have been valued in accordance with the conditions agreed between the parties involved.

j. Inventories

1. Livestock for raising and grazing cattle have been stated at their market value at the end of the period, net of estimated selling expenses. The livestock for dairy production and other purposes not related to direct sale over the next 12 months were valued at replacement cost.
2. Crops: at their quoted market value at the end of the period, less estimated sale expenses.
3. The remaining inventories were valued at replacement value.

The carrying values of inventories, which are determined as discussed above, do not exceed their estimated recoverable values at the end of the period.

k. Long term investments in other companies

1. Investments in subsidiaries and affiliates

The investments in subsidiaries and affiliates in which the Company has significant influence have been accounted for under the equity method, as required by Technical Resolution No. 5 of the Argentine Federation of Professional Councils in Economic Sciences.

Holdings at September 30, 2003 are as follows:

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| <u>Subsidiaries and affiliates</u> | <u>% Equity interest</u> |
|--|--------------------------|
| Inversiones Ganaderas S.A. | 99.99 |
| Futuros y Opciones.Com S.A. | 70.00 |
| Cactus Argentina S.A. | 50.00 |
| Agro Uranga S.A. | 35.72 |
| IRSA Inversiones y Representaciones Sociedad Anónima | 23.32 |

Consolidated financial statements with Inversiones Ganaderas S.A. and Futuros y Opciones.Com S.A. at September 30, 2003, June 30, 2003 and September 30, 2002 are presented as complementary information.

Cresud Sociedad Anónima, Comercial,

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Notes to the Unaudited Financial Statements (Continued)

NOTE 2: (Continued)

At March 31, 2002, our investment in IRSA was valued by the equity method of accounting as a result of a change of strategy according to which those shares are carried as a long-term investment. This decision was made as a result of the impact of the recent economic measures on the financial markets, which modified the original budget with respect to these types of investments.

Current valuations and economic conditions reduce the risks inherent to long-term investment opportunities and increase the possibility of obtaining significant return in the long term. In view of these circumstances: (i) the value of the investment was set at market value; (ii) the value of the investment was calculated by the equity method of accounting; and (iii) the difference between (i) and (ii) was recognized as negative goodwill to be amortized over 20 years.

2. Other Investments

Investments in debt securities

IRSA's Convertible Bonds were valued taking into account the amount existing at period-end in dollars, at the sellers' exchange rate plus interest accrued as of the closing date of these financial statements.

Other investments

The remaining investments correspond to non-listed securities, which were valued at their restated cost, see Note 1.b.

Goodwill

The goodwill relating to the purchase of the subsidiary Futuros y Opciones.Com S.A. has been valued at its restated cost, calculated as the difference between the price paid for such investment and its equity value calculated at the time of purchase, restated into period-end currency by applying the coefficients mentioned in Note 1.b.

Depreciation is calculated in accordance with the estimated useful life, which is 5 years and has been classified under Result from interest in subsidiaries and related companies in the statement of income.

1. Fixed assets

Purchase value:

Valued at cost restated into period-end currency applying the coefficients mentioned in Note 1 b., based on the corresponding dates of origin.

Depreciation

Calculated by the straight-line method based on the estimated useful lives of the assets as from the period of addition.

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Notes to the Unaudited Financial Statements (Continued)

NOTE 2: (Continued)

The carrying value

The carrying value of fixed assets does not exceed their estimated recoverable value at the end of the period.

m. Shareholders equity

Initial balances and changes during the period have been restated into period-end currency following the criteria set forth in Note 1.b.

n. Results for the period

The results for the period are disclosed in the paid cost.

The statement of income shows the financial results generated by assets and liabilities. Note 8.k. includes a breakdown of this information.

Financial results were segregated into results generated by assets and those generated by liabilities in the notes to the unaudited financial statements.

o. Income Tax

The Company has recognized the income tax liability on the basis of the deferred tax liability method, thus considering temporary differences between registration of assets and liabilities for accounting and tax purposes. The principal temporary differences originate in the valuation of livestock and the sale and replacement of fixed assets.

In order to determine deferred assets and liabilities the tax rate expected to be in effect at the temporary of reversal or use has been applied on the temporary differences identified and tax loss carryforwards, considering the laws enacted as of the date of issuance of these financial statements (35%).

p. Tax on minimum hypothetical income

The Company determines the tax on minimum hypothetical income applying the prevailing rate of 1% on computable assets at fiscal period-end. This tax is supplementary to the income tax. The Company's tax liability for each period will be the higher of these two taxes. However, if the tax on minimum hypothetical income exceeds the income tax in any fiscal year, such excess may be computed as payment on account of the income tax that may be payable in any of the following ten fiscal years.

q. Revenue recognition

Revenue is recognized on sales of products when the customer receives title to the goods, generally upon delivery.

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Notes to the Unaudited Financial Statements (Continued)

NOTE 3: COMMON AND TREASURY STOCK

The activity in the Company's shares during the last three financial years was as follows:

| | Authorized | Subscribed | Paid in |
|--|-------------|-------------|-------------|
| | Pesos | Pesos | Pesos |
| Common and treasury stock at June 30, 2001 | 119,669,749 | 119,669,749 | 119,669,749 |
| Preferred offering Fiscal year ended June 30, 2002 | 2,353 | 2,353 | 2,353 |
| Incentive Plan Fiscal year 02 | 480,000 | 480,000 | 480,000 |
| Incentive Plan Fiscal year 03 | 3,559,853 | 3,559,853 | 3,559,853 |
| Conversion of bonds in common stock (Note 13)-Fiscal year 2003 | 386,140 | 386,140 | 386,140 |
| Incentive Plan - Fiscal year 04-1st quarter | 16,000 | 16,000 | 16,000 |
| Conversion of bonds in common stock (Note 13)-Fiscal year 2004-1st quarter | 114,538 | 114,538 | 114,538 |
| Exercise of Warrants (Note13)- Fiscal year 2004-1st quarter | 295,396 | 295,396 | 295,396 |
| Common and treasury stock at September 30, 2003 | 124,524,029 | 124,524,029 | 124,524,029 |

At September 30, 2003 the common and treasury stock consisted of 124,524,029 ordinary book entry shares with a face value of Pesos 1 each entitled to one vote per share, which were available in the market.

NOTE 4: FUTURES

At September 30, 2003 the Company had arranged futures and options on the futures market as follows:

OPTIONS C.B.O.T. SELL CALL SEASON 2003/2004

| Cereal | Tons | Average price US\$ ⁽¹⁾ | Premium US\$ ⁽²⁾ |
|---------|--------|-----------------------------------|-----------------------------|
| Soybean | 10,880 | 246.18 | (68,961) |
| Wheat | 5,440 | 146.98 | (18,490) |

OPTIONS C.B.O.T. PURCHASE CALL SEASON 2003/2004

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| <u>Cereal</u> | <u>Tons</u> | <u>Average price US\$ ⁽¹⁾</u> | <u>Premium US\$ ⁽²⁾</u> |
|---------------|-------------|--|------------------------------------|
| Corn | 2,540 | 94.48 | 11,999 |

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Notes to the Unaudited Financial Statements (Continued)

NOTE 4: (Continued)**OPTIONS C.B.O.T. PURCHASE PUT SEASON 2003/2004**

| <u>Cereal</u> | <u>Tons</u> | <u>Average price US\$ ⁽¹⁾</u> | <u>Premium US\$ ⁽²⁾</u> |
|---------------|-------------|--|------------------------------------|
| Soybean | 8,160 | 222.91 | 67,962 |

OPTIONS SELL CALL SEASON 2003/2004

| <u>Cereal</u> | <u>Tons</u> | <u>Average price US\$ ⁽¹⁾</u> | <u>Premium US\$</u> |
|---------------|-------------|--|---------------------|
| Wheat | 1,000 | 112.00 | (4,000) |

OPTIONS SELL PUT SEASON 2003/2004

| <u>Cereal</u> | <u>Tons</u> | <u>Average price US\$ ⁽¹⁾</u> | <u>Premium US\$ ⁽²⁾</u> |
|---------------|-------------|--|------------------------------------|
| Wheat | 400 | 100.00 | (1,160) |

OPTIONS PURCHASE CALL SEASON 2003/2004

| <u>Cereal</u> | <u>Tons</u> | <u>Average price US\$ ⁽¹⁾</u> | <u>Premium US\$ ⁽²⁾</u> |
|---------------|-------------|--|------------------------------------|
| Soybean | 1,500 | 160.00 | 5,685 |

FUTURES C.B.O.T. SEASON 2003/2004

| <u>Cereal</u> | <u>Tons</u> | <u>Average price US\$ ⁽¹⁾</u> | <u>Total amount US\$ ⁽²⁾</u> |
|----------------|-------------|--|---|
| Wheat-purchase | 5,440 | 136.14 | 740,602 |

FUTURES SEASON 2003/2004

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| <u>Cereal</u> | <u>Tons</u> | <u>Average price US\$ ⁽¹⁾</u> | <u>Total amount US\$</u> |
|---------------|-------------|--|--------------------------|
| Wheat-sell | 1,900 | 105.14 | 199,766 |

At September 30, 2002 the Company had arranged futures and options on the forward market as follows:

FUTURES SEASON 2002/2003

| <u>Cereal</u> | <u>Tons</u> | <u>Average price US\$ ⁽¹⁾</u> | <u>Total amount US\$</u> |
|---------------|-------------|--|--------------------------|
| Corn-purchase | 3,100 | 85.08 | 263,748 |

Cresud Sociedad Anónima, Comercial,

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Notes to the Unaudited Financial Statements (Continued)

NOTE 4: (Continued)**OPTIONS PURCHASE CALL SEASON 2002/2003**

| <u>Cereal</u> | <u>Tons</u> | <u>Average price US\$ ⁽¹⁾</u> | <u>Premium US\$ ⁽²⁾</u> |
|---------------|-------------|--|------------------------------------|
| Corn | 3,500 | 92.00 | 9,695 |
| Wheat | 200 | 97.00 | 760 |

OPTIONS SELL CALL SEASON 2002/2003

| <u>Cereal</u> | <u>Tons</u> | <u>Average price US\$ ⁽¹⁾</u> | <u>Premium US\$ ⁽²⁾</u> |
|---------------|-------------|--|------------------------------------|
| Corn | 1,500 | 90.00 | (6,000) |

FUTURES C.B.O.T. SEASON 2001/2002

| <u>Cereal</u> | <u>Tons</u> | <u>Average price US\$ ⁽¹⁾</u> | <u>Total amount US\$ ⁽²⁾</u> |
|---------------|-------------|--|---|
| Corn-purchase | 3,810 | 112.33 | 427,977 |

OPTIONS C.B.O.T. PURCHASE CALL SEASON 2001/2002

| <u>Cereal</u> | <u>Tons</u> | <u>Average price US\$ ⁽¹⁾</u> | <u>Premium US\$ ⁽²⁾</u> |
|---------------|-------------|--|------------------------------------|
| Soybean | 2,720 | 213.12 | 27,472 |

OPTIONS C.B.O.T. SELL CALL SEASON 2001/2002

| <u>Cereal</u> | <u>Tons</u> | <u>Average price US\$ ⁽¹⁾</u> | <u>Premium US\$ ⁽²⁾</u> |
|---------------|-------------|--|------------------------------------|
| Soybean | 2,720 | 227.81 | (14,987) |

- (1) Strike price without deducting expenses.
- (2) Premiums paid (collected).

NOTE 5: MANAGEMENT AGREEMENT

The Company signed a management agreement with Dolphin Fund Management S.A. (formerly called Consultores Asset Management S.A.), for consulting in relation to livestock and farming activities serving as an intermediary in transactions and investment consulting in relation to security investments.

In exchange for its services, such company will receive a payment equivalent to 10% of the net income resulting from the annual or the special financial statements.

The financial statements at September 30, 2003 include an accrual for an amount of Ps. 149,223 for this concept, not corresponding any charge for this period.

Cresud Sociedad Anónima, Comercial,

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Notes to the Unaudited Financial Statements (Continued)

NOTE 5: (Continued)

Since certain directors of Cresud Sociedad Anónima Comercial, Inmobiliaria, Financiera y Agropecuaria are also executive directors of Dolphin Fund Management S.A., the above-mentioned agreement was approved by the Extraordinary Shareholders Meeting held on October 25, 1994, in compliance with Article N° 271 of Law N° 19,550.

NOTE 6: INCOME TAX DEFERRED TAX

The following tables show the development and composition of deferred tax Assets and Liabilities.

Deferred assets:

| | <u>Cumulative tax loss carryforwards</u> | <u>Provisions</u> | <u>Fixed Assets Net Book Value Decrease</u> | <u>Inventories</u> | <u>Other</u> | <u>TOTAL</u> |
|-------------------|--|-------------------|---|--------------------|--------------|--------------|
| Initial Balance | 2,257,115 | (6,335) | | | 250,802 | 2,501,582 |
| Charge to results | 454,756 | | | | | 454,756 |
| Closing Balance | 2,711,871 | (6,335) | | | 250,802 | 2,956,338 |

Deferred liabilities:

| | <u>Fixed Assets</u> | <u>Inventories</u> | <u>Investments</u> | <u>Provisions</u> | <u>Other</u> | <u>TOTAL</u> |
|-------------------|---------------------|--------------------|--------------------|-------------------|--------------|--------------|
| Initial Balance | (13,019,043) | (10,355,850) | (2,706) | (1,001,793) | | (24,379,392) |
| Charge to results | (610) | 537,797 | 2,824 | (1,408,740) | | (868,729) |
| Closing Balance | (13,019,653) | (9,818,053) | 118 | (2,410,533) | | (25,248,121) |

Net liabilities at period-end as per the information included in the preceding tables amount to \$ 22,291,783

Cresud Sociedad Anónima, Comercial,

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Notes to the Unaudited Financial Statements (Continued)

NOTE 6: (Continued)

Below is a conciliation between the Income Tax charged to Income and that which would result from applying the prevailing tax rate on the Income for accounting purposes:

| <u>Description</u> | <u>September 30, 2003</u> | <u>September 30, 2002</u> |
|--|-------------------------------|-------------------------------|
| (Loss) income before income tax | (1,556,785) | 15,760,138 |
| Tax rate | 35% | 35% |
| Net results at tax rates: | (544,875) | 5,516,048 |
| Permanent differences at tax rate: | | |
| Restatement into constant currency | 1,018,365 | 460,395 |
| Penalties | 805 | 39 |
| Donations | (396,322) | 7,406 |
| Amortization FYO Goodwill | 34,748 | 27,244 |
| Result from purchase and sale of stock | 236,736 | |
| Miscellaneous permanent differences | 64,517 | 664,413 |
| | 413,974 | 6,675,545 |

During this period the Income Tax rate was 35%.

Cumulative tax loss carryforwards recorded by the Company pending utilization at period-end amount to approximately Ps. 2,711,871 and may be offset against taxable income of future fiscal periods, as follows:

| <u>Origination year</u> | <u>Amount</u> | <u>Expiration Year</u> |
|-------------------------|---------------|------------------------|
| 2003 | 1,874,992 | 2008 |
| 2004 | 836,879 | 2009 |

NOTE 7: TRANSACTIONS WITH SUBSIDIARIES LAW 19550 ARTICLE 33

As of September 30, 2003 and 2002 the results with Subsidiaries Law 19,550 and related companies are as follows:

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| | September 30, 2003 | September 30, 2002 |
|--|-----------------------------|-----------------------------|
| | <u> </u> | <u> </u> |
| Inversiones Ganaderas S.A. | | |
| Interest | (25,651) | (25,453) |
| Futuros y Opciones.Com S.A. | | |
| Selling expenses | | (7,301) |
| Cactus Argentina S.A. | | |
| Interest | 4,534 | 4,962 |
| Livestock expenses | (1,193,992) | (239,821) |
| Inversiones y Representaciones S.A. | | |
| Interest | | 197,468 |
| Fees from sharing services | 28,633 | |

Cresud Sociedad Anónima, Comercial,

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Notes to the Unaudited Financial Statements (Continued)

NOTE 8: Details of balance sheet and income statement accounts**a. Cash and banks**

| | September 30, 2003 | June 30, 2003 | September 30, 2002 |
|--|-----------------------|-------------------|-----------------------|
| | Pesos | Pesos | Pesos |
| Cash | 53,881 | 26,191 | 72,357 |
| Foreign currency (Schedule G) | 5,610 | 3,239,854 | 721,636 |
| Lecop currency | 7,100 | | 44 |
| Local currency checking account | 1,275,073 | 534,711 | 2,311,578 |
| Patacones currency checking account | 54 | 171,891 | 50,114 |
| Lecop currency checking account | 175 | 62,532 | 3,829 |
| Foreign currency checking account (Schedule G) | 7,891,533 | 12,370,530 | 38,461,652 |
| Local currency saving account | 3,253 | 6,181 | 1,253,615 |
| Checks to be deposited | 212,872 | 367,247 | 256,522 |
| Patacones checks to be deposited | | 25,783 | 28,516 |
| | <u>9,449,551</u> | <u>16,804,920</u> | <u>43,159,863</u> |

b. Investments and Goodwill

| | September 30, 2003 | June 30, 2003 | September 30, 2002 |
|--|-----------------------|--------------------|-----------------------|
| | Pesos | Pesos | Pesos |
| Investment | | | |
| Schedule C | 7,240,980 | 5,459,835 | 2,347,397 |
| | <u>7,240,980</u> | <u>5,459,835</u> | <u>2,347,397</u> |
| Investment | | | |
| Investment from related companies (Schedule C) | 215,788,634 | 213,361,465 | 149,397,122 |
| | <u>215,788,634</u> | <u>213,361,465</u> | <u>149,397,122</u> |
| Other investments | | | |
| Schedule C | 145,459,360 | 139,160,243 | 20,717 |
| | <u>145,459,360</u> | <u>139,160,243</u> | <u>20,717</u> |
| Goodwill | | | |

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| | | | |
|-----------------------|---------------------|---------------------|---------------------|
| Goodwill (Schedule C) | <u>(21,249,708)</u> | <u>(19,347,598)</u> | <u>(14,645,858)</u> |
| | <u>(21,249,708)</u> | <u>(19,347,598)</u> | <u>(14,645,858)</u> |

Cresud Sociedad Anónima, Comercial,

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Notes to the Unaudited Financial Statements (Continued)

NOTE 8: (Continued)

c. Trade accounts receivable

| | September 30, 2003 | June 30, 2003 | September 30, 2002 |
|---|-----------------------|------------------|-----------------------|
| | Pesos | Pesos | Pesos |
| Current | | | |
| Accounts receivable in local currency | 2,166,747 | 4,627,834 | 3,790,321 |
| Accounts receivable in foreign currency (Schedule G) | 359,450 | 2,011,421 | 10,715,925 |
| Less: | | | |
| Provision for defaulting debtors | (454,125) | (454,125) | (685,241) |
| | <u>2,072,072</u> | <u>6,185,130</u> | <u>13,821,005</u> |
| Subsidiaries and related companies Law 19,550 Article 33: | | | |
| Inversiones Ganaderas S.A. | 21,524 | 17,812 | 3,722 |
| Cactus Argentina S.A. | 14,188 | 13,709 | 243,102 |
| | <u>2,107,784</u> | <u>6,216,651</u> | <u>14,067,829</u> |

d. Other receivables and prepaid expenses

| | September 30, 2003 | June 30, 2003 | September 30, 2002 |
|---|-----------------------|------------------|-----------------------|
| | Pesos | Pesos | Pesos |
| Current | | | |
| Other | 473,733 | 255,260 | 1,923,219 |
| Prepaid leases | 3,188,751 | 1,894,560 | 3,589,813 |
| Guarantee deposits (Schedule G) | 444,027 | 682,027 | 1,894,258 |
| Secured by mortgage and under legal proceedings | 548,532 | 531,602 | 1,212,938 |
| Prepaid expenses | 620,639 | 864,244 | 805,032 |
| Surety bonds received | | | 372,765 |
| Tax prepayments | 1,879,282 | 91,391 | 13,697 |
| Subsidiaries and related companies Law 19,550 Article 33: | | | |
| Cactus Argentina S.A. | 1,335,554 | 1,334,692 | 281,534 |
| Futuros y Opciones.Com S.A. | 53,480 | 23,603 | 23,445 |
| IRSA Inversiones y Representaciones S.A. | | | 8,140 |
| Shareholders | 455,583 | 455,583 | |
| | <u>8,999,581</u> | <u>6,132,962</u> | <u>10,124,841</u> |

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| Non-current | | | |
|--|------------------|----------------|------------------|
| Secured by mortgage | 505,672 | 504,192 | 952,973 |
| Prepaid leases | | | 176,453 |
| Other | | | 94,791 |
| Tax on Minimum Hypothetical Income | 698,660 | | |
| Subsidiaries and related companies Law 19,550 Article 33: Cactus Argentina S.A. | | | 1,726,199 |
| | <u>1,204,332</u> | <u>504,192</u> | <u>2,950,416</u> |

Cresud Sociedad Anónima, Comercial,

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Notes to the Unaudited Financial Statements (Continued)

NOTE 8: (Continued)

e. Inventories

| | September 30, 2003 | June 30, 2003 | September 30, 2002 |
|-----------------------|-----------------------|-------------------|-----------------------|
| | Pesos | Pesos | Pesos |
| Current | | | |
| Livestock | 15,483,552 | 12,444,817 | 13,174,221 |
| Crops | 2,144,068 | 6,301,776 | 11,391,585 |
| Unharvested crops | 3,018,307 | 1,112,230 | 2,835,596 |
| Seeds and fodder | 54,572 | 165,355 | 170,368 |
| Materials and others | 2,799,374 | 1,424,711 | 4,450,705 |
| Advances to suppliers | 826,134 | 637,802 | 1,691,053 |
| | <u>24,326,007</u> | <u>22,086,691</u> | <u>33,713,528</u> |
| Non-Current | | | |
| Livestock | 33,048,828 | 34,947,790 | 29,045,402 |
| | <u>33,048,828</u> | <u>34,947,790</u> | <u>29,045,402</u> |

f. Trade accounts payables

| | September 30, 2003 | June 30, 2003 | September 30, 2002 |
|---|-----------------------|------------------|-----------------------|
| | Pesos | Pesos | Pesos |
| Current | | | |
| Suppliers in local currency | 2,775,412 | 3,733,066 | 2,550,337 |
| Suppliers in foreign currency (Schedule G) | 399,426 | 436,439 | 7,468,935 |
| Subsidiaries and related companies Law 19,550 Article 33: IRSA Inversiones y Representaciones Sociedad Anónima | 831 | | |
| Cactus Argentina S.A. | 612,273 | 156,512 | 8,136 |
| | <u>3,787,942</u> | <u>4,326,017</u> | <u>10,027,408</u> |

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Notes to the Unaudited Financial Statements (Continued)

NOTE 8: (Continued)

g. Loans

| | September 30, 2003 Pesos | June 30, 2003 Pesos | September 30, 2002 Pesos |
|--|--------------------------------|---------------------------|--------------------------------|
| Current | | | |
| Local financial loans (Note 2.f.) | | | 6,839,512 |
| Convertible Bonds 2007 Interest payable (Schedule G) | 4,446,939 | 1,425,499 | |
| | <u>4,446,939</u> | <u>1,425,499</u> | <u>6,839,512</u> |
| Non-Current | | | |
| Convertible Bonds 2007 (Schedule G) | 145,008,870 | 139,450,965 | |
| Convertible Bonds 2007 expenses | (2,480,794) | (1,499,911) | |
| | <u>142,528,076</u> | <u>137,951,054</u> | |

h. Salaries and social security payable

| | September 30, 2003 Pesos | June 30, 2003 Pesos | September 30, 2002 Pesos |
|--|--------------------------------|---------------------------|--------------------------------|
| Current | | | |
| Vacation, statutory annual bonus and incentive allowance | 343,693 | 846,198 | |
| Social security administration | 134,625 | 123,385 | 156,684 |
| Salaries payable | 209,425 | 80,180 | 249,662 |
| Health care scheme | (1,332) | 780 | 25,244 |
| Other | 1,561 | 1,902 | 14,443 |
| | <u>687,972</u> | <u>1,052,445</u> | <u>446,033</u> |

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 8: (Continued)

i. Taxes payable

| | September 30, 2003 Pesos | June 30, 2003 Pesos | September 30, 2002 Pesos |
|--|--------------------------------|---------------------------|--------------------------------|
| Current | | | |
| Accrual for income tax | | 6,099,825 | 10,256,716 |
| Advances to Income tax | | (4,669,379) | |
| Tax on Minimum Hypothetical Income (Note 2.p.) | 698,660 | | (2,033,233) |
| Value Added Tax | (959,003) | 45,164 | 1,714,695 |
| Property tax payable | 167,687 | 170,389 | 249,488 |
| Taxes withheld for income tax | 1,119,794 | 43,289 | 332,544 |
| Others | | 148,824 | |
| Gross sales taxes | 124,032 | 149,468 | |
| Taxes withheld-Gross sales taxes | (102,127) | (83,340) | 2,508 |
| Taxes withheld-Value Added Tax | (141,642) | (134,693) | |
| | <u>907,401</u> | <u>1,769,547</u> | <u>10,522,718</u> |
| Non-Current | | | |
| Deferred tax | 22,291,783 | 21,877,809 | 23,610,198 |
| | <u>22,291,783</u> | <u>21,877,809</u> | <u>23,610,198</u> |

j. Other

| | September 30, 2003 Pesos | June 30, 2003 Pesos | September 30, 2002 Pesos |
|---|--------------------------------|---------------------------|--------------------------------|
| Current | | | |
| Accrual for other expenses (Schedule G) | 3,415,530 | 2,786,535 | 5,382,867 |
| Subsidiaries and related companies Law 19,550 Article 33: | | | |
| IRSA negative goodwill | 28,633 | | |
| Accrual for Directors Fees | 41,806 | 41,806 | 439,017 |
| Advances to Directors | (37,968) | (37,968) | (303,989) |
| Accrual for cereal expenses | | 108,825 | |
| Accrual for Management fees (Note 5) | 149,223 | 3,204,773 | 1,595,210 |
| Subsidiaries and related companies Law 19,550 Article 33: | | | |
| Inversiones Ganaderas S.A. | 746,693 | 721,043 | 420,470 |
| Futuros y Opciones.Com S.A. | | 183,023 | 315,886 |

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| | | | |
|---|-----------|-----------|-----------|
| | 4,343,917 | 7,008,037 | 7,849,461 |
| Non-current | | | |
| Subsidiaries and related companies Law 19,550 Article 33: | | | |
| Inversiones Ganaderas S.A. | | | 219,306 |
| | | | 219,306 |

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 8: (Continued)

k. Financial results

| | September 30, 2003 Income (loss) Pesos | September 30, 2002 Income (loss) Pesos |
|---|---|---|
| | <u> </u> | <u> </u> |
| Generated by assets: | | |
| Exchange differences and discounts | 6,440,575 | (5,537,796) |
| Interest income | 58,846 | 258,513 |
| Subsidiaries and related companies Law 19,550 Article 33: | | |
| IRSA Inversiones y Representaciones Sociedad Anónima | | 203,627 |
| Reference stabilization index (CER) | 9,206 | 334,503 |
| Tax on debts and credits | (244,762) | (247,623) |
| Holding results | | (1,862,530) |
| Holding results and operations of stocks and bonds | | |
| Convertible Bonds purchase interest | 3,037,803 | |
| Others | (1,401) | 134,335 |
| Inflation adjustment | | (1,333,077) |
| | <u>9,300,267</u> | <u>(8,050,048)</u> |
| | | |
| | September 30, 2003 Income (loss) Pesos | September 30, 2002 Income (loss) Pesos |
| | <u> </u> | <u> </u> |
| Generated by liabilities: | | |
| Holding results | | 526,488 |
| Inflation adjustment | | 1,810,189 |
| Reference stabilization index (CER) | | (345,191) |
| Financial expenses | | |
| Convertible Bonds issued interest | (3,021,440) | |
| Others | (273,286) | (438,157) |
| Exchange differences and discounts | (5,886,838) | 1,407,281 |
| | <u>(9,181,564)</u> | <u>2,960,610</u> |

Cresud Sociedad Anónima, Comercial, Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 9**ASSETS AND LIABILITIES, CLASSIFIED ACCORDING TO THEIR COLLECTION OR PAYMENT MATURITIES**

a) Based on their estimated collection or payment term (in pesos)

| Based on their estimated collection or payment term | Current and non-current investment | | | Trade accounts receivable | | | Other receivables and Prepaid expenses | | |
|---|---|------------------|-----------------------|---------------------------|------------------|-----------------------|---|------------------|-----------------------|
| | September 30, 2003 | June 30, 2003 | September 30, 2002 | September 30, 2003 | June 30, 2003 | September 30, 2002 | September 30, 2003 | June 30, 2003 | September 30, 2002 |
| | 1st quarter 2004/2003 financial period | | 1,422,315 | | | 6,216,651 | | | 2,123,058 |
| 2nd quarter 2004/2003 financial period | 4,460,118 | | | 2,107,784 | | 14,067,829 | 1,876,239 | | 5,410,001 |
| 3rd quarter 2004/2003 financial period | | | | | | | 505,671 | 504,192 | 476,486 |
| 4th quarter 2004/2003 financial period | | | | | | | | | |
| 1st quarter 2005/2004 financial period | | | | | | | | | |
| 2nd quarter 2005/2004 financial period | | | | | | | | | |
| 3rd quarter 2005/2004 financial period | | | | | | | 505,672 | 504,192 | 476,486 |
| 4th quarter 2005/2004 financial period | | | | | | | | | |
| 1st quarter 2006/2005 | | | | | | | | | |

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| | | | | | | | | | |
|-----------------------|-------------|-------------|-----------|-----------|-----------|------------|------------|-----------|------------|
| financial period | | | | | | | | | |
| 2nd quarter 2006/2005 | | | | | | | | | |
| financial period | | | | | | | | | |
| 3rd quarter 2006/2005 | | | | | | | | | |
| financial period | | | | | | | | | |
| 4th quarter 2006/2005 | | | | | | | | | |
| financial period | | | | | | | | | |
| 1st quarter 2007/2006 | | | | | | | | | |
| financial period | | | | | | | | | |
| 2nd quarter 2007/2006 | | | | | | | | | |
| financial period | | | | | | | | | |
| 3rd quarter 2007/2006 | | | | | | | | | |
| financial period | | | | | | | | | |
| 4th quarter 2007/2006 | | | | | | | | | |
| financial period | | | | | | | | | |
| 2nd quarter 2008/2007 | | | | | | | | | |
| financial period | 145,459,360 | 139,160,243 | 20,717 | | | | | | |
| Overdue | | | | | | | | | |
| With no stated term | 2,780,862 | 4,037,520 | 2,347,397 | | | | 7,316,331 | 3,505,712 | 6,235,798 |
| Total | 152,700,340 | 144,620,078 | 2,368,114 | 2,107,784 | 6,216,651 | 14,067,829 | 10,203,913 | 6,637,154 | 13,075,257 |

b) Assets and liabilities classified according to the interest rate that they accrued (in pesos)

| Interest rate that they accrue | Current and non-current investment | | | Trade accounts receivable | | | Other receivables and prepaid expenses | | |
|--------------------------------|------------------------------------|---------------|--------------------|---------------------------|---------------|--------------------|--|---------------|--------------------|
| | September 30, 2003 | June 30, 2003 | September 30, 2002 | September 30, 2003 | June 30, 2003 | September 30, 2002 | September 30, 2003 | June 30, 2003 | September 30, 2002 |
| At fixed interest rate | 145,459,360 | 139,160,243 | 20,717 | | | | 1,306,321 | 1,304,932 | 2,310,082 |
| At variable interest rate | 2,721,000 | 4,037,520 | 2,347,397 | | | | 557,621 | 277,048 | 1,461,116 |
| Non-interest bearing | 4,519,980 | 1,422,315 | | 2,107,784 | 6,216,651 | 14,067,829 | 8,339,971 | 5,055,174 | 9,304,059 |
| Total | 152,700,340 | 144,620,078 | 2,368,114 | 2,107,784 | 6,216,651 | 14,067,829 | 10,203,913 | 6,637,154 | 13,075,257 |

Cresud Sociedad Anónima, Comercial, Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 9

ASSETS AND LIABILITIES, CLASSIFIED ACCORDING TO THEIR COLLECTION OR PAYMENT MATURITIES

a) Based on their estimated collection or payment term (in pesos)

| | Salaries payable and social | | | | | | | | | | | | | | |
|--------------------|-----------------------------|---------------|--------------------|--------------------|---------------|--------------------|--------------------|---------------|--------------------|--------------------|---------------|--------------------|--------------------|---------------|--------------------|
| | Trade payables | | | Loans | | | security payable | | | Taxes payable | | | Other liabilities | | |
| | September 30, 2003 | June 30, 2003 | September 30, 2002 | September 30, 2003 | June 30, 2003 | September 30, 2002 | September 30, 2003 | June 30, 2003 | September 30, 2002 | September 30, 2003 | June 30, 2003 | September 30, 2002 | September 30, 2003 | June 30, 2003 | September 30, 2002 |
| Quarter ended 2003 | | 4,326,017 | | | 1,425,499 | | | 1,052,445 | | | 1,769,547 | | | 6,103,971 | |
| Quarter ended 2003 | 3,787,942 | | 10,027,408 | 4,446,939 | | 6,839,512 | 687,972 | | 446,033 | 907,401 | | 10,522,718 | 3,597,224 | | 7,200,000 |
| Quarter ended 2004 | | | | | | | | | | | | | | | |
| Quarter ended 2004 | | | | | | | | | | | | | | | |
| Quarter ended 2005 | | | | | | | | | | | | | | | |
| Quarter ended 2005 | | | | | | | | | | | | | | | |

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 10: RESTRICTIONS ON DISTRIBUTION OF PROFITS

In accordance with the Argentine Corporations Law, the Company's by-laws and Resolution N° 368/2001 of the Argentine Securities and Exchange Commission, 5% of the net and realized profit for the year plus (less) prior year adjustments must be appropriated by resolution of shareholders to a legal reserve until such reserve equals 20% of the Company's outstanding capital.

NOTE 11: SALE OF FARMS

On August 22, 2003 a bill of sale was signed for the farm El 41 y El 42, of 6478 hectares, located in the Department of Tapenagá, Province of Chaco. The price for the sale of the farm was of US\$ 972,600 (US Dollars nine hundred and seventy two thousand, six hundred). This sale will generate a profit of Ps. 1,000,000 (Pesos one million) approximately.

NOTE 12: STOCK OPTION PLAN

As resolved upon at the General Extraordinary Shareholders Meeting at second call held on November 19, 2001 and in accordance with the resolutions adopted by the Board of Directors at its meeting dated December 7, 2001, the shareholders approved a Stock Option Plan (the Plan) relating to the shares that would remain after the shareholders exercised their pre-emptive rights to acquire treasury stock (the Shares), covering 4,614,643 shares.

The stock balance remaining after expiration of the preemptive and accretion periods is intended to be offered under the Incentive Plan approved at the above mentioned Shareholders Meeting, at Ps. 1 (one peso) par value, plus interest accrued as from actual exercise at a six-months LIBOR rate per annum. In accordance with the terms approved at the referred Shareholders Meeting, from a legal standpoint the implementation of the Plan is made by means of the transfer of the Shares in trust. From this balance, two thirds of the options relating to the Shares under the Plan were allocated for distribution by the Company's Board of Directors among certain executive officers. The remaining third was set aside for allotment by the Company's Board of Directors among any employees or executives at the time of allotment and 6 (six) months after the initial allotment, and up to 3 (three) months before the expiration of the exercise period.

In January 2002 an aggregate of 2,353 shares of Ps. 1 par value each were issued under the preferred offering of treasury stock.

In April and June 2002, an aggregate of 480,000 shares of Ps. 1 par value each were issued to executive officers of the Company under the preferred offering of treasury stock.

During July 2002 and up to June 2003, an aggregate of 3,559,853 shares of Ps. 1 par value each were issued to directors and executive officers of the Company under the preferred offering of treasury stock.

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During July 2003 and up to September 2003, an aggregate of 16,000 shares of Ps. 1 par value each were issued to directors and executive officers of the Company under the preferred offering of treasury stock.

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 12: (Continued)

During October and November 2003, an aggregate of 218,000 shares of Ps. 1 per value each were issued to directors and executive officers of the Company under the preferred offering of treasury stock.

After the exercise of the preference offer before mentioned, the remaining balance is 338,437 shares.

NOTE 13: ISSUANCE OF CONVERTIBLE BONDS

The Shareholders meeting held on March 8, 2002 approved:

- a) The issue of simple convertible bonds, non-convertible into shares of the Company, for an amount of up to US\$ 50,000,000 (or its equivalent in other currencies) for a maximum term of 5 years, accruing interest at a fixed rate not to exceed 12%; and/or,
- b) the issuance of convertible bonds into company's common stock, for a total amount of US\$ 50,000,000 (or its equivalent in other currency) with a maturity date in a term of 5 years or more according to the management's decision and a fix rate not exceeding 12% or floating rate with a reference rate such as LIBOR plus a spread not exceeding 10%.
- c) the subscription option, for the holders of convertible bonds, with a premium determined by the management, between 20 and 30% over the conversion price of the convertible bond, with a value that will remain constant in terms of US currency. The exercise of the above mentioned would occur quarterly, only for the holders of the convertible bonds who have exercised their conversion rights.

Authorization for the public offer and quotation of convertible bonds has been approved by Resolution N° 14.320 of the Argentine Securities and Exchange Commission dated October 1, 2002 and by the Buenos Aires Stock Exchange, authorizing the issue up to US\$ 50,000,000 in securities composed by convertible bonds into common stock with an 8% annual interest rate due in the year 2007, granting the right at the moment of conversion to achieve 50,000,000 common stock subscription options. Likewise, the conversion price and the warrants price established are as follows:

- a) The conversion price is US\$ 0.5078 stocks (US\$ 5.0775 ADS), while the warrant price is US\$ 0.6093 stocks (US\$ 6.0930 ADS).
- b) For each of Cresud's convertible bond the holder has the right to convert it to US\$ 1.9695 stocks (US\$ 0.1969 ADS) and has an option to purchase the same amount of stock at the price of the warrant.

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Convertible bonds and options will be due on November 14, 2007.

Convertible bonds were paid in cash and the proceeds will be destined to the subscription of IRSA's Convertible Bonds and for the generation of working capital.

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 13: (Continued)

During February and March 2003, 184,084 Convertible Bonds were converted into 362,510 ordinary shares, which resulted in a Ps. 560,534 increase in the Company's net shareholders' equity.

During May and June 2003, 12,000 Convertible Bonds were converted into 23,630 ordinary shares, which resulted in a Ps. 32,502 increase in the Company's net shareholders' equity.

During July and August 2003, 58,163 Convertible Bonds were converted into 114,538 ordinary shares, which resulted in a Ps. 156,522 increase in the Company's net shareholders' equity. During the same period, 150,003 warrants were exercised, resulting in the issuance of 295,396 ordinary shares for \$ 503,950.

During October and November 2003, 173,808 Convertible Bonds were converted into 342,274 ordinary shares, which resulted in a Ps. 479,306 increase in the Company's net shareholders' equity.

NOTE 14: PURCHASE OF CONVERTIBLE BONDS

During November and December 2002 49,692,688 convertible bonds issued by IRSA were purchased; these can be converted into common stock with an 8% annual interest rate and due in 2007, and grant the holder at the time of conversion to 49,692,688 options to subscribe common stock. The conversion price and the warrants price established are as follows:

- a) The conversion price is US\$ 0.5571 stocks (US\$ 5.5713 GDS), while the warrant price is US\$ 0.6686 stocks (US\$ 6.6856 GDS)
- b) For each of IRSA's convertible bond the holder has the right to convert it to 1.7949 stocks (0.1795 GDS) and has an option to purchase the same amount of stock at the price of the warrant.

Due to the distribution of 4,587,285 stocks of the company's portfolio, IRSA has re-stated the conversion price of its convertible bonds according to the subscription clauses. The conversion price of the convertible bonds went from US\$ 0.5571 to US\$ 0.54505 and the warrants price went from US\$ 0.6686 to US\$ 0.6541. Such adjustment was effective as from December 20, 2002.

Convertible bonds and options are due on November 14, 2007.

NOTE 15: SUBSEQUENT EVENTS

The Ordinary shareholders Meeting held on October 31, 2003 approved:

The distribution of dividends in cash for Ps. 1,500,000 and delegated in the Board of Directors the assignment of them.

The increase of legal reserve of Ps. 3,251,248.

The payment of directors fees for a total of Ps. 3,733,973, which were duly provided for at the close of the year ended June 30, 2003.

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Fixed Assets

For the periods of three ended September 30, 2003, June 30, 2003 and September 30, 2002

(Notes 1 and 2)

Schedule A

| Principal Account | | | | | Depreciation | | | | | Net carrying | Net carrying | Net carrying |
|------------------------------------|--------------------|-------------------|------------------|--------------------|------------------|-------------------|------------------|------------------|-------------------|--------------------|--------------------|--------------|
| | Value at | Additions | Deductions | Value at | Accumulated | | Current | Accumulated | value at | value at | value at | |
| | the beginning | and/or | and/or | the end of | at the beginning | Decrease | period | at the end of | September | June | September | |
| | of the period | transfers | transfers | period | of the period | of the period | Amount | period | 30, 2003 | 30, 2003 | 30, 2002 | |
| | Pesos | Pesos | Pesos | Pesos | Rate % | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | |
| Real estate | 119,775,002 | | | 119,775,002 | | | | | 119,775,002 | 119,775,002 | 97,124,552 | |
| Wire fences | 4,410,079 | 1,260 | | 4,411,339 | 3 | 943,523 | | 31,514 | 975,037 | 3,436,302 | 3,542,048 | |
| Watering troughs | 3,103,575 | | | 3,103,575 | 3 | 735,540 | | 39,601 | 775,141 | 2,328,434 | 2,483,850 | |
| Alfalfa fields and meadows | 2,875,715 | 190,300 | 1,581,013 | 1,485,002 | 13-25-50 | 2,085,096 | 1,393,205 | 92,623 | 784,514 | 700,488 | 790,619 | |
| Buildings and constructions | 5,329,283 | | | 5,329,283 | 2 | 1,975,341 | | 21,529 | 1,996,870 | 3,332,413 | 3,353,942 | |
| Machinery | 8,971,683 | 36,762 | 392,787 | 8,615,658 | 10 | 5,463,054 | 300,220 | 196,498 | 5,359,332 | 3,256,326 | 3,508,629 | |
| Vehicles | 1,084,985 | | 59,720 | 1,025,265 | 20 | 663,631 | 59,720 | 42,302 | 646,213 | 379,052 | 421,354 | |
| Tools | 192,159 | | 365 | 191,794 | 10 | 120,936 | 210 | 3,565 | 124,291 | 67,503 | 71,223 | |
| Furniture and equipment | 1,050,606 | 1,240 | | 1,051,846 | 10 | 681,878 | | 20,366 | 702,244 | 349,602 | 368,728 | |
| Breeding livestock | 251,843 | | 251,843 | | 20 | 251,843 | 251,843 | | | | | |
| Corral and leading lanes | 580,737 | | | 580,737 | 3 | 93,353 | | 4,394 | 97,747 | 482,990 | 487,384 | |
| Roads | 1,267,136 | | | 1,267,136 | 10 | 661,729 | | 28,735 | 690,514 | 576,622 | 605,407 | |
| Facilities | 5,979,400 | | | 5,979,400 | 10-20-33 | 2,859,924 | | 150,525 | 3,010,449 | 2,968,951 | 3,119,476 | |
| Computer equipment | 1,096,046 | 11,867 | | 1,107,913 | 20 | 854,119 | | 23,310 | 877,429 | 230,484 | 241,927 | |
| Planes | 10,444 | | | 10,444 | 10 | 10,444 | | | 10,444 | | | |
| Silo plants | 1,166,215 | | | 1,166,215 | 2 | 252,572 | | 15,732 | 268,304 | 897,911 | 913,643 | |
| Constructions in progress | 2,308,012 | 1,118,485 | | 3,426,497 | | | | | | 3,426,497 | 2,308,012 | |
| Advances to suppliers | 82,445 | 832,497 | | 914,942 | | | | | | 914,942 | 82,445 | |
| Total at September 30, 2003 | 159,535,365 | 2,192,411 | 2,285,728 | 159,442,048 | | 17,652,983 | 2,005,198 | 670,744 | 16,318,529 | 143,123,519 | | |
| Total at June 30, 2003 | 138,095,370 | 31,158,834 | 9,718,839 | 159,535,365 | | 16,687,124 | 1,879,028 | 2,844,887 | 17,652,983 | | 141,882,382 | |

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| | | | | | | | | | |
|-----------------------------------|-------------|---------|---------|-------------|------------|---------|---------|------------|-------------|
| Total at September 30, 2002 | 138,095,370 | 465,552 | 488,995 | 138,071,927 | 16,687,124 | 396,267 | 696,642 | 16,987,499 | 121,084,428 |
|-----------------------------------|-------------|---------|---------|-------------|------------|---------|---------|------------|-------------|

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Investments

For the periods of three ended September 30, 2003, June 30, 2003 and September 30, 2002

(Notes 1 and 2)

Schedule C

INFORMATION ON THE ISSUER

| Type and Characteristics of the securities | Amount | Value at | | | | Market value | Principal activity | Latest financial statements | |
|--|---------|-----------------------------|------------------------|-----------------------------|----------------------------|--------------|--------------------|-----------------------------|--|
| | | Value at September 30, 2003 | Value at June 30, 2003 | Value at September 30, 2002 | Income/loss for the period | | | Shareholders Equity | |
| | | Pesos | Pesos | Pesos | Pesos | | | Pesos | |
| Current Investments | | | | | | | | | |
| Mutual Funds | | | | | | | | | |
| ABN AMRO in pesos | | | 2,888,061 | | | | | | |
| Fondo especial Banco Rio in pesos | | | 1,042,426 | | | | | | |
| Fondo Deutsche Bank in Euros | 801,211 | 2,626,609 | | | 3.278299 | | | | |
| Fondo plazo fijo Banco Rio in dollars | 1,778 | 3,962 | 3,938 | 2,728 | 2.228346 | | | | |
| Fondo Letes Banco Frances | | | | 1,056 | | | | | |
| Fondo Letes Banco Rio | | | | 2,941 | | | | | |
| | | <u>2,630,571</u> | <u>3,934,425</u> | <u>6,725</u> | | | | | |
| Notes and Convertible Bonds | | | | | | | | | |
| Convertible Bonds | | | | | | | | | |
| 2007 - IRSA | | 4,460,118 | 1,422,315 | | | | | | |
| Bonos Global 2010 | 110,000 | 89,799 | 102,465 | 85,506 | 0.816355 | | | | |
| Bocon Pre 1 | 157,647 | 630 | 630 | | 0.003996 | | | | |
| Lebac | | | | 993,675 | | | | | |
| | | <u>4,550,547</u> | <u>1,525,410</u> | <u>1,079,181</u> | | | | | |
| Deposits in local banks | | | | | | | | | |
| | | | | 1,261,491 | | | | | |
| | | | | <u>1,261,491</u> | | | | | |

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| | | | | | | | | | |
|---|-----------|------------------|------------------|------------------|----------|--|-----------|-----------|------------|
| Shares | | | | | | | | | |
| Renault Argentina S.A. | 49,000 | 59,862 | | | | | | | |
| | | 59,862 | | | | | | | |
| Total current investments | | 7,240,980 | 5,459,835 | 2,347,397 | | | | | |
| Non-current investments | | | | | | | | | |
| Related companies | | | | | | | | | |
| Law 19,550. Article 33 | | | | | | | | | |
| AGRO-URANGA S.A. | | | | | unlisted | Agricultural and livestock | 2,500,000 | 961,004 | 15,250,528 |
| Shares | 893,069 | 5,314,477 | 4,971,181 | 4,638,820 | | | | | |
| Contribution on account of future subscription of shares | | 7,865 | 7,865 | 7,865 | | | | | |
| Higher value of property | | 11,179,150 | 11,179,150 | 11,179,385 | | | | | |
| | | 16,501,492 | 16,158,196 | 15,826,070 | | | | | |
| INVERSIONES GANADERAS S.A. | | | | | unlisted | Raising and grazing cattle | 5,326,589 | 372,036 | 10,929,701 |
| Shares | 5,326,588 | 10,200,091 | 9,828,057 | 9,510,887 | | | | | |
| Contribution on account of future subscriptions of shares | | 729,586 | 729,585 | 729,595 | | | | | |
| | | 10,929,677 | 10,557,642 | 10,240,482 | | | | | |
| CACTUS ARGENTINA S.A. | | | | | unlisted | Exploitation and administration of agricultural and beef cattle products | 1,300,000 | 129,275 | 5,884,822 |
| Shares | 650,000 | 806,718 | 742,155 | 767,131 | | | | | |
| Contribution on account of future subscriptions of shares | | 2,135,693 | 2,135,618 | 2,135,689 | | | | | |
| | | 2,942,411 | 2,877,773 | 2,902,820 | | | | | |
| FUTUROS Y OPCIONES.COM S.A. | | | | | unlisted | Gives information about markets and services of economic and financial consulting through internet | 12,000 | (168,975) | 519,979 |
| Shares | 8,400 | (2,362,960) | (2,244,525) | (1,848,971) | | | | | |
| Contribution on account of future subscriptions of shares | | 2,726,945 | 2,726,793 | 2,726,832 | | | | | |
| | | 363,985 | 482,268 | 877,861 | | | | | |

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| | | | | | | | | | |
|---|------------|---------------------|---------------------|---------------------|----------|------------|-------------|--------------|-------------|
| IRSA Inversiones y Representaciones S.A. | | | | | | | | | |
| Shares | 48,022,307 | 185,051,069 | 183,285,586 | 119,549,889 | listed | Real state | 212,212,000 | (15,166,000) | 794,320,000 |
| | | <u>185,051,069</u> | <u>183,285,586</u> | <u>119,549,889</u> | | | | | |
| Subtotal | | <u>215,788,634</u> | <u>213,361,465</u> | <u>149,397,122</u> | | | | | |
| Others | | | | | | | | | |
| Convertible Bonds | | | | | | | | | |
| 2007 - IRSA | 49,893,188 | 145,438,643 | 139,139,526 | | | | | | |
| Coprolan | | 20,717 | 20,717 | 20,717 | unlisted | | | | |
| | | <u>20,717</u> | <u>20,717</u> | <u>20,717</u> | | | | | |
| Subtotal | | <u>145,459,360</u> | <u>139,160,243</u> | <u>20,717</u> | | | | | |
| Goodwill | | | | | | | | | |
| Goodwill | | 1,154,433 | 1,319,353 | 1,814,149 | | | | | |
| IRSA negative goodwill | | (22,404,141) | (20,666,951) | (16,460,007) | | | | | |
| | | <u>(22,404,141)</u> | <u>(20,666,951)</u> | <u>(16,460,007)</u> | | | | | |
| Subtotal | | <u>(21,249,708)</u> | <u>(19,347,598)</u> | <u>(14,645,858)</u> | | | | | |
| Total non-current investments | | | | | | | | | |
| | | <u>339,998,286</u> | <u>333,174,110</u> | <u>134,771,981</u> | | | | | |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Allowances and Provisions

For the periods of three months ended September 30, 2003, June 30, 2003 and September 30, 2002

(Notes 1 and 2)

Schedule E

| Item | Opening | Increases | Deductions | Inflation | Value at | Value at | Value at |
|-----------------------------|----------|-----------|------------|------------|-----------------------|------------------|-----------------------|
| | balances | | | adjustment | September 30, 2003 | June 30, 2003 | September 30, 2002 |
| | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos |
| Deducted from assets | | | | | | | |
| Defaulting debtors | 454,125 | | | | 454,125 | 454,125 | 685,241 |
| Total at September 30, 2003 | 454,125 | | | | 454,125 | | |
| Total at June 30, 2003 | 774,854 | 50,000 | 286,146 | (84,583) | | 454,125 | |
| Total at September 30, 2002 | 774,854 | | | (89,613) | | | 685,241 |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Cost of Sales

For the periods ended September 30, 2003 and 2002

(Notes 1 and 2)

Schedule F

| Crops | | Beef cattle | | Milk | | Others | | Total | |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| September 30, 2003 | September 30, 2002 | September 30, 2003 | September 30, 2002 | September 30, 2003 | September 30, 2002 | September 30, 2003 | September 30, 2002 | September 30, 2003 | September 30, 2002 |
| Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos |
| | | 45,097,923 | 32,889,218 | 2,294,684 | 1,467,561 | | | 47,392,607 | 34,356,779 |
| 6,301,776 | 25,222,406 | | | | | | | 6,301,776 | 25,222,406 |
| 1,112,230 | 835,288 | | | | | | | 1,112,230 | 835,288 |
| | | 106,386 | 287,424 | 58,969 | 115,434 | | | 165,355 | 402,858 |
| 1,222,255 | 2,749,377 | | | 33,362 | 51,732 | 169,094 | 170,588 | 1,424,711 | 2,971,697 |
| 8,636,261 | 28,807,071 | 45,204,309 | 33,176,642 | 2,387,015 | 1,634,727 | 169,094 | 170,588 | 56,396,679 | |
| | | 741,767 | 7,300,515 | 47,500 | (27,446) | | | 789,267 | |
| 291,905 | (1,592,270) | | | | | | | 291,905 | |
| (164,529) | (93,183) | | | | | | | (164,529) | |
| (13,303) | (6,803) | | | | | (1,255) | (131,838) | (14,558) | |
| (578,775) | (749,360) | (80,817) | (173,556) | (129,715) | (89,618) | (148,090) | | (937,397) | |
| 3,280,734 | 4,272,872 | 846 | 132,084 | (846) | (132,084) | | | | |
| | | 1,553,161 | 311,392 | 167,053 | 79,802 | 140,880 | 147,535 | 5,141,828 | |
| 741,006 | 1,248,386 | 3,021,599 | 1,728,494 | 559,503 | 394,945 | 14,156 | | 4,336,264 | |

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| | | | | | | | | |
|-------------|--------------|--------------|--------------|-------------|-------------|-----------|--------------|--------------|
| (2,144,068) | (11,391,585) | (46,234,801) | (40,825,854) | (2,297,579) | (1,393,769) | | (48,532,380) | (42,219,623) |
| | | | | | | | (2,144,068) | (11,391,585) |
| (3,018,307) | (2,835,596) | | | | | | (3,018,307) | (2,835,596) |
| | | (21,016) | (88,185) | (33,556) | (82,183) | | (54,572) | (170,368) |
| (2,573,916) | (4,230,446) | | | (70,103) | (44,308) | (155,355) | (175,951) | (2,799,374) |
| | | | | | | | (56,548,701) | (4,450,705) |
| 4,457,008 | 13,429,086 | 4,185,048 | 1,561,532 | 629,272 | 340,066 | 19,430 | 10,334 | 9,290,758 |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Foreign currency assets and liabilities

For the periods of three ended September 30, 2003, June 30, 2003 and September 30, 2002

(Notes 1 and 2)

Schedule G

| Item | September 30, 2003 | | | June 30, 2003 | | September 30, 2002 | |
|---|-------------------------------------|-----------------------------|--------------------------------|-------------------------------------|--------------------------------|-------------------------------------|--------------------------------|
| | Type and amount of foreign currency | Current exchange rate Pesos | Amount in local currency Pesos | Type and amount of foreign currency | Amount in local currency Pesos | Type and amount of foreign currency | Amount in local currency Pesos |
| Current Asset | | | | | | | |
| Cash and banks | US\$ 2,805,379 | 2.815 | 7,897,143 | US\$ 5,781,624 | 15,610,384 | US\$ 10,837,249 | 39,183,288 |
| Investments: | | | | | | | |
| Mutual funds | US\$ 1,407 | 2.815 | 3,962 | US\$ 1,459 | 3,938 | US\$ | |
| Convertible Bonds 2007 - IRSA | 801,211 | 3.278 | 2,626,609 | | | | |
| ADRs IRSA | US\$ 1,530,058 | 2.915 | 4,460,118 | US\$ 507,970 | 1,422,315 | US\$ | |
| Trade accounts receivable | | | | | | | |
| Accounts receivable | US\$ 127,691 | 2.815 | 359,450 | US\$ 744,971 | 2,011,421 | US\$ 2,963,793 | 10,715,925 |
| Other receivables and prepaid expenses: | | | | | | | |
| Guarantee deposits | US\$ 157,738 | 2.815 | 444,027 | US\$ 252,603 | 682,027 | US\$ 460,161 | 1,663,764 |
| Others | US\$ | | | US\$ | | US\$ 454,329 | 1,642,678 |
| Non-Current Asset | | | | | | | |
| Investments: | | | | | | | |
| Convertible Bonds 2007 - IRSA | US\$ 49,893,188 | 2.915 | 145,438,643 | US\$ 49,692,688 | 139,139,526 | US\$ | |
| US\$ | US\$ 54,515,461 | | 158,603,343 | 56,981,315 | 158,869,611 | 14,715,532 | 53,205,655 |
| | 801,211 | | 2,626,609 | | | | |
| Total Asset | | | 161,229,952 | | 158,869,611 | | 53,205,655 |
| Current liabilities | | | | | | | |
| Trade payables: | | | | | | | |
| Suppliers | US\$ 137,024 | 2.915 | 399,426 | US\$ 155,871 | 436,439 | US\$ 2,010,512 | 7,468,936 |
| Loans: | | | | | | | |
| Convertible Bonds 2007 | US\$ 1,525,537 | 2.915 | 4,446,939 | US\$ 509,107 | 1,425,499 | US\$ | |
| Other | | | | | | | |
| Accrual for other expenses | US\$ 323,082 | 2.915 | 941,783 | US\$ 168,608 | 472,102 | US\$ 851,810 | 3,164,425 |
| Non-current liabilities | | | | | | | |
| Loans: | | | | | | | |
| Convertible Bonds 2007 | US\$ 49,745,753 | 2.915 | 145,008,870 | US\$ 49,803,916 | 139,450,965 | US\$ | |

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| | | | | | | |
|--------------------------|------------------------|--------------------|------------------------|--------------------|-----------------------|-------------------|
| Total Liabilities | <u>US\$ 51,731,396</u> | <u>150,797,018</u> | <u>US\$ 50,637,502</u> | <u>141,785,005</u> | <u>US\$ 2,862,322</u> | <u>10,633,361</u> |
|--------------------------|------------------------|--------------------|------------------------|--------------------|-----------------------|-------------------|

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Information submitted in compliance with Section 64, subsection B of Law N° 19,550

For the periods of three months ended September 30, 2003 and 2002

(Notes 1 and 2)

Schedule H

| Items | Total September 30, 2003 Pesos | Operating Expenses | | | | | Expenses | | Total September 30, 2002 Pesos |
|------------------------------------|---|--------------------|------------------|----------------------|----------------|-----------------|------------------|-------------------------|--------------------------------------|
| | | Total Pesos | Crops Pesos | Beef cattle Pesos | Milk Pesos | Others Pesos | Selling Pesos | Administrative Pesos | |
| Directors fees | | | | | | | | | 31,419 |
| Fees and payments for services | 349,286 | 88,680 | 32,652 | 54,491 | 1,537 | | | 260,606 | 226,553 |
| Salaries and wages | 1,024,354 | 473,401 | 100,314 | 312,038 | 59,889 | 1,160 | | 550,953 | 611,369 |
| Social security contributions | 188,325 | 76,780 | 23,215 | 46,536 | 5,502 | 1,527 | | 111,545 | 159,536 |
| Taxes, rates and contributions | 92,504 | 82,000 | 18,896 | 53,680 | 7,439 | 1,985 | | 10,504 | 61,049 |
| Gross sales taxes | 156,369 | | | | | | 156,369 | | 190,586 |
| Office and administrative expenses | 31,015 | | | | | | | 31,015 | 72,203 |
| Bank commissions and expenses | 3,107 | 3,107 | 1,052 | 1,885 | 112 | 58 | | | 501 |
| Depreciation of fixed assets | 670,744 | 631,148 | 337,336 | 240,028 | 47,627 | 6,157 | | 39,596 | 696,642 |
| Vehicle and travelling expenses | 94,570 | 72,580 | 23,833 | 40,947 | 6,964 | 836 | | 21,990 | 94,429 |
| Spare parts and repairs | 232,071 | 232,071 | 80,386 | 119,041 | 32,508 | 136 | | | 178,515 |
| Insurance | 81,301 | 5,436 | 2,230 | 2,816 | 279 | 111 | | 75,865 | 92,528 |
| Employees maintenance | 34,650 | 29,491 | 5,272 | 22,273 | 1,713 | 233 | | 5,159 | 35,438 |
| Livestock expenses | 2,208,930 | 1,901,148 | | 1,901,148 | | | 307,782 | | 1,272,794 |
| Dairy farm expenses | 388,681 | 388,681 | | | 388,681 | | | | 288,503 |
| Agricultural expenses | 532,282 | 68,918 | 68,918 | | | | 463,364 | | 1,217,438 |
| Silo expenses | 43,269 | 43,269 | 43,269 | | | | | | 73,608 |
| General expenses | 239,554 | 239,554 | 3,633 | 226,716 | 7,252 | 1,953 | | | 88,963 |
| Total at September 30, 2003 | 6,371,012 | 4,336,264 | 741,006 | 3,021,599 | 559,503 | 14,156 | 927,515 | 1,107,233 | |
| Total at September 30, 2002 | | 3,371,825 | 1,248,386 | 1,728,494 | 394,945 | | 1,396,075 | 624,174 | 5,392,074 |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Additional Information to the Notes to the Unaudited Financial Statements

for the period ended September 30, 2003

1. LEGAL FRAMEWORK

There are no specific significant legal regimes that would imply contingent suspension or application of the benefits included in these regulations.

2. RELEVANT MODIFICATONS IN THE COMPANY'S ACTIVITIES

They are detailed in the Unaudited Business Highlight, which is attached to the present financial statements.

3. CLASSIFICATION OF OUTSTANDING ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES ACCORDING TO THEIR MATURITY

- a. Other Receivables without a due date at September 30, 2003.

| | Other Receivables Pesos | FUTUROS Y OPCIONES Other Receivables Pesos | Intercompany Article 33 Law 19,550 CACTUS Other Receivables Pesos |
|---------|-------------------------------|--|--|
| Current | 6,222,277 | 53,480 | 1,040,574 |

- b. Accounts Receivable and other receivables to fall due at September 30, 2003

| Accounts Receivable Pesos | Intercompany Article 33 Law 19,550 | | Other Receivables Pesos | Intercompany Article 33 Law 19,550 CACTUS Other Receivables |
|---------------------------------|---------------------------------------|------------------------|-------------------------------|--|
| | IGSA | CACTUS | | CACTUS |
| | Accounts Receivable | Accounts Receivable | | Other Receivables |

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| | | <u>Pesos</u> | <u>Pesos</u> | | <u>Pesos</u> |
|----------|-----------|--------------|--------------|-----------|--------------|
| 12.31.03 | 2,072,072 | 21,524 | 14,188 | 1,581,260 | 294,979 |
| 03.31.04 | | | | 505,671 | |
| 03.31.05 | | | | 505,672 | |

4. CLASSIFICATION OF OUTSTANDING DEBTS ACCORDING TO THEIR MATURITY

- a. There are no past due debts at September 30, 2003.
- b. Debts without a due date at September 30, 2003 amount to Ps. 23,038,476, of which Ps. 746,693 correspond to Intercompany liabilities IGSA and Ps. 22,291,783 correspond to Deferred Tax.
- c. Debts to fall due at September 30, 2003

| | Intercompany Article 33 | | | | | | | Intercompany Article 33 |
|--------------|------------------------------------|-------------------------|--------------|--------------|---|------------------------|------------------------------|------------------------------------|
| | Law 19,550 | | | | | | | Law 19,550 |
| | | CACTUS | IRSA | | Salaries and Social Security Charges | Tax Payable | Other Liabilities | IRSA |
| | Accounts Payable | Accounts Payable | | Loans | | | | Other Liabilities |
| Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | |
| 12.31.03 | 3,174,838 | 612,273 | 831 | 4,446,939 | 687,972 | 907,401 | 3,568,591 | 28,633 |
| 12.31.07 | | | | 142,528,076 | | | | |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Additional Information to the Notes to the Unaudited Financial Statements

(Continued)

5. CLASSIFICATION OF OUTSTANDING ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES ACCORDING TO THEIR FINANCIAL EFFECTS

a.

| | Intercompany | | | Other | Intercompany | |
|---------------|-----------------------|---------------------|--------|-----------|-----------------------|--------------------|
| | Article 33 Law 19,550 | | | | Article 33 Law 19,550 | |
| | CACTUS | IGSA | Other | | CACTUS | FUTUROS Y OPCIONES |
| | Accounts Receivable | Accounts Receivable | | | Other Receivables | Other Receivables |
| Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | |
| In pesos | 1,712,622 | 14,188 | 21,524 | 8,370,852 | 1,335,554 | 53,480 |
| In US Dollars | 359,450 | | | 444,027 | | |

b. All accounts receivable and other receivables are not subject to adjustment provisions.

c.

| | Intercompany | | | Other | Intercompany | |
|---|-----------------------|---------------------|-------|-----------|-----------------------|--------------------|
| | Article 33 Law 19,550 | | | | Article 33 Law 19,550 | |
| | IGSA | CACTUS | Other | | CACTUS | FUTUROS Y OPCIONES |
| | Accounts Receivable | Accounts Receivable | | | Other Receivables | Other Receivables |
| Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | |
| Outstanding balances accruing interests | | | | 1,572,395 | 294,979 | |

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| | | | | | | |
|---|-----------|--------|--------|-----------|-----------|--------|
| Outstanding Balances not accruing interests | 2,072,072 | 21,524 | 14,188 | 7,242,484 | 1,040,575 | 53,480 |
|---|-----------|--------|--------|-----------|-----------|--------|

6. CLASSIFICATION OF DEBTS ACCORDING TO THEIR FINANCIAL EFFECTS

a.

| | Accounts Payable | Intercompany Article 33 | | Loans | Salaries and Social Security Charges | Taxes Payable | Other Liabilities | Intercompany Article 33 | |
|---------------|------------------|-------------------------|-------|-------------|--------------------------------------|---------------|-------------------|-------------------------|---------|
| | | Law 19,550 | | | | | | Law 19,550 | |
| | | CACTUS | IRSA | | | | | IRSA | IGSA |
| | | Accounts Payable | | | | | | Other Liabilities | |
| Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | |
| In pesos | 2,775,412 | 612,273 | 831 | | 687,972 | 23,199,184 | 2,626,808 | 28,633 | 746,693 |
| In US Dollars | 399,426 | | | 149,455,809 | | | 941,783 | | |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Additional Information to the Notes to the Unaudited Financial Statements

(Continued)

b. All debts outstanding are not subject to adjustment provisions.

c.

| | Intercompany Article 33 Law 19,550 | | | Intercompany Article 33 Law 19,550 | | | | | |
|---|--|---------------------|----------------------|--|---|------------------|----------------------|---------|--------|
| | CACTUS | | IRSA | Loans | Salaries and Social Security Charges | Taxes Payable | Other Liabilities | IGSA | IRSA |
| | Accounts Payable | Accounts Payable | Other Liabilities | | | | | Pesos | Pesos |
| Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | Pesos | |
| Outstanding debts accruing Interests | | | | 145,008,870 | | | | | |
| Outstanding debts not accruing interests | 3,174,838 | 612,273 | 831 | 4,446,939 | 687,972 | 23,199,184 | 3,568,591 | 746,693 | 28,633 |

7. INTEREST IN OTHER COMPANIES (Article 33 LAW 19,550)

Interests in other companies' capital and the number of votes held in those companies governed by Article 33 of Law 19,550 are explained in Note 3 to the consolidated financial statements and intercompany balances as of September 30, 2003 are described in points 4 and 5 above.

8. RECEIVABLES FROM OR LOANS TO DIRECTORS AND SUPERVISORY COMMITTEE MEMBERS

At September 30, 2003 there were advance payments to directors for Ps. 37,968, and there were no receivables due from or loans to syndics and relatives up to and including second degree, of directors and syndics.

9. PHYSICAL INVENTORIES

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The company conducts physical inventories once a period in each property, covering all the assets under such account. There is no relevant immobilization of inventory.

10. VALUATION OF INVENTORIES

We further inform the sources for the information used to calculate the current value:

- a. Cattle for fattening, valued at the market value net of estimated sale expenses: quotation in the Liniers Livestock Market (Mercado de Hacienda de Liniers), published in the Cattle Bulletin of the Organización Víctor D Apice (Víctor D Apice Organization).
- b. Cattle for raising and daily production valued at its replacement cost: according to specific appraisals made by renowned experts.
- c. Crops: official quotation of the Cámara Arbitral de Cereales for the port closest to the warehouse, published by media of wide circulation (La Nación Newspaper) net of estimated sale expenses.
- d. The remaining inventory stated at its replacement cost: seeds, forage and materials: replacement cost published by a well-known magazine (Revista Agromercado).

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Additional Information to the Notes to the Unaudited Financial Statements

(Continued)

11. TECHNICAL REVALUATION OF FIXED ASSETS

There are no fixed assets subject to technical revaluation.

12. OBSOLETE FIXED ASSETS

There are no obsolete fixed assets with accounting value.

13. MINORITY INTEREST

There are no minority interests in other companies in excess of the provisions of Article 31 of Law N° 19.550.

14. RECOVERABLE VALUES

The recoverable value of the inventory under consideration is the net realizable value (selling price at the end of the year less estimated selling expenses). The recoverable value of fixed assets under consideration is the economic use value determined by the possibility of absorbing the amortizations with the income of the Company.

15. INSURANCES

The types of insurance used by the company are the following:

| <u>Insured property</u> | <u>Risk covered</u> | Amount | Amount | Account |
|--------------------------------|---|-----------|---------|-----------|
| | | insured | insured | Value |
| | | Pesos | US\$ | Pesos |
| Buildings, machinery and silos | Fire | 1,120,000 | | 7,486,650 |
| Vehicles | Theft, fire and civil and third parties liability | 3,871,010 | | 379,052 |

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| | | | |
|--|-------------------------------------|-----------|---------|
| Hedging employees | Employees | 2,530,000 | |
| Furniture, office and electronic equipment | Theft, fire and technical insurance | 3,000,000 | 580,086 |

16. PROVISIONS

There are no provisions in excess of 2% of the shareholders' equity.

17. CONTINGENCIES

At September 30, 2003 there are no contingent situations that have not been accounted for.

18. IRREVOCABLE CONTRIBUTIONS TO CAPITAL ON ACCOUNT OF FUTURE SUBSCRIPTIONS

None.

19. DIVIDENDS ON PREFERRED STOCK

There are no cumulative dividends not paid on preferred stock.

20. LIMITATIONS OF PROFIT DISTRIBUTIONS

See Note 10 to the Unaudited Financial statements.

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

UNAUDITED BUSINESS HIGHLIGHTS

Pursuant to Argentine Securities Commission's regulations as from February 28, 2003 adjustments due to inflation on Financial Statements of public corporations have been discontinued. Consequently, the effects of inflation on Financial Statements ended on September 30, 2003 were not included. Furthermore, amounts corresponding to the period ended on September 30, 2002 have been re stated for comparative purposes, using a 0.9933 rate, which reflects a 0.67% wholesale deflation between September 2002 and February 2003.

Results for the first quarter of fiscal Year 2004 showed a net loss of Ps. 2.0 million as compared to a Ps. 9.1 million profit registered during the same period of the previous fiscal year.

The decrease in the net result is a consequence of the lesser amount of crops sold, the lower revaluation of cattle compared to the previous year and the net loss derived from our share in IRSA Inversiones y Representaciones S.A

The operating result showed for the three month period ended on September 30, 2003 a Ps. 1.6 million profit, compared to a Ps. 10.8 million profit registered during the same period of the previous fiscal year.

Consolidated net sales for the period amounted to Ps. 12.2 million, 44% lower than those registered during the same period of the previous fiscal year, mainly due to the lesser volume of crops sold during the quarter.

Gross profit during the first three months of FY 2004 amounted to Ps. 2.1 million as compared to Ps. 5.2 million registered during the same period of the previous year. The main cause of this reduction was the lower gross profit obtained in the crop segment.

Results from related companies showed a Ps. 2.8 million loss, mainly due to our 23% ownership share in IRSA Inversiones y Representaciones S.A.

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

UNAUDITED BUSINESS HIGHLIGHTS (continued)

Summary of operations

Crops

During the quarter, the harvest corresponding to the previous season was completed reaching a total production of 72,803 tons, of which 41 % corresponded to corn, 34% to soybean, 13% to wheat, 4% to sunflower and the rest to other crops.

Crop sales for the quarter amounted to Ps. 5.6 million as compared to Ps. 16.8 million registered during the previous year. The volume of crops sold reached 12,202 tons at an average price of Ps. 383 per ton as compared to 37,268 tons sold at an average price of Ps. 439 per ton during the same quarter of the previous fiscal year.

Our crop stock at the closing of the quarter amounted to 15,317 tons of which 2,542 tons correspond to soybean and 12,734 to corn.

Gross profit corresponding to this segment for the quarter ended on September 30, 2003 amounted to Ps. 1.1 million as compared to a Ps. 3.4 million profit registered during the same period of the previous fiscal year.

Forecasts for the price of crops are promising, the low world stocks and cuts to US and European production estimates. The price of soybean will be determined according to the advance of the US and Latin American harvests.

For the current season we have destined 21,706 hectares to agriculture, of which 8,489 hectares were leased to third parties. The total area destined to agriculture decreased 1,932 hectares, as compared to the previous year, due to the lesser land leased to third parties.

Considering the rise in the price of leased land, we adopted a cautious decision not accepting such rise and only leasing land at prices which would allow us to acquire appropriate margins, and not speculating with the price that commodities could reach in the future.

Most of the land leases were agreed at a fixed price prior to harvest and only a small percentage was leased under crop sharing agreements.

Cattle Beef

As of September 30, 2003, the Company's cattle stock amounted to 83,767 heads with 126,100 hectares destined to this activity.

Livestock sales increased 32 % from Ps. 4.2 million as of September 30, 2002 to Ps. 5.5 million as of September 30, 2003. During the quarter a total of 3,048 tons were sold at an average price of Ps. 1.80 per kilogram, while during the first three months of fiscal year 2002 the tons sold amounted to 2,147 with an average price of Ps. 1.52 per kilogram.

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

UNAUDITED BUSINESS HIGHLIGHTS (continued)

Gross profit for the cattle beef segment amounted to Ps. 0.9 million, as compared to Ps. 1.8 million registered during the first quarter of the previous fiscal year. This decrease in the profit was a consequence of the cattle finished in our Feed Lot where costs were higher, though generating an increase in the production due to the higher cattle rotation and the shorter fattening period.

Cattle beef production amounted 2,069 tons, representing a 4.6% increase compared to the previous fiscal year, mainly due to an increase in the average cattle stock.

Milk

Milk production increased 6.5% during the quarter from 1.7 million liters as of September 30, 2002 to 1.8 million liters as of September 30, 2003.

Gross profit as of September 30, 2003, increased to Ps. 0.3 million, 25% higher than the profit obtained during the same quarter of the previous fiscal year.

Currently the Company's only dairy farm is located at La Juanita, where the feeding system is based solely on pastures. This feeding system, of lower cost, allows an enhancement of milk margins as compared to systems based on grains.

The milk business in Argentina went through severe oscillations during the course of time, from the euphoria of 1997 and 1998 to the 2001 crisis. Actually, with firm prices, this segment is once again attractive.

Clearing and development of marginal land

We believe that the business's potential, as has happened in various countries, relies on the development of marginal land; using state of the art technology, yields comparable to those of the nucleus area can be obtained.

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

UNAUDITED BUSINESS HIGHLIGHTS (continued)

For the current season, to the 14,000 productive hectares destined to cattle in our Los Pozos farm, located in Salta, we have added 1,300 hectares for soybean production and clearing works on 18,000 additional hectares for cattle were started. Actually, our Los Pozos farm shows returns in the cattle business above the company's media and the industry's average.

Additionally, we continue to clear 1,185 hectares in our Agro Riego San Luis farm, located in the province of San Luis, for crop irrigation.

Cresud's land reserves amount to 272,000 hectares which were acquired at very low prices. We believe that with the development of these areas, together with proper technology, the value of land will rise generating interesting returns for the Company.

Sale of El 41-42 farm

On August 22, 2003, the bill of sale of our cattle ranch El 41-42, of 6,478 hectares, located in the province of Chaco, was signed for a total of US\$ 1 million. This operation will generate a US\$ 0.4 million profit, which will be recorded in our next quarter's balance sheet.

Feed Lot

During the quarter, our 170 hectares Feed Lot, located in the province of San Luis, where the Company's equity interest through Cactus Argentina S.A. is 50%, kept consolidating its growth, operating at 100% of its capacity and with an approximate 20 day delay in the waiting list.

Due to the constant increase in the demand for the use of our Feed Lot, we have started works to enlarge the capacity of our first enterprise in approximately 4,000 heads and we plan the development of a second enterprise with a capacity that has not been determined yet.

The uniformity obtained in the final product of the feed lot cattle has granted buyers a high quality product, making its commercialization easy and obtaining higher prices at the moment of selling

During the quarter ended September 30, 2003, Cactus Argentina S.A.'s income amounted to Ps. 5.0 million, 17% higher than that registered during the same quarter of the previous fiscal year.

INTERNET

Fyo.com, internet site where the company's equity interest amounts 70%, maintains its position as leading agriculture site and has started to expand the scope of commercial services for the farming community through the direct sale of inputs and crop brokerage.

Actually, Futuros y Opciones.com S.A. has a database of 35,000 users and more than 5,000 farmers entitled to carry out deals. Our strategy is focused in commercial services for farmers, using Cresud's expertise and operative capacity in the business, being FyO the link with the client.

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

UNAUDITED BUSINESS HIGHLIGHTS (continued)

During the quarter ended on September 30, 2003, Futuros y Opciones.com S.A.'s income amounted to Ps. 0.2 million, 35% higher than that registered during the same quarter of the previous fiscal year. The net result for the quarter showed a Ps. 0.2 million loss.

Principal Operative Indicators

For the three-month period ended September 30, 2003 and 2002

| | 3 months as of September 30, 2003 | 3 months as of September 30, 2002 | % |
|-------------------------------------|---|---|-------------|
| Sales Volume | | | |
| Wheat (tons) | 182 | 2,402 | -92% |
| Corn (tons) | 4,588 | 17,131 | -73% |
| Sunflowers (tons) | | 9 | -100% |
| Soybean (tons) | 7,432 | 17,727 | -58% |
| Others (tons) | | | |
| Total crops (tons) | 12,202 | 37,269 | -67% |
| Beef Cattle (tons) | 3,048 | 2,147 | 42% |
| Milk (Thousand of liters) | 1,804 | 1,695 | 6% |
| Production | | | |
| Wheat (tons) | | | |
| Corn (tons) | 2,415 | 5,323 | -55% |
| Sunflowers (tons) | | 9 | -100% |
| Soybean (tons) | 19 | | 100% |
| Beef Cattle (tons) | 2,069 | 1,977 | 5% |
| Milk (Thousand of liters) | 1,804 | 1,695 | 6% |
| Exploited surface (hectares) | | | |
| Crops | | | |
| Owned Farms | 13,217 | 10,010 | 32% |
| Leased Farms | 8,489 | 13,628 | -38% |
| Beef Cattle | | | |
| Owned Farms | 126,100 | 141,453 | -11% |
| Leased Farms | | | |
| Surface under irrigation | 3,093 | 2,814 | 10% |
| Storage Capacity (tons) | 18,360 | 23,450 | -22% |
| Total head of cattle | 83,767 | 83,991 | 0% |
| Dairy Farm Stock (heads) | 2,678 | 2,329 | 1% |
| Milking cows (heads) | 1,297 | 1,305 | -1% |

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

UNAUDITED BUSINESS HIGHLIGHTS (continued)

Results from IRSA Inversiones y Representaciones S.A.

Quarters result derived from our equity interest in IRSA Inversiones y Representaciones (NYSE: IRS BCBA: IRSA) showed a Ps. 3.5 million loss as compared to a Ps. 11.9 million profit as of September 30, 2002.

IRSA's result was strongly influenced by fluctuations of the exchange rates, which derived in a 4 % appreciation during the quarter, generating a Ps. 14.1 million negative result to such company. Regarding its operating result IRSA showed a Ps. 8.8 million profit as compared to a Ps. 4.7 million loss during the same period of the previous fiscal year.

IRSA is Argentina's leading real estate company with a totally diversified portfolio of properties. IRSA participates in the following business segments:

Office rental with more than 85,000 m2 for lease.

Operation of Shopping Centers through its 55% equity interest in Alto Palermo S.A. (APSA) (Nasdaq: APSA, BCBA: APSA). APSA is one of the leading operators of shopping centers in Argentina and owns or has majority interest in 7 shopping centers with 147,021 m2 of gross leasable area.

Sale of residential properties.

Holding and operation of luxury hotels through its equity interest in 3 five star hotels.

Besides, IRSA owns land reserves for future developments valued at Ps. 370 million.

IRSA's total assets amount to Ps. 2,033.5 million and its net worth amounts Ps. 794,3 million.

As of September 30, 2003, our equity interest in IRSA amounted to 23.3% of the outstanding shares in circulation. Additionally, we own US\$ 49.9 million in bonds convertible to shares issued by IRSA which bear an option to purchase additional shares of the company. If both the option and our warrants are executed like the rest of the other holders, CRESUD would own 40% of IRSA stock. Currently, our equity interest in IRSA is valued through the proportional equity value method.

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

UNAUDITED BUSINESS HIGHLIGHTS (continued)

Other relevant highlights

Conversion of bonds

Up to date, the total amount of converted bonds reached 428,055 units of U\$ 1 nominal value each, while the corresponding ordinary shares issued amounted 842,952 at Ps. 1 nominal value each.

Likewise, 150,003 warrants were executed, issuing the corresponding 295,396 shares, in return for U\$ 180,000.

Consequently, as of today the amount of outstanding bonds, totals U\$ 49,571,945 while the amount of company's stock is 125,422,740.

Distribution of Dividends

On October 31, 2003, the Ordinary and Extraordinary Shareholder's Meeting approved the distribution of cash dividends for a total amount of Ps. 1.5 million or Ps. 1.2 cents per share (Ps. 12.0 cents per ADR). Likewise, the availability of such amount was delegated to the Board of Directors.

Eduardo Sergio Elsztain

Chairman

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

UNAUDITED BUSINESS HIGHLIGHTS (continued)

Comparative Shareholders Equity Structure

| | At September 30, 2003 | At September 30, 2002 | At September 30, 2001 | At September 30, 2000 | At September 30, 1999 |
|--------------------------|--------------------------|--------------------------|-----------------------------|--------------------------|--------------------------|
| | Pesos | Pesos | Pesos | Pesos | Pesos |
| Current Assets | 55,637,018 | 104,289,321 | 158,509,562 | 140,328,689 | 152,829,097 |
| Non Current Assets | 515,628,858 | 287,279,579 | 240,471,725 | 267,883,827 | 271,306,983 |
| Total Assets | 571,265,876 | 391,568,900 | 398,981,287 | 408,212,516 | 424,136,080 |
| Current Liabilities | 14,517,357 | 35,194,339 | 58,134,146 | 15,614,050 | 14,993,753 |
| Non Current Liabilities | 166,087,662 | 24,247,274 | 557,064 | 552,542 | 92,389 |
| Total Liabilities | 180,605,019 | 59,441,613 | 58,691,210 | 16,166,592 | 15,086,142 |
| Minority interest | 156,019 | 376,238 | 440,641 | 196,425 | 7 |
| Shareholders Equity | 390,504,838 | 331,751,049 | 339,849,436 | 391,849,499 | 409,049,931 |
| | 571,265,876 | 391,568,900 | 398,981,287 | 408,212,516 | 424,136,080 |

Comparative Income Structure

| | At September 30, 2003 | At September 30, 2002 | At September 30, 2001 | At September 30, 2000 | At September 30, 1999 |
|--|--------------------------|--------------------------|-----------------------------|--------------------------|--------------------------|
| | Pesos | Pesos | Pesos | Pesos | Pesos |
| Operating income (loss) | 1,556,400 | 10,797,524 | (2,696,442) | 4,780,555 | (1,995,251) |
| Financial an holding result | 159,746 | (5,244,793) | (51,013,589) | 593,775 | 1,620,173 |
| Other income and expenses and results from related companies | (2,930,355) | 11,953,658 | (669,048) | (570,239) | (382,119) |
| Management fees | | (1,567,839) | | (367,758) | |
| Operating net income (loss) | (1,214,209) | 15,938,550 | (54,379,079) | 4,436,333 | (757,197) |
| Income tax | (807,243) | (6,908,472) | | (1,245,862) | |
| Minority interest | 50,693 | 54,515 | 93,074 | 119,349 | |
| Net income (loss) | (1,970,759) | 9,084,593 | (54,286,005) | 3,309,820 | (757,197) |



Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

UNAUDITED BUSINESS HIGHLIGHTS (continued)

Production volume

| | 1Q September 30, 2003 | Accumulated July 1, 2003 to September 30, 2003 | 1Q September 30, 2002 | Accumulated July 1, 2002 to September 30, 2002 | 1Q September 30, 2001 | Accumulated July 1, 2001 to September 30, 2001 | 1Q September 30, 2000 | Accumulated July 1, 2000 to September 30, 2000 | 1Q September 30, 1999 | Accumulated July 1, 1999 to September 30, 1999 |
|-----------------------|-----------------------------|---|-----------------------------|---|-----------------------------|---|-----------------------------|---|-----------------------------|---|
| Beef Cattle (in Kgs.) | 2,068,821 | 2,068,821 | 1,976,651 | 1,976,651 | 3,288,858 | 3,288,858 | 3,085,353 | 3,085,353 | 3,487,997 | 3,487,997 |
| Butyraceous (in Kgs.) | 63,997 | 63,997 | 57,374 | 57,374 | 82,219 | 82,219 | 67,042 | 67,042 | 116,734 | 116,734 |
| Crops (in quintals)* | 24,338 | 24,338 | 53,312 | 53,312 | 23,382 | 23,382 | 101,954 | 101,954 | 93,912 | 93,912 |

* One quintal equals one hundred kilograms

Sales volume

| | 1Q September 30, 2003 | Accumulated July 1, 2003 to September 30, 2003 | 1Q September 30, 2002 | Accumulated July 1, 2002 to September 30, 2002 | 1Q September 30, 2001 | Accumulated July 1, 2001 to September 30, 2001 | 1Q September 30, 2000 | Accumulated July 1, 2000 to September 30, 2000 | 1Q September 30, 1999 | Accumulated July 1, 1999 to September 30, 1999 |
|-----------------------|-----------------------------|---|-----------------------------|---|-----------------------------|---|-----------------------------|---|-----------------------------|---|
| Beef Cattle (in Kgs.) | 3,047,723 | 3,047,723 | 2,146,664 | 2,146,664 | 5,083,310 | 5,083,310 | 3,975,059 | 3,975,059 | 3,538,729 | 3,538,729 |
| Butyraceous (in Kgs.) | 63,997 | 63,997 | 57,374 | 57,374 | 82,219 | 82,219 | 67,042 | 67,042 | 116,734 | 116,734 |
| Crops (in quintals)* | 122,024 | 122,024 | 372,682 | 372,682 | 425,980 | 425,980 | 502,158 | 502,158 | 627,751 | 627,751 |

* One quintal equals one hundred kilograms

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

UNAUDITED BUSINESS HIGHLIGHTS (continued)

Local Market

| | 1Q September 30, 2003 | Accumulated July 1, 2003 to September 30, 2003 | 1Q September 30, 2002 | Accumulated July 1, 2002 to September 30, 2002 | 1Q September 30, 2001 | Accumulated July 1, 2001 to September 30, 2001 | 1Q September 30, 2000 | Accumulated July 1, 2000 to September 30, 2000 | 1Q September 30, 1999 | Accumulated July 1, 1999 to September 30, 1999 |
|-----------------------|-----------------------------|---|-----------------------------|---|-----------------------------|---|-----------------------------|---|-----------------------------|---|
| Beef Cattle (in Kgs.) | 3,047,723 | 3,047,723 | 2,146,664 | 2,146,664 | 5,083,310 | 5,083,310 | 3,975,059 | 3,975,059 | 3,538,729 | 3,538,729 |
| Butyraceous (in Kgs.) | 63,997 | 63,997 | 57,374 | 57,374 | 82,219 | 82,219 | 67,042 | 67,042 | 116,734 | 116,734 |
| Crops (in quintals)* | 123,007 | 123,007 | 372,682 | 372,682 | 425,980 | 425,980 | 502,158 | 502,158 | 625,945 | 625,945 |

* One quintal equals one hundred kilograms

Exports

| | 1Q September 30, 2003 | Accumulated July 1, 2003 to September 30, 2003 | 1Q September 30, 2002 | Accumulated July 1, 2002 to September 30, 2002 | 1Q September 30, 2001 | Accumulated July 1, 2001 to September 30, 2001 | 1Q September 30, 2000 | Accumulated July 1, 2000 to September 30, 2000 | 1Q September 30, 1999 | Accumulated July 1, 1999 to September 30, 1999 |
|--------------------------|-----------------------------|---|-----------------------------|---|-----------------------------|---|-----------------------------|---|-----------------------------|---|
| Beef Cattle (in Kgs.) | | | | | | | | | | |
| Butyraceous (in Kgs.) | | | | | | | | | | |
| Crops (in quintals)* | | | | | | | | | 1,806 | 1,806 |

* One quintal equals one hundred kilograms

Ratios

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| | At September 30, 2003 Pesos | At September 30, 2002 Pesos | At September 30, 2001 Pesos | At September 30, 2000 Pesos | At September 30, 1999 Pesos |
|------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Liquidity | 3.832 | 2.963 | 2.727 | 8.987 | 10.193 |
| Solvency | 2.162 | 5.581 | 5.790 | 24.238 | 27.114 |
| Fixed assets | 0.903 | 0.734 | 0.603 | 0.656 | 0.640 |
| Return on Equity | (0.003) | 0.049 | (0.138) | 0.011 | (0.002) |

INDEPENDENT ACCOUNTANT'S REPORT

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

To the Board of Directors and Shareholders of

Cresud Sociedad Anónima Comercial,

Inmobiliaria, Financiera y Agropecuaria

1. We have reviewed of the quarterly balance sheets of Cresud Sociedad Anónima Comercial, Inmobiliaria, Financiera y Agropecuaria at September 30, 2003, as well as the related statements of income, of Changes in Shareholders' Equity and of Cash Flows for the three-month periods ended on September 30, 2003 and 2002, together with the corresponding Notes 1 through 15 and Schedules A, C, E, F, G and H. In addition, we have reviewed of the consolidated financial statements of Cresud Sociedad Anónima Comercial, Inmobiliaria, Financiera y Agropecuaria and its subsidiaries for the three-month periods ended on September 30, 2003 and 2002, with notes 1 to 8 and Schedules A, B, C, E, F, G and H, which are submitted as supplementary information. These financial statements are the responsibility of the Company's management.
2. We conducted our review in accordance with standards established by Technical Resolution N° 7 of the Argentine Federation of Professional Councils of Economic Sciences for limited reviews of financial statements. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.
3. Based on the work done and on our audit of the Company's financial statements and its consolidated financial statements for the years ended June 30, 2003 and 2002, on which we issued our unqualified report dated September 8, 2003, we report that:
 - a) the financial statements of Cresud Sociedad Anónima Comercial, Inmobiliaria, Financiera y Agropecuaria at September 30, 2003 and 2002 and its consolidated financial statements at those dates detailed in point 1., prepared in accordance with accounting standards currently in effect in the Autonomous City of Buenos Aires, consider all significant facts and circumstances of which we have become aware and regarding them we have no observations to make.
 - b) the comparative information included in the individual and consolidated balance sheet and in the complementary notes and Schedules to the attached financial statements were obtained from the financial statements of the Company at June 30, 2003.

4. In accordance with current regulations, we report that:
- a) the financial statements of Cresud Sociedad Anónima Comercial, Inmobiliaria, Financiera y Agropecuaria and its consolidated financial statements are transcribed to the Inventory and Balance Sheet book and are in accordance with the Commercial Companies Law and pertinent resolutions of the National Securities Commission;
 - b) the financial statements of Cresud Sociedad Anónima Comercial, Inmobiliaria, Financiera y Agropecuaria arise from accounting records carried in all formal respects in accordance with legal requirements;
 - c) we have read the business overview report and the additional information to the notes to the financial statements required by section 68 of the Buenos Aires Stock Exchange Regulations, on which, as regards those matters that are within our competence we have no observations to make.
 - d) at September 30, 2003, the debt accrued of Cresud Sociedad Anónima Comercial, Inmobiliaria, Financiera y Agropecuaria accrued in favor of the Integrated Pension and Survivors Benefit System according to the accounting records amounted to \$100,321.86 (one hundred thousand three hundred and twenty-one pesos and 86/100), which is not yet due.

Autonomus City of Buenos Aires,

November 10, 2003

PRICE WATERHOUSE & CO

(Partner)

C.P.C.E.C.A.B.A. T°1 F°1 R.A.P.U.

Dr. Carlos Martín Barbañina

Public Accountant (U.C.A.)

C.P.C.E.C.A. Buenos Aires

T175 - F65

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Buenos Aires, Argentina.

CRESUD SOCIEDAD ANONIMA COMERCIAL INMOBILIARIA

FINANCIERA Y AGROPECUARIA

By: /s/ Saúl Zang

Name: Saúl Zang

Title: Second Vice Chairman of the Board of Directors

Dated: November 18, 2003