

CRESUD INC
Form 6-K
May 21, 2004

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 May, 2004

**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)

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Moreno 877, 23rd Floor, (C1091AAQ)

Buenos Aires, Argentina

(Address of principal executive offices)

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934. Yes No

CRESUD S.A.C.I.F. and A

(THE COMPANY)

REPORT ON FORM 6-K

Attached is a copy of the English translation of the Quarterly Financial Statements for the period ended on March 31, 2004 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
corresponding to the nine-month period
ended March 31, 2004 and 2003

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Financial Statements

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Unaudited Business Highlights

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

Legal Address: Moreno 877, 23rd Floor
 Ciudad Autónoma de Buenos Aires

Principal Activity: Agriculture and livestock and real-estate

Financial statements for the period ended March 31, 2004 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 2 consolidated

CAPITAL STATUS (Note 3 of unaudited basic financial statements)
 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	149,453,998	149,453,998	149,453,998

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Unaudited Consolidated Balance Sheet at March 31, 2004, June 30, 2003 and March 31, 2003

	March 31, 2004 (Notes 1, 2 and 3)	June 30, 2003 (Notes 1, 2 and 3)	March 31, 2003 (Notes 1, 2 and 3)
	Pesos	Pesos	Pesos
ASSETS			
Current Assets			
Cash and banks (Note 4.a.)	10,014,020	16,995,803	6,338,347
Investments (Note 4.b.)	7,555,974	5,459,835	30,317,596
Trade accounts receivable (Note 4.c.)	4,762,201	6,899,952	11,671,649
Other receivables and prepaid expenses (Note 4.d.)	14,541,789	6,231,659	4,265,303
Inventories (Note 4.e.)	36,244,672	22,841,977	31,883,750
Total current assets	73,118,656	58,429,226	84,476,645
Non-current assets			
Other receivables and prepaid expenses (Note 4.d.)	75,929	542,193	703,227
Inventories (Note 4.e.)	44,267,100	37,796,987	38,384,887
Investments (Note 4.b.)	213,344,977	202,321,555	208,652,989
Other investments (Note 4.b.)	142,858,179	139,160,243	143,135,657
Fixed assets, net (Schedule A)	152,272,169	148,510,846	127,419,824
Intangible assets (Schedule B)		369,637	489,061
Subtotal Non-Current Assets	552,818,374	528,701,461	518,785,645
Goodwill (Note 4.b.)	(20,193,637)	(19,347,598)	(18,605,099)
Total Non-Current Assets	532,624,737	509,353,863	500,180,546
Total Assets	605,743,393	567,783,089	584,657,191
	March 31, 2004 (Notes 1, 2 and 3)	June 30, 2003 (Notes 1, 2 and 3)	March 31, 2003 (Notes 1, 2 and 3)
	Pesos	Pesos	Pesos
LIABILITIES			
Current Liabilities			
Debts:			
Trade accounts payable (Note 4.f.)	8,539,549	7,328,279	16,207,864
Loans (Note 4.g.)	3,829,413	1,425,499	7,709,335
Salaries and social security payable (Note 4.h.)	777,580	1,096,627	606,003
Taxes payable (Note 4.i.)	1,337,001	1,887,453	1,133,048
Other debts (Note 4.j.)	1,273,042	3,338,969	5,049,060
Total Debts	15,756,585	15,076,827	30,705,310

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Total current liabilities	15,756,585	15,076,827	30,705,310
Non-current liabilities			
Taxes payable (Note 4.i.)	26,289,861	22,749,374	24,293,077
Loans (Note 4.g.)	122,125,483	137,951,054	146,852,737
Total non-current liabilities	148,415,344	160,700,428	171,145,814
Total Liabilities	164,171,929	175,777,255	201,851,124
Minority interest	47,619	206,709	254,380
SHAREHOLDERS EQUITY	441,523,845	391,799,125	382,551,687
Total Liabilities and Shareholders Equity	605,743,393	567,783,089	584,657,191

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 and Subsidiaries

Unaudited Consolidated Statement of Income

Corresponding to the periods beginning as from July 1, 2003 and 2002

and ended on March 31, 2004 and 2003

	March 31, 2004 (Notes 1, 2 and 3) Pesos	March 31, 2003 (Notes 1, 2 and 3) Pesos
Sales		
Crops	17,099,029	37,905,971
Beef cattle	19,400,403	11,414,198
Milk	2,511,919	1,657,986
Others	725,992	563,042
Total Sales	39,737,343	51,541,197
Cost of sales (Schedule F)		
Crops	(6,565,500)	(30,517,923)
Beef cattle	(13,804,649)	(3,132,233)
Milk	(297,729)	(1,051,444)
Others	(960,982)	(953,137)
Total cost of sales	(21,628,860)	(35,654,737)
Gross income	18,108,483	15,886,460
Selling expenses (Schedule H)	(3,140,643)	(3,274,026)
Administrative expenses (Schedule H)	(4,479,079)	(2,849,002)
Net gain on sale of farms	1,668,751	
Gain from inventory holdings (Schedule F)	1,906,143	12,629,645
Operating income	14,063,655	22,393,077
Financial results (Note 4.k.)		
Financial income (loss) generated by assets	12,514,514	(45,000,479)
Financial (loss) income generated by liabilities	(12,225,266)	27,950,843
Other expenses		
Gains from others fixed assets sales	310,701	8,234
Donations	(6,200)	(2,199,288)
Others	24	(206,221)
Income from related companies	3,407,044	66,758,213
Management fees (Note 5)	(1,138,846)	(4,887,308)
Income before income tax and minority interest	16,925,626	64,817,071
Income tax expense	(6,835,113)	(7,707,775)
Minority interest	159,091	176,376

Net income for the period	10,249,604	57,285,672
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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 and Subsidiaries

Unaudited Consolidated Statement of Cash Flow

Corresponding to the periods beginning as from July 1, 2003 and 2002

and ended on March 31, 2004 and 2003

	March 31, 2004 (Notes 1, 2 and 3) Pesos	March 31, 2003 (Notes 1, 2 and 3) Pesos
	<u> </u>	<u> </u>
Changes in funds		
Funds at the beginning of the period	20,930,230	44,339,538
Funds at the end of the period	13,058,010	32,212,929
	<u> </u>	<u> </u>
Net decrease in funds	(7,872,220)	(12,126,609)
Causes of changes in funds		
<u>Operations activities</u>		
Income for the period	10,249,604	57,285,672
Liabilities interest	8,071,022	5,752,819
Income tax	6,835,113	7,707,775
<u>Adjustments made to reach net funds from operations activities</u>		
Results from interest in controlled and related companies	(3,407,044)	(66,758,213)
Minority interest	(159,091)	(176,376)
Increase in allowances and reserves	2,094,519	7,938,353
Amortization and depreciation	2,653,386	2,561,655
Results from inventory holdings	(1,906,143)	(12,629,645)
Financial results	(6,925,644)	6,593,590
Result from sale of fixed assets	(1,979,452)	(8,234)
<u>Changes in operating assets and liabilities</u>		
Decrease (increase) in current investments	5,707,778	(827)
Decrease in trade accounts receivable	2,137,751	5,416,760
(Increase) decrease in other receivables	(8,747,089)	2,612,670
(Increase) decrease in inventories	(18,188,094)	9,882,447
Decrease in social securities contributions and taxes payable and advances to customers	(4,181,280)	(10,226,818)
Increase in trade accounts payable	255,597	594,834
Dividends collected	1,146,595	774,157
Decrease in other debts	(3,204,773)	(3,442,566)
	<u> </u>	<u> </u>
Net fund (applied to) provided by operations activities	(9,547,245)	13,878,053
<u>Investment activities</u>		
Increase in permanent investments	(1,199,672)	(177,030,885)
Increase in interest in related companies	(8,037,546)	(15,939,018)
Acquisition and upgrading of fixed assets	(8,595,650)	(1,797,601)
Collection of receivables related to the sale of fixed assets	1,008,000	2,525,813
Sale of fixed assets	4,751,439	504,594
	<u> </u>	<u> </u>
Net funds applied to investment activities	(12,073,429)	(191,737,097)
<u>Financing activities</u>		

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Exercise of Warrant	21,893,975	
Dividends paid	(1,500,000)	
Exercise of rights offering on treasury stock	327,437	2,088,363
Increase in financial loans		170,059,240
Decrease in financial loans	(5,667,108)	(4,690,456)
Issuance expenses of Convertible Bonds	(1,305,850)	(1,724,712)
	<hr/>	<hr/>
Net funds provided by financing activities	13,748,454	165,732,435
	<hr/>	<hr/>
Net decrease in funds	(7,872,220)	(12,126,609)
Items not involving changes in funds		
Transfer of inventory to fixed assets	221,429	95,337
Repayment of financial loans through issue of stock by exercise of conversion right	18,753,704	560,534
	<hr/>	<hr/>
Complementary information		
Interest paid	5,667,108	4,647,660
Income tax expense paid	878,475	7,869,318

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
and Subsidiaries**

Notes to the Unaudited Consolidated Financial Statements

Corresponding to the periods beginning as from July 1, 2003 and 2002 and ended on
March 31, 2004 and 2003

NOTE 1: 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 Federation of Professional Councils in Economic Sciences, as amended by Technical Resolution No. 19, the Balance Sheet as of March 31, 2004, June 30, 2003 and March 31, 2003 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).

The Financial Statements of the Subsidiary Companies Inversiones Ganaderas S.A. and Futuros y Opciones.Com S.A. as of March 31, 2004 and 2003 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 March 31, 2003 and June 30, 2003.

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

NOTE 2: CORPORATE CONTROL

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

COMPANY	PERCENTAGE OF VOTING SHARES OWNED
Inversiones Ganaderas S.A.	99.99
Futuros y Opciones.Com S.A.	70.00

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES

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The Financial Statements of the Subsidiary Companies mentioned in Note 2 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 4: Details of consolidated balance sheet and consolidated income statement accounts**a. Cash and banks**

	March 31, 2004 Pesos	June 30, 2003 Pesos	March 31, 2003 Pesos
Cash	89,712	43,967	104,972
Foreign currency (Schedule G)	50,209	3,239,854	170,847
Patacones currency	37		430
Lecop currency			235
Local currency checking account	1,201,667	645,182	2,686,641
Patacones currency checking account	22	171,891	28,862
Lecop currency checking account		62,532	38,380
Foreign currency checking account (Schedule G)	8,628,564	12,370,530	3,124,664
Local currency saving account	13,794	20,583	16,495
Checks to be deposited	30,015	415,481	166,821
Patacones checks to be deposited		25,783	
	<u>10,014,020</u>	<u>16,995,803</u>	<u>6,338,347</u>

b. Investments and Goodwill

	March 31, 2004 Pesos	June 30, 2003 Pesos	March 31, 2003 Pesos
Investment			
Investment (Schedule C)	7,555,974	5,459,835	30,317,596
	<u>7,555,974</u>	<u>5,459,835</u>	<u>30,317,596</u>
Investment			
Investment from related companies (Schedule C)	213,344,977	202,321,555	208,652,989
	<u>213,344,977</u>	<u>202,321,555</u>	<u>208,652,989</u>
Other investments			
Other investments (Schedule C)	142,858,179	139,160,243	143,135,657

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	142,858,179	139,160,243	143,135,657
	<u> </u>	<u> </u>	<u> </u>
Goodwill			
Goodwill (Schedule C)	(20,193,637)	(19,347,598)	(18,605,099)
	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 4: (Continued)

c. Trade accounts receivable

	March 31, 2004	June 30, 2003	March 31, 2003
	Pesos	Pesos	Pesos
Current			
Accounts receivable in local currency	5,072,208	5,345,126	3,259,392
Less:			
Provision for defaulting debtors (Schedule E)	(384,661)	(479,125)	(635,510)
Accounts receivable in foreign currency (Schedule G)	42,496	2,020,242	9,034,498
Subsidiaries and related companies Law 19,550 Article 33:			
Cactus Argentina S.A.	32,158	13,709	13,269
	<u>4,762,201</u>	<u>6,899,952</u>	<u>11,671,649</u>

d. Other receivables and prepaid expenses

	March 31, 2004	June 30, 2003	March 31, 2003
	Pesos	Pesos	Pesos
Current			
Prepaid leases	598,390	1,894,560	63,580
Tax on Minimum Hypothetical Income (Note 2.p.)			127,560
Guarantee deposits (Schedule G)	4,040,763	682,027	790,419
Secured by mortgage and under legal proceedings (Schedule G)	992,804	531,602	514,250
Prepaid expenses	353,576	864,244	344,868
Surety bonds received			470,709
Tax prepayments (net of accrual)	6,351,126	201,559	267,180
Subsidiaries and related companies Law 19,550 Article 33:			
Cactus Argentina S.A.	1,340,252	1,334,692	1,333,318
Shareholders	455,583	455,583	
Other	409,295	267,392	353,419
	<u>14,541,789</u>	<u>6,231,659</u>	<u>4,265,303</u>
Non-current			

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Secured by mortgage		504,192	501,836
Prepaid leases			176,447
Tax on Minimum Hypothetical Income	69,503	26,574	24,944
Other	6,426	11,427	
	<u>75,929</u>	<u>542,193</u>	<u>703,227</u>

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 4: (Continued)

e. Inventories

	March 31, 2004 Pesos	June 30, 2003 Pesos	March 31, 2003 Pesos
Current			
Livestock	17,225,958	13,116,997	15,671,028
Crops	6,272,900	6,301,776	4,545,133
Unharvested crops	8,515,388	1,112,230	6,769,137
Seeds and fodder	285,736	171,486	1,935,787
Materials and others	2,923,297	1,501,686	1,647,443
Advances to suppliers	1,021,393	637,802	1,315,222
	<u>36,244,672</u>	<u>22,841,977</u>	<u>31,883,750</u>
Non-Current			
Livestock	44,267,100	37,796,987	38,384,887
	<u>44,267,100</u>	<u>37,796,987</u>	<u>38,384,887</u>

f. Trade accounts payable

	March 31, 2004 Pesos	June 30, 2003 Pesos	March 31, 2003 Pesos
Current			
Suppliers in local currency	5,315,206	3,759,549	3,561,527
Suppliers in foreign currency (Schedule G)	1,081,407	436,439	9,222,930
Subsidiaries and related companies Law 19,550 Article 33: C			
Cactus Argentina S.A.	445,657	203,335	146,314
Accrual for other expenses (Schedule G)	1,514,901	2,816,293	3,043,062
Accrual for cereal expenses	180,409	108,825	203,359

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Accrual for Directors Fees	7,597	41,806	67,412
Advances to Directors	(5,628)	(37,968)	(36,740)
	<u> </u>	<u> </u>	<u> </u>
	8,539,549	7,328,279	16,207,864
	<u> </u>	<u> </u>	<u> </u>

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 4: (Continued)

g. Loans

	March 31, 2004 Pesos	June 30, 2003 Pesos	March 31, 2003 Pesos
Current			
Local financial loans (Note 2.f.)			3,189,814
Convertible Bonds 2007 Interest payable (Schedule G)	3,829,413	1,425,499	4,519,521
	<u>3,829,413</u>	<u>1,425,499</u>	<u>7,709,335</u>
Non Current			
Convertible Bonds 2007 (Schedule G)	123,973,793	139,450,965	148,451,430
Convertible Bonds 2007 expenses	(1,848,310)	(1,499,911)	(1,598,693)
	<u>122,125,483</u>	<u>137,951,054</u>	<u>146,852,737</u>

h. Salaries and social security payable

	March 31, 2004 Pesos	June 30, 2003 Pesos	March 31, 2003 Pesos
Current			
Vacation, statutory annual bonus allowance	653,943	859,519	217,299
Social security administration	9,393	138,564	87,994
Salaries payable	103,269	94,607	285,561
Health care scheme	5,169	1,043	5,051
Other	5,806	2,894	10,098
	<u>777,580</u>	<u>1,096,627</u>	<u>606,003</u>

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 4: (Continued)**i. Taxes payable**

	March 31, 2004	June 30, 2003	March 31, 2003
	Pesos	Pesos	Pesos
Current			
Accrual for income tax	2,979,125	6,304,357	4,183,853
Advances to Income tax	(1,968,138)	(4,669,379)	(2,951,103)
Tax on Minimum Hypothetical Income (Note 2.p)	39,802	(124,503)	2,284
Value added tax		45,164	(219,336)
Property tax payable	110,364	179,614	161,978
Taxes withheld for income tax	82,371	45,494	87,752
Personal assets tax		148,824	
Sales tax payable	164,793	169,448	37,487
Taxes withheld-Gross sales tax payable	(74,005)	(83,340)	(109,024)
Taxes withheld-Value added tax payable		(134,693)	(68,466)
Other	2,689	6,467	7,623
	<u>1,337,001</u>	<u>1,887,453</u>	<u>1,133,048</u>
Non-current			
Tax on Minimum Hypothetical Income			1,993
Deferred tax	26,289,861	22,749,374	24,291,084
	<u>26,289,861</u>	<u>22,749,374</u>	<u>24,293,077</u>

j. Other debts

	March 31, 2004	June 30, 2003	March 31, 2003
	Pesos	Pesos	Pesos
Current			
Accrual for Management fees (Note 5)	1,138,846	3,204,773	4,914,864
Loan to FYO minority shareholders	134,196	134,196	134,196

1,273,042	3,338,969	5,049,060
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Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 4: (Continued)

k. Financial results

	March 31, 2004	March 31, 2003
	Income	Income
	(Loss)	(Loss)
	Pesos	Pesos
	<u> </u>	<u> </u>
Generated by assets:		
Exchange differences and discounts	4,556,319	(45,392,085)
Interest income	210,933	814,263
Bad debts (Schedule E)	94,464	
Reference stabilization index (CER)	(302,116)	489,131
Tax on debts and credits	(756,260)	(657,838)
Holding results		(2,640,590)
Holding results and operations of stocks and bonds		
Convertible Bonds purchase interest	8,697,554	4,357,055
Others	13,620	121,733
Inflation adjustment		(2,092,148)
	<u> </u>	<u> </u>
	12,514,514	(45,000,479)
	<u> </u>	<u> </u>
	March 31, 2004	March 31, 2003
	Income	Income
	(Loss)	(Loss)
	Pesos	Pesos
	<u> </u>	<u> </u>
Generated by liabilities		
Holding results		1,286,969
Inflation adjustment		2,422,512
Reference stabilization index (CER)		(473,717)
Interest expense	(2,579)	
Financial expenses		
Convertible Bonds issued interest	(8,071,022)	(4,519,521)

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Others	(945,453)	(1,005,565)
Exchange differences and discounts	(3,206,212)	30,240,165
	<u> </u>	<u> </u>
	(12,225,266)	27,950,843
	<u> </u>	<u> </u>

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 5:**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						Other receivables and		
	investment		Trade accounts receivable				prepaid expenses		
	March 31, 2004	June 30, 2003	March 31, 2003	March 31, 2004	June 30, 2003	March 31, 2003	March 31, 2004	June 30, 2003	March 31, 2003
4th quarter 2003/2002 financial period			4,357,055			11,669,649			1,520,841
1st quarter 2004/2003 financial period		1,422,315			6,874,952	2,000		2,471,562	
2nd quarter 2004/2003 financial period								129,130	127,560
3rd quarter 2004/2003 financial period								505,786	501,836
4th quarter 2004/2003 financial period	4,412,090			4,754,568			4,795,612	250,925	24,945
1st quarter 2005/2004 financial period								1,642	
2nd quarter 2005/2004 financial period								52,067	
3rd quarter 2005/2004 financial period							994,496	504,192	501,836
4th quarter 2005/2004 financial period								6,426	
1st quarter 2006/2005 financial period									
2nd quarter 2006/2005 financial period									
3rd quarter 2006/2005 financial period									
4th quarter 2006/2005 financial period								17,154	
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	142,837,462	139,139,526	143,114,940						
Overdue					25,000				
With no stated current term	3,143,884	4,037,520	25,960,541	7,633			8,697,972	2,874,256	2,115,066
With no stated non-current term	20,717	20,717	20,717				52,349	38,001	176,446
Total	150,414,153	144,620,078	173,453,253	4,762,201	6,899,952	11,671,649	14,617,718	6,773,852	4,968,530

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

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Interest rate that they accrued	Current and non-current						Other receivables and		
	investment			Trade accounts receivable			prepaid expenses		
	March 31, 2004	June 30, 2003	March 31, 2003	March 31, 2004	June 30, 2003	March 31, 2003	March 31, 2004	June 30, 2003	March 31, 2003
At fixed interest rate	142,837,462	139,139,526	143,114,940				1,005,849	1,322,687	1,299,844
At variable interest rate	3,143,884	4,037,520	25,960,541				2,901,213	277,048	475,331
Non-interest bearing	4,432,807	1,443,032	4,377,772	4,762,201	6,899,952	11,671,649	10,710,656	5,174,117	3,193,355
Total	150,414,153	144,620,078	173,453,253	4,762,201	6,899,952	11,671,649	14,617,718	6,773,852	4,968,530

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 5:

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

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

Estimated collection	Salaries and social												
	Trade accounts payable			Loans			security payable			Taxes payable			Other
	March 31, 2004	June 30, 2003	March 31, 2003	March 31, 2004	June 30, 2003	March 31, 2003	March 31, 2004	June 30, 2003	March 31, 2003	March 31, 2004	June 30, 2003	March 31, 2003	March 31, 2004
02 financial period			16,155,580			7,709,335			596,925			789,560	
03 financial period		7,281,456			1,425,499			1,083,306	9,078		1,664,184	329,124	3,281,456
03 financial period								13,321			204,794		
03 financial period	8,537,580			3,829,413			750,213			1,307,273	2,795		1,138,846
04 financial period		1,969					27,367			22,648		1,993	
04 financial period													
04 financial period													
05 financial period													
05 financial period													
05 financial period													
06 financial period													
06 financial period													
06 financial period													
07 financial period			122,125,483	137,951,054	146,852,737					7,080	15,680	14,364	
ent term		46,823	52,284										134,196
current term										26,289,861	22,749,374	24,291,084	
	8,539,549	7,328,279	16,207,864	125,954,896	139,376,553	154,562,072	777,580	1,096,627	606,003	27,626,862	24,636,827	25,426,125	1,273,042

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

Interest rate that they	Trade accounts payable	Loans	Salaries and social	Taxes payable	Other debt
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	security payable													
	March 31, 2004	June 30, 2003	March 31, 2003	March 31, 2004	June 30, 2003	March 31, 2003	March 31, 2004	June 30, 2003	March 31, 2003	March 31, 2004	June 30, 2003	March 31, 2003	March 31, 2004	June 30, 2003
Interest rate				122,125,483	137,951,054	149,721,783								200,038
Interest rate bearing	8,539,549	7,328,279	16,207,864	3,829,413	1,425,499	4,840,289	777,580	1,096,627	606,003	27,626,862	24,636,827	25,426,125	1,073,004	3,338,969
	8,539,549	7,328,279	16,207,864	125,954,896	139,376,553	154,562,072	777,580	1,096,627	606,003	27,626,862	24,636,827	24,426,125	1,273,042	3,338,969

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 6: EARNINGS PER SHARE

Following is a conciliation between the average appraised ordinary stock in circulation and the average appraised diluted ordinary stock. The last one has been determined considering the possibility that the bearers of convertible bonds into company's ordinary stock for up to an amount of US\$ 50,000,000 mentioned in Note 14 of the basic financial statements, exercise their right to convert into stock the titles they bear.

	<u>March 31, 2004</u>	<u>March 31, 2003</u>
Average appraised stock in circulation	132,941,251	120,648,184
Average appraised diluted ordinary stock	320,926,666	219,113,184
	<u>March 31, 2004</u>	<u>March 31, 2003</u>
Earnings for the calculation of basic earnings per share	10,249,604	57,285,672
Exchange differences	3,276,531	19,488,034
Interest	8,071,022	4,519,521
Income tax	(3,971,644)	(8,402,645)
Earnings for the calculation of diluted earnings per share	17,625,513	72,890,582
<u>BASIC Earnings per share</u>	<u>March 31, 2004</u>	<u>March 31, 2003</u>
Earnings	10,249,604	57,285,672
Number of shares	132,941,251	120,648,184
Earnings per share	0.08	0.47
<u>DILUTED Earnings per share</u>	<u>March 31, 2004</u>	<u>March 31, 2003</u>
Earnings	17,625,513	72,890,582
Number of shares	320,926,666	219,113,184
Earnings per share	0.05	0.33

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

Note 7: SEGMENT INFORMATION

As of March 31, 2004:

Description	Crops	Beed Cattle	Milk	Others	Total
Sales	17,099,209	19,400,403	2,511,919	725,992	39,737,343
Assets	100,352,242	146,818,597	11,161,891	347,410,663	605,743,393
Liabilities	2,656,481	1,564,278	38,381	159,912,789	164,171,929
Fixed asset additions	5,385,676	2,610,290	43,370	556,314	8,595,650
Depreciation of fixed assets	615,954	885,055	158,087	624,653	2,283,749
Amortization of intangible assets				369,637	369,637
Income from related companies	1,399,508	430,637	212,317	1,364,582	3,407,044

As of March 31, 2004:

Description	Crops	Beed Cattle	Milk	Others	Total
Sales	37,905,971	11,414,198	1,657,986	563,042	51,541,197
Assets	78,113,104	141,510,723	9,145,184	355,888,180	584,657,191
Liabilities	11,945,539	665,136	117,187	189,123,262	201,851,124
Fixed asset additions	536,899	1,067,215	95,757	97,730	1,797,601
Depreciation of fixed assets	1,077,451	841,900	114,269	175,443	2,209,063
Amortization of intangible assets				352,592	352,592
Income from related companies	1,820,321	490,996	234,686	64,212,210	66,758,213

Note 8: SALE OF FARMS

On July 29, 2003, Inversiones Ganaderas S.A. sold to Las Rejas S.A. three properties owned by it located in the district of Santo Domingo, department of La Paz, Province of Catamarca, with a total area of 5997 hectares, for an amount of US\$ 430,000, fully paid as of the date of execution of the deed. This sale generated a gain of Ps.583,406 (Pesos Five hundred eighty three thousand four hundred and six).

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

Unaudited Consolidated Fixed Assets

Corresponding to the periods beginning as from July 1, 2003 and ended on March 31, 2004
comparative with the year ended on June 30, 2003 and with the period ended on March 31, 2003

(Notes 1, 2, and 3)

Schedule A

Principal Account	Value at the beginning of the period	Additions and/or transfers	Deductions and/or transfers	Value at the end of period	Depreciation				Net carrying value at March 31,2004	Net carrying value at June 30,2003	Net carrying value at March 31,2003					
					Rate	Accumulated at the beginning of the period	Decrease of the period	Current period Amount				Accumulated at the end of period				
													%	Pesos	Pesos	Pesos
Real estate	124,332,894	31,537	2,397,568	121,966,863					121,966,863	124,332,894	101,683,210					
Fences	5,487,465	1,260		5,488,725	3	1,290,600		129,516	1,420,116	4,068,609	4,196,865	4,222,100				
Feeding troughs	3,677,240	2,592		3,679,832	5	852,156		134,322	986,478	2,693,354	2,825,084	2,866,000				
Pasture fields and meadows	3,358,824	336,084	1,581,013	2,113,895	12-25-50	2,368,752	1,393,201	346,059	1,321,610	792,285	990,072	810,000				
Buildings and constructions	5,573,995	7,980		5,581,975	2	1,881,588		72,502	1,954,090	3,627,885	3,692,407	3,930,000				
Ministry	9,136,628	50,369	570,400	8,616,597	10	5,547,697	436,898	590,802	5,701,601	2,914,996	3,588,931	4,020,000				
Trucks	1,160,475	241,653	153,287	1,248,841	20	732,760	124,800	156,672	764,632	484,209	427,715	370,000				
Tractors	192,157	10,785	5,916	197,026	10	120,938	3,932	11,270	128,276	68,750	71,219	70,000				
Structure and equipment	1,099,079	86,938	20,741	1,165,276	10	701,722	4,148	69,638	767,212	398,064	397,357	410,000				
Stables and leading lanes	385,598		262,455	123,143	20	385,598	262,455		123,143							
Stables	624,985	14,933		639,918	3	109,968		15,603	125,571	514,347	515,017	490,000				
Stables	1,364,949			1,364,949	10	717,322		93,694	811,016	553,933	647,627	670,000				
Utilities	6,022,694	323,925		6,346,619	10-20-33	2,848,525		508,886	3,357,411	2,989,208	3,174,169	3,090,000				
Computer equipment	1,290,810	73,641	7,371	1,357,080	20	966,549	7,108	107,588	1,067,029	290,051	324,261	230,000				
Stables	10,444			10,444	10	10,444			10,444							
Stables	1,166,150			1,166,150	5	252,571		47,197	299,768	866,382	913,579	810,000				
Construction in progress	2,331,204	5,706,918	5,778	8,032,344						8,032,344	2,331,204	3,510,000				
Advances to suppliers	82,445	1,928,464		2,010,909						2,010,909	82,445	170,000				
Total at March 31, 2004	167,298,036	8,817,079	5,004,529	171,110,586		18,787,190	2,232,542	2,283,749	18,838,397	152,272,189						
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					
Total at March 31, 2003	145,825,463	1,892,938	1,621,610	146,096,791		17,593,154	1,125,250	2,209,063	18,676,967			127,410,000				

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

Unaudited Consolidated Intangible Assets

Corresponding to the periods beginning as from July 1, 2003 and ended on March 31, 2004
comparative with the year ended on June 30, 2003 and with the period ended on March 31, 2003

(Notes 1, 2, and 3)

Schedule B

Principal Account	Value at the beginning and end of the period Pesos	Amortization				Net carrying	Net carrying	Net carrying
		Accumulated at the beginning of period Pesos	Current period		Accumulated at the end of period Pesos	value at	value at	value at
			Rate	Amount		March 31,	June 30,	March 31,
			%	Pesos		2004	2003	2003
						Pesos	Pesos	Pesos
Development expenditures	1,410,368	1,057,774	33.33	352,594	1,410,368		352,593	470,123
Brands and patents	18,938	1,895		17,043	18,938		17,044	18,938
Total at March 31, 2004	1,429,306	1,059,669		369,637	1,429,306			
Total at June 30, 2003	1,429,306	587,653		472,016	1,059,669		369,637	
Total at March 31, 2003	1,429,306	587,653		352,592	940,245			489,061

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

Unaudited Consolidated Investments

Corresponding to the periods beginning as from July 1, 2003 and ended on March 31, 2004
comparative with the year ended on June 30, 2003 and with the period ended on March 31, 2003

(Notes 1, 2, and 3)

Schedule C

						INFORMATION ON THE ISSUER			
						Latest financial statements			
Type and characteristics of the securities	Amount	Value at March 31, 2004	Value at June 30, 2003	Value at March 31, 2003	Market value	Principal activity	Income for the period	Shareholders Equity	
		Pesos	Pesos	Pesos	Pesos		Pesos	Pesos	Pesos
Current Investments									
Mutual Funds									
ABN AMRO in pesos			2,888,061						
Deutsche Dollar Fund				24,494,713					
ABN AMRO in dollars				295,966					
Fondo especial Banco Río in pesos			1,042,426						
Fondo Plazo fijo Banco Río in dollars	1,778	4,030	3,940	3,903	2,267,098				
		4,030	3,934,427	24,794,582					
Notes and									
Convertible Bonds									
Interest of									
Convertible Bonds									
2007 -IRSA		4,412,090	1,422,315	4,357,055					
Bonos Global 2010	110,000	99,264	102,463	79,200					
Bocon Pro 1	157,647	630	630	630					
Tax credit certificate				6,129					
		4,511,984	1,525,408	4,443,014					
Deposits in local banks									
				1,080,000					

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				1,080,000
Deposits in foreign banks	3,039,960			
	3,039,960			
Total current investments	7,555,974	5,459,835	30,317,596	

Non-current investments

**Related companies
Law 19,550. Article 33**

AGRO-URANGA S.A.					unlisted	Agricultural and livestock	2,500,000	5,096,482	15,561,863
Shares	893,069	5,425,695	4,971,181	5,411,499					
Contribution on account of future subscriptions of shares		7,865	7,865	7,865					
Higher value of property		11,179,150	11,179,150	11,179,150					
		16,612,710	16,158,196	16,598,514					

CACTUS ARGENTINA S.A.					unlisted	Exploitation and administration of agricultural and beef cattle products	1,300,000	641,477	6,397,024
Shares	650,000	1,062,894	742,155	778,026					
Contribution on account of future subscriptions of shares		2,135,618	2,135,618	2,135,618					
		3,198,512	2,877,773	2,913,644					

IRSA Inversiones y Representaciones S.A.					listed	Real state	238,253,538	45,233,089	900,093,565
Shares	51,228,120	193,533,755	183,285,586	189,140,831					
		193,533,755	183,285,586	189,140,831					
Subtotal		213,344,977	202,321,555	208,652,989					

Other Investments

Convertible Bonds									
2007 - IRSA	49,943,168	142,837,462	139,139,526	143,114,940					
Coprolan		20,717	20,717	20,717	Unlisted				
Subtotal		142,858,179	139,160,243	143,135,657					

Goodwill

Goodwill		824,595	1,319,353	1,484,273					
IRSA negative goodwill		(21,018,232)	(20,666,951)	(20,089,372)					
Subtotal		(20,193,637)	(19,347,598)	(18,605,099)					

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Total non-current investments	336,009,519	322,134,200	333,183,547
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**Cresud Sociedad Anónima, Comercial,
Inmobiliaria, Financiera y Agropecuaria and Subsidiaries**

Unaudited Consolidated Allowances and Provisions

Corresponding to the periods beginning as from July 1, 2003 and ended on March 31, 2004
comparative with the year ended on June 30, 2003 and with the period ended on March 31, 2003

(Notes 1, 2, and 3)

Schedule E

Item			Deductions	Inflation	Value at	Value at	Value at
	Opening	Increases	(1)	adjustment	March 31,	June 30,	March 31,
	balances				2004	2003	2003
	Pesos	Pesos	Pesos	Pesos	Pesos	Pesos	Pesos
Deducted from asset							
Defaulting debtors	479,125		(94,464)		384,661	479,125	635,510
Total at March 31, 2004	479,125		(94,464)		384,661		
Total at June 30, 2003	802,934	50,000	(286,146)	(87,663)		479,125	
Total at March 31, 2003	802,934		(79,996)	(87,428)			635,510

(1) The accounting appropriation is included in Note 4.k.

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

Unaudited Consolidated Cost of sales

Corresponding to the periods beginning as from July 1, 2003 and 2002
and ended on March 31, 2004 and 2003

(Notes 1, 2, and 3)

Schedule F

	Crops		Beef Cattle		Milk		Others		Total	
	March 31, 2004	March 31, 2003	March 31, 2004	March 31, 2003	March 31, 2004	March 31, 2003	March 31, 2004	March 31, 2003	March 31, 2004	March 31, 2003
	Pesos	Pesos	Pesos	Pesos	Pesos	Pesos	Pesos	Pesos	Pesos	Pesos
At the beginning of the period										
			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
Crops	1,112,230	835,288							1,112,230	835,288
Order			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	
ts			1,517,835	12,049,596	388,308	580,049			1,906,143	
market results	(2,132,913)	(1,019,649)							(2,132,913)	
inventories to expenses	(164,529)	(93,181)	(43,726)	(53,118)					(208,255)	
inventories to fixed assets	(220,039)	(94,143)					(1,390)	(1,194)	(221,429)	
harvested crops to expenses	(5,847,565)	(8,045,390)	(260,344)	(334,274)	(260,405)	(151,687)	(421,992)	(345,260)	(6,790,306)	
inventories			181,161	253,456	(184,161)	(253,456)				
	15,879,887	14,062,444	10,535,013	2,583,604	827,041	5,725	482,725	444,766	27,724,666	
expenses (Schedule H)	7,866,780	11,287,278	10,801,656	5,290,934	1,295,561	1,078,529	876,174	861,293	20,840,171	
At the end of the period										
			(57,471,806)	(52,289,855)	(4,021,252)	(1,766,060)			(61,493,058)	(54,055,915)
	(6,272,900)	(4,545,133)							(6,272,900)	(4,545,133)
Crops	(8,515,388)	(6,769,137)							(8,515,388)	(6,769,137)
Order		(1,759,000)	(189,957)	(134,763)	(92,564)	(42,024)	(3,215)		(285,736)	(1,935,787)
	(2,664,094)	(1,313,237)			(41,814)	(34,360)	(217,389)	(299,846)	(2,923,297)	(1,647,443)
	6,565,500	30,517,923	13,804,649	3,132,233	297,729	1,051,444	960,982	953,137	21,628,860	

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Unaudited Consolidated Foreign currency assets and liabilities

Corresponding to the periods beginning as from July 1, 2003 and ended on March 31, 2004

Comparative with the year ended on June 30, 2003 and with the period ended on March 31, 2003

(Notes 1, 2, and 3)

Schedule G

Item	March 31, 2004			June 30, 2003		March 31, 2003	
	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\$ 3,077,579	2.82	8,678,773	US\$ 5,781,624	15,610,384	US\$ 1,144,275	3,295,511
Investments:							
Mutual funds	US\$ 1,429	2.82	4,030	US\$ 1,459	3,940	US\$ 8,609,230	24,794,582
Interest of Convertible Bonds 2007 -IRSA	US\$ 1,542,689	2.86	4,412,090	US\$ 507,970	1,422,315	US\$ 1,512,866	4,357,055
Deposits in foreign banks	US\$ 1,078,000	2.82	3,039,960	US\$	US\$		
Trade accounts receivable							
Accounts receivable	US\$ 15,070	2.82	42,496	US\$ 748,238	2,020,242	US\$ 3,136,978	9,034,498
Other receivables and prepaid expenses:							
Secured by mortgages	US\$ 352,058	2.82	992,804	US\$		US\$	
Guarantee deposits	US\$ 1,432,895	2.82	4,040,763	US\$ 252,603	682,027	US\$ 274,451	790,419
Non-Current Asset							
Investments:							
Convertible Bonds 2007 -IRSA	US\$ 49,943,168	2.86	142,837,462	US\$ 49,692,688	139,139,526	US\$ 49,692,688	143,114,940
Total Asset	US\$ 57,442,888		164,048,378	US\$ 56,984,582	158,878,434	US\$ 64,370,488	185,387,005
Current liabilities							
Debs:							
Suppliers	US\$ 378,114	2.86	1,081,407	US\$ 155,871	436,439	US\$ 3,094,943	9,222,930
Accrual for other expenses	US\$ 153,420	2.86	438,782	US\$ 168,608	472,102	US\$ 335,515	999,834
Loans:							
Interest of Convertible Bonds 2007 -IRSA	US\$ 1,338,956	2.86	3,829,413	US\$ 509,107	1,425,499	US\$ 1,516,618	4,519,521
Non-current liabilities							
Loans:							
Convertible Bonds 2007	US\$ 43,347,480	2.86	123,973,793	US\$ 49,803,916	139,450,965	US\$ 49,815,916	148,451,430
Total Liabilities	US\$ 45,217,970		129,323,395	US\$ 50,637,502	141,785,005	US\$ 54,762,992	163,193,715

US\$: US dollars

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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

Corresponding to the periods beginning as from July 1, 2003 and 2002

and ended on March 31, 2004 and 2003

(Notes 1, 2, and 3)

Schedule H

Items	Total	Operating Expenses					Expenses		Total
	March 31, 2004	Total	Crops	Beef cattle	Milk	Others	Selling	Administrative	March 31, 2003
	Pesos	Pesos	Pesos	Pesos	Pesos	Pesos	Pesos	Pesos	Pesos
Directors fees	7,597							7,597	56,435
Fees and payments for services	973,059	341,736	131,072	156,500	5,700	48,464		631,323	800,169
Salaries and wages	5,036,976	2,238,367	461,853	1,304,271	217,766	254,477	38,998	2,759,611	2,976,451
Social security contributions	606,395	290,243	119,828	155,000	13,680	1,735		316,152	502,076
Taxes, rates and contributions	360,276	311,176	119,024	146,429	19,925	25,798	23,653	25,447	239,225
Gross sales taxes	402,810						402,810		437,755
Office and administrative expenses	267,665	85,016		6,006		79,010		182,649	245,058
Bank commissions and expenses	20,554	20,554	4,566	5,267	241	10,480			40,730
Depreciation of fixed assets	2,283,749	2,100,447	1,036,213	854,205	171,398	38,631		183,302	2,209,063
Vehicle and travelling expenses	380,736	262,513	106,156	132,774	11,210	12,373	4,052	114,171	313,870
Spare parts and repairs	794,945	794,945	384,129	342,872	64,209	3,735			550,042
Insurance	239,635	28,594	12,484	13,444	953	1,713		211,041	269,637
Employees maintenance	116,380	99,111	26,127	64,164	3,998	4,822		17,269	105,478
Amortization of intangible assets	369,637	369,637					369,637		352,592
Livestock expenses	8,244,188	7,267,348		7,267,348			976,840		3,487,515
Dairy farm expenses	776,075	776,075			776,075				725,408
Agricultural expenses	6,875,184	5,223,552	5,223,552				1,651,632		10,723,504
Silo expenses	233,522	233,522	233,522						198,347
Coal expenses	10,329	1,747				1,747	8,582		33,568
Firewood expenses	497						497		11,717
FyO expenses	39,301	5,722				5,722	33,579		60,574
General expenses	385,200	384,838	8,254	353,376	10,406	12,802		362	270,210
Contributions and services	35,183	5,028				5,028		30,155	31,638
Total at March 31, 2004	28,459,893	20,840,171	7,866,780	10,801,656	1,295,561	876,174	3,140,643	4,479,079	
Total at March 31, 2003		18,518,034	11,287,278	5,290,934	1,078,529	861,293	3,274,026	2,849,002	24,641,062

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Balance Sheet as at March 31, 2004, June 30, 2003 and March 31, 2003

	March 31, 2004	June 30, 2003	March 31, 2003
	(Notes 1 and 2)	(Notes 1 and 2)	(Notes 1 and 2)
	Pesos	Pesos	Pesos
ASSETS			
Current Assets			
Cash and banks (Note 8.a.)	9,732,714	16,804,920	6,038,924
Investments (Note 8.b.)	7,555,974	5,459,835	30,317,596
Trade accounts receivable (Note 8.c.)	3,708,165	6,216,651	11,366,780
Other receivables and prepaid expenses (Note 8.d.)	15,260,833	6,132,962	3,960,344
Inventories (Note 8.e.)	36,184,984	22,086,691	31,257,080
Total Current Assets	72,442,670	56,701,059	82,940,724
Non-Current Assets			
Other receivables and prepaid expenses (Note 8.d.)	17,154	504,192	678,283
Inventories (Note 8.e.)	40,691,688	34,947,790	35,161,443
Investments (Note 8.b.)	224,316,655	213,361,465	219,805,428
Other investments (Note 8.b.)	142,858,179	139,160,243	143,135,657
Fixed assets, net (Schedule A)	146,413,833	141,882,382	120,757,869
Subtotal Non Current Assets	554,297,509	529,856,072	519,538,680
Goodwill (Note B.b.)	(20,193,637)	(19,347,598)	(18,605,099)
Total Non-Current Assets	534,103,872	510,508,474	500,933,581
Total Assets	606,546,542	567,209,533	583,874,305
LIABILITIES			
Current Liabilities			
Debts:			
Trade accounts payable (Note 8.f.)	8,367,425	7,225,215	16,096,487
Loans (Note 8.g.)	3,829,413	1,425,499	7,701,737
Salaries and social security payable (Note 8.h.)	729,828	1,052,445	573,796
Taxes payable (Note 8.i.)	1,276,818	1,769,547	768,603
Other debts (Note 8.j.)	3,563,540	4,108,839	5,607,937
Total Debts	17,767,024	15,581,545	30,748,560
Total Current Liabilities	17,767,024	15,581,545	30,748,560
Non-Current Liabilities			
Taxes payable (Note 8.i.)	25,130,190	21,877,809	23,481,521

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Loans (Note 8.g.)	122,125,483	137,951,054	146,852,737
Other debts (Note 8.j.)			239,800
Total Non-Current Liabilities	147,255,673	159,828,863	170,574,058
Total liabilities	165,022,697	175,410,408	201,322,618
SHAREHOLDERS EQUITY (as per corresponding statement)	441,523,845	391,799,125	382,551,687
Total Liabilities and Shareholders Equity	606,546,542	567,209,533	583,874,305

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 Income

Corresponding to the periods beginning as from July 1, 2003 and 2002

and ended on March 31, 2004 and 2003

	March 31, 2004	March 31, 2003
	(Notes 1 and 2)	(Notes 1 and 2)
	Pesos	Pesos
	<u> </u>	<u> </u>
Sales		
Crops	17,099,029	37,905,971
Beef cattle	18,579,458	10,443,798
Milk	2,511,919	1,657,986
Other	159,736	74,800
	<u> </u>	<u> </u>
Total Sales	38,350,142	50,082,555
	<u> </u>	<u> </u>
Cost of sales (Schedule F)		
Crops	(6,565,500)	(30,517,923)
Beef cattle	(13,018,537)	(2,403,484)
Milk	(297,729)	(1,051,444)
Other	(801)	(13,076)
	<u> </u>	<u> </u>
Total cost of sale	(19,882,567)	(33,985,927)
	<u> </u>	<u> </u>
Gross income	18,467,575	16,096,628
	<u> </u>	<u> </u>
Selling expenses (Schedule H)	(2,995,296)	(3,169,876)
Administrative expenses (Schedule H)	(4,359,911)	(2,769,588)
Net gain on sale of farms	1,085,345	
Gain from inventory holdings (Schedule F)	1,792,625	11,581,104
	<u> </u>	<u> </u>
Operating income	13,990,338	21,738,268
	<u> </u>	<u> </u>
Financial Results (Note 8.k.)		
Financial gain (loss) generated by assets	12,538,587	(44,868,110)
Financial (loss) gain generated by liabilities	(12,326,467)	27,917,358
Other expenses:		
Gains from others fixed assets sales	301,995	5,734
Donations	(6,200)	(2,199,288)
Others	(5,358)	(206,221)
Gain from related companies	3,338,813	66,729,223
Management fees (Note 5)	(1,138,846)	(4,887,308)
	<u> </u>	<u> </u>
Income before income tax	16,692,862	64,229,656
	<u> </u>	<u> </u>
Income tax expense (Note 6)	(6,443,258)	(6,943,984)

Net income for the period	10,249,604	57,285,672
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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

Corresponding to the periods beginning as from July 1, 2003 and 2002

and ended on March 31, 2004 and 2003

(Notes 1 and 2)

Items	Shareholders contributions							Total at March 31, 2004 Pesos	Total at March 31, 2003 Pesos			
	Common stock (Note 3) Pesos	Treasury stock (Note 3) Pesos	Inflation adjustment of Common stock Pesos	Paid-in capital Pesos	Total Pesos	Legal reserve Pesos	Retained earnings 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 13)	327,437	(327,437)							327,437	327,437	2,088,363
Conversion of bonds in common stock (Note 13)	12,714,510			6,039,194	18,753,704			18,753,704	560,534			
Exercise of Warrants	12,313,956			9,580,019	21,893,975			21,893,975				
Appropriation of profits resolved by Shareholders Meeting held on October 31, 2003												
Increase in legal reserve						254,277	(254,277)					
Cash dividends							(1,500,000)	(1,500,000)				
Net income for the period							10,249,604	10,249,604	57,285,672			
Balances at March 31, 2004	149,453,998	245,000	166,218,124	105,610,988	421,528,110	6,087,440	13,908,295	441,523,845				
Balances at March 31, 2003	121,216,205	3,430,697	166,218,124	89,982,901	380,847,927	5,833,163	(4,129,403)		382,551,687			

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

Corresponding to the periods beginning as from July 1, 2003 and 2002

and ended on March 31, 2004 and 2003

	March 31, 2004 (Notes 1 and 2) Pesos	March 31, 2003 (Notes 1 and 2) Pesos
	<u> </u>	<u> </u>
Changes in funds		
Funds at the beginning of the period	20,739,347	44,184,079
Funds at the end of the period	12,776,704	31,913,506
	<u> </u>	<u> </u>
Net decrease in funds	(7,962,643)	(12,270,573)
Causes of changes in funds		
<u>Operations activities</u>		
Income for the period	10,249,604	57,285,672
Liabilities interest	8,071,022	5,752,819
Income tax	6,443,258	6,943,984
<u>Adjustments made to reach net cash flow from operations activities</u>		
Results from interest in controlled and related companies	(3,338,813)	(66,729,223)
Increase in allowances and reserves	2,094,519	7,938,353
Amortization and depreciation	2,113,909	2,032,436
Results from inventory holdings	(1,792,625)	(11,581,104)
Financial results	(6,925,644)	6,398,152
Result from sale of fixed assets	(1,387,340)	(5,734)
Changes in operating assets and liabilities		
Decrease in current investments	5,707,778	
Decrease in trade accounts receivable	2,508,486	5,404,353
(Increase) decrease in other receivables	(9,544,056)	2,581,989
(Increase) decrease in inventories	(18,270,995)	9,966,611
Decrease in social securities, charges & taxes payable and advances to customers	(4,023,378)	(10,165,454)
(Decrease) increase in trade accounts payable	186,537	578,937
Dividends collected	1,146,595	774,157
Decrease in other liabilities	(1,684,145)	(3,449,860)
	<u> </u>	<u> </u>
Net funds (applied to) provided by operations activities	(8,445,288)	13,726,088
	<u> </u>	<u> </u>
<u>Investment activities</u>		
Increase in permanent investments	(1,199,672)	(177,030,885)
Increase in interest in related companies	(8,037,546)	(15,939,018)
Acquisition and upgrading of fixed assets	(8,554,699)	(1,770,865)
Collection of receivables related to the sale of fixed assets	1,008,000	2,525,813
Sale of fixed assets	3,518,108	493,525
	<u> </u>	<u> </u>
Net funds applied to investment activities	(13,265,809)	(191,721,430)
	<u> </u>	<u> </u>
<u>Financing activities</u>		

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Exercise of Warrants	21,893,975	
Dividends paid	(1,500,000)	
Exercise of rights offering on treasury stock	327,437	2,088,363
Increase in financial loans		170,051,574
Decrease in financial loans	(5,667,108)	(4,690,456)
Issuance expenses of Convertible Bonds	(1,305,850)	(1,724,712)
Net funds provided by financing activities	13,748,454	165,724,769
Net decrease in funds	(7,962,643)	(12,270,573)
Items not involving changes in funds		
Transfer of inventory to fixed assets	221,429	95,337
Repayment of financial loans through issue of stock by exercise of conversion right	18,753,704	560,534
Complementary information		
Interest paid	5,667,108	4,647,660
Income tax expense paid	727,313	7,869,318

Eduardo Sergio Elsztain
Chairman

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

Corresponding to the periods beginning as from July 1, 2003 and 2002 and ended on
March 31, 2004 and 2003

NOTE 1: STANDARDS ACCOUNTING

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 criteria does not comply with Resolution M.D. 041/2003, enacted by the Professional Council of Economic Sciences of the City of Buenos Aires, by means of which the restatement of financial statements as of October 1, 2003 is no longer compulsory. However, as of March 31, 2004, 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, Notes and Schedules.

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Amounts corresponding to the period ended on March 31, 2003 have been restated at February 28, 2003 for purposes of presentation on a comparative basis.

In the income statement for this fiscal period, the result from exposure to changes in the purchasing power of the currency 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)

Financial statements corresponding to the nine month economic periods ended prior to March 31, 2004 and 2003 have not been audited yet. The management believes they include all necessary settlements to reasonably show the results of each period. Results for the nine month economic periods ended prior to March 31, 2004 and 2003 do not necessarily reflect the proportion of the company's result for such complete years.

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.

Additionally, the Professional Council of Economic Sciences of the City of Buenos Aires, enacted Technical Resolution N° 21 Proportional value- merge of financial statements- information to provide on related parties through Resolution M.D. N° 5/2003. Furthermore, The Argentine Securities and Exchange Commission has adopted such Technical Resolution, through Resolution N° 459/04 introducing some modifications, which will be in force for fiscal years started as from April 1, 2004, however the Company has not used the option for its anticipated application.

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.

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 1: (Continued)

The following table contains changes in comparative Financial Statements:

<u>Description</u>	<u>Effect on results at March 31, 2003</u>
	<u>Income (Loss) Pesos</u>
Application of Deferred Tax (vs. Current Tax method)	(2,851,855)
Market value of premiums for forward transactions	(10,746)
Registration in Long Term Investments of Adjustment of Results of Previous Fiscal Periods in related companies	16,162,501
Total	13,299,900

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

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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 March 31, 2004 and 2003

d. Temporary investments

Mutual funds and notes and convertible bonds are carried at market value as of period-end. Fund allocations overseas were valued at their purchasing value converted to pesos using the Banco Nación official exchange rate prevailing at the closing of the period plus accrued interest. Temporary investments do not exceed their recoverable value estimated at fiscal period-end.

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 2: (Continued)

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.

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.

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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.

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 2: (Continued)

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 March 31, 2004 are as follows:

<u>Subsidiaries and affiliates</u>	<u>% Equity interest</u>
Inversiones Ganaderas S.A.	99.99
Futures y Opciones.Com S.A.	70.00
Cactus Argentina S.A.	50.00
Agro Uranga S.A.	35.72
IRSA Inversiones y Representaciones Sociedad Anonima	21.50

Consolidated financial statements with Inversiones Ganaderas S.A. and Futuros y Opciones.Com S.A. at March 31, 2004, June 30, 2003 and March 31, 2003 are presented as complementary information.

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

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- Investments in debt securities

IRSA's Convertible Bonds were valued taking into account the amount existing at period-end in dollars, at the seller's 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.

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 2: (Continued)

- 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.

l. 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.

- 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.

Cresud Sociedad Anónima, Comercial,**Inmobiliaria, Financiera y Agropecuaria****Notes to the Unaudited Financial Statements (Continued)****NOTE 2:** (Continued)

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.

NOTE 3: COMMON AND TREASURY STOCK

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

	<u>Authorized</u> Pesos	<u>Subscribed</u> Pesos	<u>Paid in</u> 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 14)-Fiscal year 2003	386,140	386,140	386,140
Incentive Plan - Fiscal year 04-1 st , 2 nd and 3 rd quarter	327,437	327,437	327,437
Conversion of bonds in common stock (Note 14)-Fiscal year 2004-1 st , 2 nd and 3 rd quarter	12,714,510	12,714,510	12,714,510
Exercise of Warrants (Note14)-Fiscal year 2004-1 st , 2 nd and 3 rd quarter	12,313,956	12,313,956	12,313,956

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Common and treasury stock at March 31, 2004	<u>149,453,998</u>	<u>149,453,998</u>	<u>149,453,998</u>
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Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 3: (Continued)

At March 31, 2004 the common and treasury stock consisted of 149,453,998 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 March 31, 2004 the Company had arranged futures and options on the futures market as follows:

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

<u>Cereal</u>	<u>Tons</u>	<u>Average price</u> US\$ (1)	<u>Premium</u> US\$ (2)
Corn	27,200	102.88	127,928

OPTIONS C.B.O.T. SELL PUT CAMPAIGN 2003/2004

<u>Cereal</u>	<u>Tons</u>	<u>Average price</u> US\$ (1)	<u>Premium</u> US\$ (2)
Soybean	6,120	332.33	(26,735)
Corn	31,750	118.10	(149,992)

OPTIONS C.B.O.T.-PURCHASE PUT CAMPAIGN 2003/2004

<u>Cereal</u>	<u>Tons</u>	<u>Average price</u> US\$ (1)	<u>Premium</u> US\$ (2)
Soybean	5,000	233.32	17,799

OPTIONS SELL PUT CAMPAIGN 2003/2004

<u>Cereal</u>	<u>Tons</u>	<u>Average price</u> US\$ (1)	<u>Premium</u> US\$ (2)
Soybean	1,500	227.33	(9,150)

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

<u>Cereal</u>	<u>Tons</u>	<u>Average price</u> US\$ (1)	<u>Total amount</u> US\$ (2)
Soybean-purchase	14,552	274.85	399,617
Soybean-sell	12,240	340.07	(4,162,457)

FUTURES CAMPAIGN 2003/2004

<u>Cereal</u>	<u>Tons</u>	<u>Average price</u> US\$ (1)	<u>Total amount</u> US\$ (2)
Corn-purchase	6,100	89.72	547,292
Soybean-sell	2,700	250.02	(675,054)

Cresud Sociedad Anónima, Comercial,

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Notes to the Unaudited Financial Statements (Continued)

NOTE 4: (Continued)

At March 31, 2003 the Company had arranged futures and options on the forward market as follows:

OPTIONS C.B.O.T. SELL CALL CAMPAIGN 2002/2003

<u>Cereal</u>	<u>Tons</u>	<u>Average price</u> US\$ (1)	<u>Premium</u> US\$ (2)
Soybean	16,320	220.46	(75,457)

FUTURES CAMPAIGN 2002/2003

<u>Cereal</u>	<u>Tons</u>	<u>Average price</u> US\$ (1)	<u>Total amount</u> US\$ (2)
Corn-purchase	2,000	78.16	156,320
Soybean-sell	3,800	149.17	566,846
Wheat-sell	500	117.04	58,520

OPTIONS PURCHASE CALL CAMPAIGN 2002/2003

<u>Cereal</u>	<u>Tons</u>	<u>Average price</u> US\$ (1)	<u>Premium</u> US\$ (2)
Corn	3,500	92.00	9,695

(1) Strike price without deducting expenses.

(2) Premiums paid (collected).

NOTE 5: MANAGEMENT AGREEMENT

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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.

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.

On November 2003, Dolphin Fund Management S.A. was divided into two companies: Consultores Asset Management S.A. and Dolphin Fund Management S.A. As from that moment the management contract is held by Consultores Asset Management S.A.

The financial statements at March 31, 2004 include an accrual and charge for an amount of Ps. 1,138,846 for this concept.

Cresud Sociedad Anónima, Comercial,

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Notes to the Unaudited Financial Statements (Continued)

NOTE 6: INCOME TAX DEFERRED TAX

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

- Deferred assets:

	Cumulative tax loss			
	carryforwards	Provisions	other	TOTAL
Initial Balance	2,257,115	(6,335)	250,802	2,501,582
Charge to results	108,446	(9,658)	(256,226)	(157,438)
Closing Balance	2,365,561	(15,993)	(5,424)	2,344,144

- Deferred liabilities:

	Fixed Assets	Inventories	Investments	Accrual	TOTAL
Initial Balance	(13,019,043)	(10,355,850)	(2,706)	(1,001,793)	(24,379,392)
Charge to results	(669,851)	(1,252,730)	2,258	(1,174,619)	(3,094,942)
Closing Balance	(13,688,894)	(11,608,580)	(448)	(2,176,412)	(27,474,334)

Net liabilities at period-end as per the information included in the preceding tables amount to Ps. 25,130,190.

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:

Description	March 31, 2004	March 31, 2003
Income before income tax	16,692,862	64,229,656
Tax rate	35%	35%
Net results at tax rates:	5,842,502	22,480,380

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Permanent differences at tax rate:		
Restatement into constant currency	904,270	7,174,158
Penalties	1,687	700
Donations	(204,109)	(102,183)
Amortization FYO Goodwill	82,887	81,733
Result from purchase and sale of stock	1,085,871	
Loss from related companies	(1,168,585)	(23,355,228)
Miscellaneous permanent differences	(101,265)	664,424
	<u>6,443,258</u>	<u>6,943,984</u>

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 6: (Continued)

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. 2,365,561 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	2,323,540	2008
2004	33,521	2009

NOTE 7: TRANSACTIONS WITH SUBSIDIARIES LAW 19550 ARTICLE 33

As of March 31, 2004 and 2003 the results with Subsidiaries Law 19,550 and related companies are as follows:

	<u>March 31,</u>	<u>March 31,</u>
	<u>2004</u>	<u>2003</u>
Inversiones Ganaderas S.A.		
Miscellaneous income	2,715	31,187
Financial interest	(103,651)	(76,814)
Miscellaneous expenses	(654)	(125,910)
Futuros y Opciones.Com S.A.		
Administrative fees	28,800	29,065
Selling expenses	(19,918)	(8,803)
Cactus Argentina S.A.		
Administrative Services	141,200	84,677
Financial interest	14,015	33,422
Miscellaneous income	171,819	23,604
Livestock expenses	(5,151,655)	(1,004,728)
Inversiones y Representaciones S.A.		
Financial interest		201,800
Fees from sharing services	212,823	

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**

	March 31,	June 30,	March 31,
	2004	2003	2003
	Pesos	Pesos	Pesos
	_____	_____	_____
Cash	75,826	26,191	89,612
Foreign currency (Schedule G)	50,196	3,239,854	170,847
Patacones currency	37		430
Lecop currency			235
Local currency checking account	938,329	534,711	2,417,977
Patacones currency checking account	22	171,891	28,862
Lecop currency checking account		62,532	38,380
Foreign currency checking account (Schedule G)	8,628,564	12,370,530	3,124,664
Local currency saving account	13,794	6,181	6,254
Checks to be deposited	25,946	367,247	161,663
Patacones checks to be deposited		25,783	
	_____	_____	_____
	9,732,714	16,804,920	6,038,924
	_____	_____	_____

b. Investments and Goodwill

	March 31,	June 30,	March 31,
	2004	2003	2003
	Pesos	Pesos	Pesos
	_____	_____	_____
Investment			
Investment (Schedule C)	7,555,974	5,459,835	30,317,596
	_____	_____	_____
	7,555,974	5,459,835	30,317,596
	_____	_____	_____
Investment			
Investment from related companies (Schedule C)	224,316,655	213,361,465	219,805,428
	_____	_____	_____
	224,316,655	213,361,465	219,805,428
	_____	_____	_____

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Other Investments			
Other Investments (Schedule C)	142,858,179	139,160,243	143,135,657
	<u>142,858,179</u>	<u>139,160,243</u>	<u>143,135,657</u>
	<u>142,858,179</u>	<u>139,160,243</u>	<u>143,135,657</u>
Goodwill			
Goodwill (Schedule C)	(20,193,637)	(19,347,598)	(18,605,099)
	<u>(20,193,637)</u>	<u>(19,347,598)</u>	<u>(18,605,099)</u>
	<u>(20,193,637)</u>	<u>(19,347,598)</u>	<u>(18,605,099)</u>

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 8: (Continued)

c. Trade accounts receivable

	March 31,	June 30,	March 31,
	2004 Pesos	2003 Pesos	2003 Pesos
Current			
Accounts receivable in local currency	3,982,317	4,627,834	2,930,736
Less:			
Provision for defaulting debtors (Schedule E)	(359,661)	(454,125)	(610,510)
	<u>3,622,656</u>	<u>4,173,709</u>	<u>2,320,226</u>
Accounts receivable in foreign currency (Schedule G)	42,300	2,011,421	9,019,855
Subsidiaries and related companies Law 19,550 Article 33:			
Inversiones Ganaderas S.A.	17,839	17,812	13,430
Cactus Argentina S.A.	25,370	13,709	13,269
	<u>3,708,165</u>	<u>6,216,651</u>	<u>11,366,780</u>

d. Other receivables and prepaid expenses

	March 31,	June 30,	March 31,
	2004 Pesos	2003 Pesos	2003 Pesos
Current			
Prepaid leases	598,390	1,894,560	63,580
Guarantee deposits (Schedule G)	4,040,763	682,027	790,419
Secured by mortgage and under legal proceedings (Schedule G)	992,804	531,602	514,250
Prepaid expenses	353,576	864,244	344,868
Surety bonds received			470,709
Tax prepayments (net of provisions)	6,215,683	91,391	112,550
Subsidiaries and related companies Law 19,550 Article 33:			
Cactus Argentina S.A.	1,340,252	1,334,692	1,333,318
Futuros y Opciones.Com S.A.	877,395	23,603	23,603
Shareholders	455,583	455,583	
Other	386,387	255,260	307,047
	<u></u>	<u></u>	<u></u>

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	15,260,833	6,132,962	3,960,344
	<u> </u>	<u> </u>	<u> </u>
Non-current			
Secured by mortgage		504,192	501,836
Prepaid leases			176,447
Tax on Minimum Hypothetical Income	17,154		
	<u> </u>	<u> </u>	<u> </u>
	17,154	504,192	678,283
	<u> </u>	<u> </u>	<u> </u>

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 8: (Continued)**e. Inventories**

	March 31,	June 30,	March 31,
	2004 Pesos	2003 Pesos	2003 Pesos
Current			
Livestock	17,224,122	12,444,817	15,143,132
Crops	6,272,900	6,301,776	4,545,133
Unharvested crops	8,515,388	1,112,230	6,769,137
Seeds and fodder	282,521	165,355	1,935,787
Materials and others	2,868,660	1,424,711	1,550,975
Advances to suppliers	1,021,393	637,802	1,312,916
	<u>36,184,984</u>	<u>22,086,691</u>	<u>31,257,080</u>
Non-Current			
Livestock	40,691,688	34,947,790	35,161,443
	<u>40,691,688</u>	<u>34,947,790</u>	<u>35,161,443</u>

f. Trade accounts payables

	March 31,	June 30,	March 31,
	2004 Pesos	2003 Pesos	2003 Pesos
Current			
Suppliers in local currency	5,207,890	3,733,066	3,553,862
Suppliers in foreign currency (Schedule G)	1,060,960	436,439	9,222,930
Subsidiaries and related companies Law 19,550 Article 33:			
Cactus Argentina S.A.	445,657	156,512	94,030
Futuros y Opciones.Com S.A. (Schedule G)	845		
Accrual for other expenses (Schedule G)	1,469,695	2,786,535	3,002,523
Accrual for Directors Fees	7,597	41,806	56,523
Advances to Directors	(5,628)	(37,968)	(36,740)
Accrual for cereal expenses	180,409	108,825	203,359
	<u>10,282,123</u>	<u>7,200,171</u>	<u>16,160,027</u>

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8,367,425	7,225,215	16,096,487
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Cresud Sociedad Anónima, Comercial,

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Notes to the Unaudited Financial Statements (Continued)

NOTE 8: (Continued)

g. Loans

	March 31, 2004 Pesos	June 30, 2003 Pesos	March 31, 2003 Pesos
Current			
Local financial loans (Note 2.f.)			3,182,216
Convertible Bonds 2007 Interest payable (Schedule G)	3,829,413	1,425,499	4,519,521
	<u>3,829,413</u>	<u>1,425,499</u>	<u>7,701,737</u>
Non-Current			
Convertible Bonds 2007 (Schedule G)	123,973,793	139,450,965	148,451,430
Convertible Bonds 2007 expenses	(1,848,310)	(1,499,911)	(1,598,693)
	<u>122,125,483</u>	<u>137,951,054</u>	<u>146,852,737</u>

h. Salaries and social security payable

	March 31, 2004 Pesos	June 30, 2003 Pesos	March 31, 2003 Pesos
Current			
Vacation, statutory annual bonus allowance	626,576	846,198	217,299
Social security administration	116	123,385	79,111
Salaries payable	94,048	80,180	275,179
Health care scheme	5,169	780	1,440
Other	3,919	1,902	767
	<u>729,828</u>	<u>1,052,445</u>	<u>573,796</u>

Cresud Sociedad Anónima, Comercial,

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Notes to the Unaudited Financial Statements (Continued)

NOTE 8: (Continued)**i. Taxes payable**

	March 31, 2004	June 30, 2003	March 31, 2003
	Pesos	Pesos	Pesos
Current			
Accrual for income tax	2,979,125	6,099,825	3,854,729
Advances to Income tax	(1,968,138)	(4,669,379)	(2,951,103)
Tax on Minimum Hypothetical Income (Note 2.p.)	17,154		
Value Added Tax		45,164	(219,336)
Property tax payable	103,284	170,389	153,219
Taxes withheld for income tax	71,639	43,289	80,434
Gross sales taxes	146,566	149,468	29,730
Taxes withheld-Gross sales taxes	(74,005)	(83,340)	(110,604)
Taxes withheld-Value Added Tax		(134,693)	(68,466)
Others	1,193	148,824	
	<u>1,276,818</u>	<u>1,769,547</u>	<u>768,603</u>
Non-Current			
Deferred tax	<u>25,130,190</u>	<u>21,877,809</u>	<u>23,481,521</u>
	<u>25,130,190</u>	<u>21,877,809</u>	<u>23,481,521</u>

j. Other debts

	March 31, 2004	June 30, 2003	March 31, 2003
	Pesos	Pesos	Pesos
Current			
Accrual for Management fees (Note 5)	1,138,846	3,204,773	4,914,864
Subsidiaries and related companies Law 19,550 Article 33:			
Inversiones Ganaderas S.A.	2,424,694	721,043	455,592
Futuros y Opciones.Com S.A.		183,023	237,481

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	3,563,540	4,108,839	5,607,937
	<u> </u>	<u> </u>	<u> </u>
Non-current			
Subsidiaries and related companies Law 19,550 Article 33:			
Inversiones Ganadaras S.A.			239,800
	<u> </u>	<u> </u>	<u> </u>
			239,800
	<u> </u>	<u> </u>	<u> </u>

Cresud Sociedad Anónima, Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 8: (Continued)**k. Financial results**

	March 31, 2004	March 31, 2003
	Income	Income
	(loss)	(loss)
	Pesos	Pesos
Generated by assets:		
Exchange differences and discounts	4,550,455	(45,303,402)
Interest Income	209,032	715,542
Bad debts (Schedule E)	94,464	
Reference stabilization index (CER)	(302,116)	489,131
Tax on debts and credits	(724,422)	(650,624)
Holding results		(2,640,590)
Holding results and operations of stocks and bonds		
Convertible Bonds purchase interest	8,697,554	4,357,055
Others	13,620	121,733
Inflation adjustment		(1,956,955)
	<u>12,538,587</u>	<u>(44,868,110)</u>
	March 31, 2004	March 31, 2003
	Income	Income
	(loss)	(loss)
	Pesos	Pesos
Generated by liabilities:		
Holding Results		1,286,969
Inflation adjustment		2,379,126
Reference stabilization index (CER)		(473,717)
Financial expenses		
Convertible Bonds issued interest	(8,071,022)	(4,519,521)
Others	(1,049,142)	(995,411)
Exchange differences and discounts	(3,206,303)	30,239,912

	<u>(12,326,467)</u>	<u>27,917,358</u>
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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 on payment term	Current and non-current investment		Trade accounts receivable			Other receivables and prepaid expenses			
	March 31, 2004	June 30, 2003	March 31, 2003	March 31, 2004	June 30, 2003	March 31, 2003	March 31, 2004	June 30, 2003	March 31, 2003
4th quarter 2003/2002 financial period			4,357,055			11,366,780			1,474,470
1st quarter 2004/2003 financial period		1,422,315			6,216,651			2,123,058	
2nd quarter 2004/2003 financial period									
3rd quarter 2004/2003 financial period								504,192	501,836
4th quarter 2004/2003 financial period	4,412,090			3,708,165			4,780,726		
1st quarter 2005/2004 financial period									
2nd quarter 2005/2004 financial period									
3rd quarter 2005/2004 financial period							992,804	504,192	501,836
4th quarter 2005/2004 financial period									
1st quarter 2006/2005 financial period									
2nd quarter 2006/2005 financial period									
3rd quarter 2006/2005 financial period									
4th quarter 2006/2005 financial period							17,154		
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	142,837,462	139,139,526	143,114,940						
Overdue									
With no stated current term	3,143,884	4,037,520	25,960,541				9,487,303	3,505,712	1,984,038
With no stated non-current term	20,717	20,717	20,717						176,447
Total	150,414,153	144,620,078	173,453,253	3,708,165	6,216,651	11,366,780	15,277,987	6,637,154	4,638,627

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	

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	<u>March 31,</u> <u>2004</u>	<u>June 30, 2003</u>	<u>March 31,</u> <u>2003</u>	<u>March</u> <u>31,</u> <u>2004</u>	<u>June 30, 2003</u>	<u>March 31,</u> <u>2003</u>	<u>March 31,</u> <u>2004</u>	<u>June 30, 2003</u>	<u>March</u> <u>31,</u> <u>2003</u>
At fixed interest rate	142,837,462	139,139,526	143,114,940						