

CRESUD INC  
Form 6-K  
February 28, 2014

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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 6-K

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

For the month of February, 2014

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

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

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Republic of Argentina  
(Jurisdiction of incorporation or organization)

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

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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 translation of the Financial Statements for the six month period ended December 31, 2013 and December 31, 2012 filed with the Comisión Nacional de Valores and the Bolsa de Comercio de Buenos Aires.

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Cresud Sociedad Anónima, Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Condensed Interim Consolidated Financial Statements as of December 31, 2013 and for the six-month periods ended December 31, 2013 and 2012

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Legal Information

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

Majority shareholder's: Inversiones Financieras del Sur S.A.  
Legal address: Road 8, km 17,500, Zonamérica Building 1, store 106, Montevideo, Uruguay  
Parent company Activity: Investment  
Capital stock: 190,681,047 common shares

CAPITAL STATUS

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

Cresud Sociedad Anónima,  
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Condensed Interim Consolidated Statements of Financial Position  
as of December 31, 2013 and June 30, 2013

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

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

	Note	December 31, 2013	June 30, 2013
<b>ASSETS</b>			
Non-current assets			
Investment properties	10	4,366,646	4,179,901
Property, plant and equipment	11	2,031,825	1,841,454
Trading properties	12	187,160	182,553
Intangible assets	13	137,446	125,312
Biological assets	14	318,072	303,128
Investments in associates and joint ventures	8, 9	1,629,977	1,486,862
Deferred income tax assets	26	499,517	179,228
Income tax credit		222,217	198,871
Restricted assets	17	61,484	54,631
Trade and other receivables	18	346,614	291,430
Investment in financial assets	19	866,947	253,742
Derivative financial instruments	20	8,367	25,377
<b>Total non-current assets</b>		<b>10,676,272</b>	<b>9,122,489</b>
Current Assets			
Trading properties	12	17,229	11,689
Biological assets	14	289,048	97,564
Inventories	15	280,162	252,376
Restricted assets	17	923	1,022
Income tax credit		5,971	4,779
Trade and other receivables	18	1,208,780	1,446,091
Investment in financial assets	19	828,351	385,585
Derivative financial instruments	20	33,899	41,544
Cash and cash equivalents	21	512,066	1,047,586

Total current assets	3,176,429	3,288,236
<b>TOTAL ASSETS</b>	<b>13,852,701</b>	<b>12,410,725</b>
<b>SHAREHOLDERS EQUITY</b>		
Capital and reserves attributable to equity holders of the parent		
Share capital	496,562	496,562
Treasury stock	5,001	5,001
Inflation adjustment of share capital and treasury stock	65,425	65,425
Share premium	773,079	773,079
Share warrants	106,264	106,264
Cumulative translation adjustment	171,358	2,284
Changes in non-controlling interest	(9,706 )	(21,996 )
Equity-settled compensation	19,417	8,345
Legal reserve	81,616	46,835
Reserve for new developments	217,065	337,065
Special reserve	633,940	695,628
Retained earnings	(331,151 )	(26,522 )
Equity attributable to equity holders of the parent	2,228,870	2,487,970
Non-controlling interest	2,221,107	2,231,096
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>4,449,977</b>	<b>4,719,066</b>

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

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

By: /s/ Eduardo S. Elsztain  
Eduardo S. Elsztain  
President

Cresud Sociedad Anónima,  
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Condensed Interim Consolidated Statements of Financial Position  
as of December 31, 2013 and June 30, 2013 (Continued)

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

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

	Note	December 31, 2013	June 30, 2013
<b>LIABILITIES</b>			
Non-current liabilities			
Trade and other payables	22	238,684	228,267
Borrowings	25	5,248,180	4,189,896
Deferred income tax liabilities	26	527,564	530,263
Derivative financial instruments	20	-	2,773
Payroll and social security liabilities	23	5,511	3,984
Provisions	24	137,797	71,626
<b>Total non-current liabilities</b>		<b>6,157,736</b>	<b>5,026,809</b>
Current liabilities			
Trade and other payables	22	1,113,891	899,542
Income tax liabilities		106,092	92,182
Payroll and social security liabilities	23	94,277	120,835
Borrowings	25	1,908,269	1,527,390
Derivative financial instruments	20	6,839	8,691
Provisions	24	15,620	16,210
<b>Total current liabilities</b>		<b>3,244,988</b>	<b>2,664,850</b>
<b>TOTAL LIABILITIES</b>		<b>9,402,724</b>	<b>7,691,659</b>
<b>TOTAL SHAREHOLDERS EQUITY AND LIABILITIES</b>		<b>13,852,701</b>	<b>12,410,725</b>

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

By: /s/ Eduardo S. Elsztain  
Eduardo S. Elsztain  
President





Cresud Sociedad Anónima,  
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Condensed Interim Consolidated Statements of Income  
for the six and three-month periods beginning on July 1 and on October 1, 2013 and 2012 and ended December 31,  
2013 and 2012

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

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

	Note	Six months		Three months	
		2013	2012	2013	2012
Revenues	28	2,133,862	1,605,186	1,007,740	855,218
Costs	29	(1,761,746)	(1,422,123)	(875,878 )	(781,401 )
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest		424,508	459,429	298,256	270,767
Changes in the net realizable value of agricultural produce after harvest		(9,217 )	6,811	(1,205 )	(16,429 )
Gross profit		787,407	649,303	428,913	328,155
Gain from disposal of investment properties		7,150	53,678	7,150	24,210
Gain from disposal of farmlands		-	53,988	-	53,988
General and administrative expenses	30	(236,114 )	(181,468 )	(124,872 )	(104,593 )
Selling expenses	30	(155,691 )	(123,679 )	(74,806 )	(63,252 )
Other operating results	32	(17,494 )	105,102	(12,776 )	141,926
Profit from operations		385,258	556,924	223,609	380,434
Share of profit of associates and joint ventures	8, 9	47,769	12,546	9,403	(3,201 )
Profit from operations before financing and taxation		433,027	569,470	233,012	377,233
Finance income	33	117,641	90,040	66,899	38,373
Finance cost	33	(1,199,142)	(507,997 )	(742,004 )	(265,143 )
Other financial results	33	123,601	58,740	51,617	36,086
Financial results, net	33	(957,900 )	(359,217 )	(623,488 )	(190,684 )
(Loss) / profit before income tax		(524,873 )	210,253	(390,476 )	186,549
Income tax expense	26	170,104	(33,535 )	124,722	(17,832 )
(Loss) / profit for the period		(354,769 )	176,718	(265,754 )	168,717
Attributable to:					
Equity holders of the parent		(332,030 )	60,760	(234,181 )	77,278
Non-controlling interest		(22,739 )	115,958	(31,573 )	91,439
Profit / (loss) per share attributable to equity holders of the parent during the period:					
Basic		(0.67 )	0.12		
Diluted		(i) (0.67)	0.11		

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

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

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

By: /s/ Eduardo S. Elsztain  
Eduardo S. Elsztain  
President

Cresud Sociedad Anónima,  
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Condensed Interim Consolidated Statements of Comprehensive Income  
for the six and three-month periods beginning on July 1 and on October 1, 2013 and 2012 and ended December 31,  
2013 and 2012

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

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

	Six months		Three months	
	2013	2012	2013	2012
(Loss) / profit for the period	(354,769 )	176,718	(265,754 )	168,717
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Currency translation adjustment	336,946	114,212	194,698	63,423
Currency translation adjustment from associates and joint ventures	(7,354 )	7,785	(8,407 )	7,540
Other comprehensive income for the period (i)	329,592	121,997	186,291	70,963
Total comprehensive income for the period	(25,177 )	298,715	(79,463 )	239,680
Attributable to:				
Equity holders of the parent	(162,956 )	117,307	(136,697 )	111,328
Non-controlling interest	137,779	181,408	57,234	128,352

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

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

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

By: /s/ Eduardo S. Elsztain  
Eduardo S. Elsztain  
President

Cresud Sociedad Anónima,  
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Condensed Interim Consolidated Statements of Changes in Shareholders' Equity  
for the six-month periods ended December 31, 2013 and 2012

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

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

	Share Capital	Treasury Stock	Inflation adjustment of Share Capital and Treasury Stock	Share premium	Share warrants	Subtotal	Changes in non-controlling interests	Cumulative translation adjustment	Equity-settled compensation	Legal reserve	Reser for no devel
Balance as of July 1, 2013	496,562	5,001	65,425	773,079	106,264	1,446,331	(21,996)	2,284	8,345	46,835	337,
Loss for the period	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-	-	-	169,074	-	-	-
Total comprehensive income / (loss) for the period	-	-	-	-	-	-	-	169,074	-	-	-
Appropriation of retained earnings resolved by Shareholders' Meeting held on 10/31/13:											
- Legal reserve	-	-	-	-	-	-	-	-	-	34,781	-
- Other reserves	-	-	-	-	-	-	-	-	-	-	-
- Cash dividends	-	-	-	-	-	-	-	-	-	-	(120
Equity-settled compensation	-	-	-	-	-	-	-	-	11,360	-	-
Changes in interest in subsidiaries	-	-	-	-	-	-	12,290	-	-	-	-
Cancellation of BrasilAgro warrants	-	-	-	-	-	-	-	-	(288 )	-	-
Capital reduction	-	-	-	-	-	-	-	-	-	-	-

Capital contributions from non-controlling interest	-	-	-	-	-	-	-	-	-	-	-
Reimbursement expired dividends	-	-	-	-	-	-	-	-	-	-	-
Balance as of December 31, 2013	496,562	5,001	65,425	773,079	106,264	1,446,331	(9,706 )	171,358	19,417	81,616	217,

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

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

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

By: /s/ Eduardo S. Elsztain  
Eduardo S. Elsztain  
President

Cresud Sociedad Anónima,  
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Condensed Interim Consolidated Statements of Changes in Shareholders' Equity  
for the six-month periods ended December 31, 2013 and 2012  
(All amounts in thousands of Argentine Pesos, except shares and per share data and as otherwise indicated)  
Free translation from the original prepared in Spanish for publication in Argentina

	Share Capital	Treasury Stock	Inflation adjustment of Share Capital and Treasury Stock	Share premium	Share warrants	Subtotal	Changes in non-controlling interest	Cumulative translation adjustment	Equity-settled compensation	Legal reserves	Reserve for development
Balance as of July 1, 2012	496,562	5,001	166,218	773,079	106,263	1,547,123	(9,596)	(81,939)	4,540	42,922	389,100
Gain for the period	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-	-	-	56,547	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	56,547	-	-	-
Appropriation of retained earnings resolved by Shareholders' Meeting held on 10/31/13:											
- Legal reserve	-	-	-	-	-	-	-	-	-	3,913	-
- Other reserves	-	-	-	-	-	-	-	-	-	-	(52,100)
- Appropriation of retained earnings	-	-	(100,793)	-	-	(100,793)	-	-	-	-	-
- Cash dividends	-	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interest	-	-	-	-	-	-	1,582	-	-	-	-
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	3,163	-	-

Equity-settled compensation												
Exercise of warrants	-	-	-	-	1	1	-	-	-	-	-	-
Cumulative translation adjustment for interest held before business combination	-	-	-	-	-	-	-	(8,331 )	-	-	-	-
Reimbursement of expired dividends	-	-	-	-	-	-	-	-	-	-	-	-
Capital contribution of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-
Capital distribution	-	-	-	-	-	-	-	-	-	-	-	-
Balance as of December 31, 2012	496,562	5,001	65,425	773,079	106,264	1,446,331	(8,014)	(33,723)	7,703	46,835	337,000	

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

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

By: /s/ Eduardo S. Elsztain  
Eduardo S. Elsztain  
President

Cresud Sociedad Anónima,  
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Condensed Interim Consolidated Statements of Cash Flows  
for the six-month periods ended December 31, 2013 and 2012

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

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

	Note	December 31, 2013	December 31, 2012
<b>Operating activities:</b>			
Cash generated from operations	21	604,632	512,213
Income tax paid		(167,683 )	(132,456 )
Net cash generated from operating activities		436,949	379,757
<b>Investing activities:</b>			
Acquisition of subsidiaries, net of cash acquired		-	(117,874 )
Acquisition of associates and joint ventures		(13,057 )	(32,000 )
Capital contributions to joint ventures		(39,750 )	(22,360 )
Acquisition of derivative financial instruments		-	-
Suppliers advances		(36,576 )	(9,750 )
Purchases of investment properties		(139,849 )	(89,442 )
Proceeds from sale of subsidiaries		-	-
Proceeds from sale of investment properties		127,931	81,731
Purchases of property, plant and equipment		(60,237 )	(78,185 )
Proceeds from sale of property, plant and equipment		5,166	63,052
Proceeds from sale of farmlands		26,222	-
Payments of purchase of properties		(5,730 )	-
Purchases of intangible assets		(1,530 )	(881 )
Acquisition of Investment in financial assets		(2,901,276)	(600,289 )
Proceeds from disposals of Investment in financial assets		1,913,431	519,231
Loans granted to associates and joint ventures		-	(18,376 )
Loans repayments received from associates and joint ventures		949	709
Proceeds from sale of joint ventures		7,736	-
Interest received		-	5,921
Dividends received		19,988	44,649
Net cash used in investing activities		(1,096,582)	(253,864 )
<b>Financing activities:</b>			
Repurchase of equity interest		(34,571 )	-
Proceeds from issuance of non-convertible notes, net		833,561	142,168
Payment of non-convertible notes net		(486,054 )	(175,471 )
Borrowings		325,581	597,872
		(1,640 )	-



Payment of seller financing of shares			
Repayments of borrowings		(241,840 )	(335,695 )
Payments of borrowings from subsidiaries, associates and joint ventures		(186 )	(186 )
Proceeds from borrowings from associates and joint ventures		12,550	48,431
Proceeds from warrants		-	1
Cancellation of Brasilagro warrants		(288 )	-
Payment of seller financing		(866 )	(4,863 )
Acquisition of non-controlling interest in subsidiaries		-	(6,837 )
Dividend paid to non-controlling interest		(86,450 )	(109,288 )
Acquisition of derivative financial instruments		(1,164 )	-
Proceeds from derivative financial instruments		3,060	-
Payments of purchase of non-controlling interest		-	(3,584 )
Contributions from non-controlling interest		369	4,790
Capital reduction of subsidiaries		(2,027 )	(39,572 )
Interest paid		(261,130 )	(194,968 )
Net cash generated (used) in financing activities		58,905	(77,202 )
Net (decrease) increase in cash and cash equivalents		(600,728 )	48,691
Cash and cash equivalents at beginning of period	21	1,047,586	471,922
Foreign exchange gain on cash and cash equivalents		65,208	3,546
Cash and cash equivalents at end of period		512,066	524,159

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

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

By: /s/ Eduardo S. Elsztain  
Eduardo S. Elsztain  
President

Cresud Sociedad Anónima, Comercial, Inmobiliaria,  
Financiera y Agropecuaria

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

1. General information

1.1 The Group's business and general information

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

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

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

As of December 31, 2013, the Group operates in two major lines of business: (i) Agricultural business, (ii) Investment and Development Properties business. See Note 7 to the Unaudited Condensed Interim Consolidated Financial Statements as of June 30, 2013 and 2012 for a description of the Group's segments.

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

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

Cresud Sociedad Anónima, Comercial, Inmobiliaria,  
Financiera y Agropecuaria

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

1. General information (Continued)

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

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

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

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

These consolidated financial statements have been approved for issue by the Board of Directors on February 11, 2014.

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

2.1. Basis of preparation

The present Unaudited Condensed Interim Consolidated Financial Statements for the six-month periods ended December 31, 2013 and 2012 (the "Unaudited Condensed Interim Consolidated Financial Statements") have been prepared in accordance with IAS 34 "Interim Financial Reporting".

Furthermore, some additional questions were included as required by the Business Companies Act and/or regulations of the CNV, including supplementary information provided in the last paragraph of section 1, Chapter III, Title IV of General Ruling 622/13 of the CNV. This information is included in the Notes to these Unaudited Condensed Interim Consolidated Financial Statements, as admitted by IFRS.

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

Cresud Sociedad Anónima, Comercial, Inmobiliaria,  
Financiera y Agropecuaria

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

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

The Condensed Interim Consolidated Financial Statements corresponding to the six-month periods ended as of December 31, 2013 and 2012 have not been audited. The Company's management believes they include all necessary adjustments to fairly present the results of each period. Results for the six-month periods ended December 31, 2013 and 2012 do not necessarily reflect proportionally the Company's results for the complete fiscal year.

2.2 Significant Accounting Policies

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

2.3 Use of estimates

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

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

3. Seasonal effects on operations

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



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3. Seasonal effects on operations (Continued)

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

4. Acquisitions and disposals

For the six-month period ended as of December 31, 2013

Purchase-sale agreement

On October 17, 2013, Yuchán Agropecuaria signed a purchase-sale agreement involving a sale subject to retention of title involving 1,643 hectares of "La Fon Fon II" for an overall amount of US\$ 7 million. To date, the Company has collected US\$ 0.2 million and the remaining balance will be paid in 7 semi-annual installments. The last installment is due in June 2017. Under the contract, the conveyance shall be recorded with the Registry once the price has been fully paid off. The possession shall be delivered upon collection of the first installment, scheduled for payment on June 15, 2014.

Purchase of shares of the Company Granos Olavarría S.A.

On August 30, 2013, the Group acquired 12,000 shares of the company Granos Olavarría S.A. representing 100% of the capital stock and voting rights. The price of the transaction was agreed upon at US\$ 0.12 million, payable as follows: 1) the amount of US\$ 0.018 million were paid on September 5, 2013; 2) US\$ 0.042 million were paid on October 10, 2013; 3) US\$ 0.03 million are payable on February 26, 2014; and 4) US\$ 0.03 million twelve months after the third installment.

Disposal of joint venture

On December 12, 2013 Agrotech S.A. sold the 100% of its interest in CRESCA S.A., representing 50% of the capital stock, with its corresponding receivables, rights and obligations related to the mentioned investment to Brasilagro Companhia Brasileira de Propiedades Agrícolas S.A, in which CRESUD owns 39.76% of its capital stock, for an amount US\$ 18.5 million.

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4. Acquisitions and disposals (Continued)

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

On August 29, 2013, the Group, through Torodur S.A., subscribed 3,703,704 shares of Avenida Inc., a Company incorporated in Delaware, United States, and 23,077 shares of Avenida Compras S.A., a Company incorporated in Buenos Aires, Argentina, representing 26.09% and 2.10% of its outstanding capital, respectively. Additionally, Avenida Inc. owns 90.91% of Avenida Compras S.A., thus being the Group's indirect interest in Avenida Compras of 25.81%. The amount of the transaction was Ps. 13.0 million, which has already been paid in full. The Group has a warrant to increase such equity interest up to 37.04% of the company.

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

On September 16, 2013, the Group, through APSA entered into an agreement with Messrs. Eduardo Giana, Pablo Bossi and Patricio Tobal (non-controlling shareholders of Arcos del Gourmet S.A.), whereby the latter grant to APSA an exclusive and irrevocable option to purchase 10% of the equity interest of Arcos del Gourmet S.A., which can be executed up to December 31, 2018. In the event the option is exercised, APSA should pay the amount of US\$ 8 million.

Furthermore, in the mentioned agreement a fixed amount of US\$ 2 million was arranged, which was cancelled, and another variable amount during 5 years from the opening of the shopping mall, in relation to the assignment of rights to earn dividends of Arcos during such period.

Condominio del Alto – Performance of Exchange Agreement

On November 14, 2013 Alto Palermo S.A. ("APSA") and Condominios del Alto S.A. (Condominios) executed a conveyance deed whereby Condominios conveyed upon APSA freehold and full possession of the units agreed in exchange. Upon such execution, APSA stated that the mortgage on the property has been fully discharged.

Subscription of shares of Dolphin Fund Ltd. ("Dolphin")

During the six-month period ended December 31, 2013, the Group has invested in participating units of Dolphin Fund Ltd. (a mutual fund) for the amount of US\$ 105 million (see Note 41).

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## 4. Acquisitions and disposals (Continued)

## Transactions with non-controlling interest

## BRASILAGRO

During the six-month period ended December 31, 2013, the Group sold 10,400 shares of BrasilAgro, representing a 0.02% interest, for a total amount of Ps. 0.27 million. Consequently, the Company recognized an increase in non-controlling interest for an amount of Ps. 0.25 million and an increase in equity attributable to owners of the parent of Ps. 0.02 million. The effect on shareholders' equity of this change in the equity interest in BrasilAgro is summarized as follows:

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

On the other hand, on September 2, 2103, BrasilAgro approved a share repurchase program for up to 3,511,130 common shares and for up to an aggregate amount not to exceed the balance of profits or available reserves disclosed in BrasilAgro's latest financial statements. As of December 31, 2013, BrasilAgro purchased 99,900 common shares for an aggregate amount of R\$ 1.9 million. Below is a summary of the effects of such transaction on shareholders' equity:

	Ps. (million)
Amount paid for repurchase	(4.94 )
Decrease in non-controlling interest	4.92
Reserve recorded in shareholders' equity	(0.02 )



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4. Acquisitions and disposals (Continued)

IRSA

On July 25, 2013, IRSA's Board of Directors set forth the terms and conditions governing the purchase of the Company's own stock pursuant to Section 64 of Law No. 26,831 and the CNV's regulations, for up to an aggregate amount of Ps. 200 million and up to 5% of the capital stock, in the form of common shares or Global Depositary Shares (GDS) representing 10 common shares each, and up to a daily limit of 25% of the average daily transaction volume experienced by the Company's shares, along with the markets where they are listed, during the prior 90 business days, and at a price ranging from a minimum of Ps. 1 up to Ps. 8 per share. On September 18, 2013 the Board of Directors approved an increase to the maximum price, raising it to Ps.10 per common share and US\$ 10.50 per GDS. On October 15, 2013, the Board of Directors approved a new increase to the maximum price, raising it to Ps.11.00 per common share and US\$ 11.50 per GDS. On October 22, 2013 the Board of Directors approved a new increase to the maximum price, raising it to Ps.14.50 per common share and US\$ 15.00 per GDS. During the period ended December 31, 2013, the Company purchased 256,624 common shares (V.N. Ps. 1 per share) for a total amount of Ps. 2.6 million and 350,977 GDS (representing 3,509,770 common shares) for a total amount of US\$ 4.1 million.

	Ps. (million)
Amount paid for repurchase	(29.63 )
Decrease in non-controlling interest	23.45
Reserve recorded in shareholders' equity	(6.18 )

5. Financial risk management

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

The Condensed Interim Consolidated Financial Statements do not include all the information and disclosures of the risk management, so they should be read together with the annual consolidate financial statements as of June 30, 2013. There have been no changes in the risk management or risk management policies applied by the Group since the fiscal year-end. See Note 41 for the effects of subsequent events.

Since June 30, 2013 at the date of these financial statements, there have been no significant changes in business or economic circumstances affecting the fair value of the Company's financial assets or liabilities (either measured at fair value or amortized cost), except for our investment in Supertel Hospitality Inc. ("Supertel"), which fair value was affected by the decrease in the market value of its common shares, because of the suspension of dividends' payment. This had been decided in order to fortify its financial situation. Neither have been transfers between the several tiers used in estimating the fair value of the Company's financial instruments. See Note 41 for the effects of subsequent events.



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6. Segment reporting

Below is a summarized analysis of the lines of business of the Group for the six-month period ended December 31, 2013:

	Agricultural business (I)	Urban properties and investments (II)	Total
Revenues	784,577	1,402,817	2,187,394
Costs	(1,143,681)	(666,108 )	(1,809,789)
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	427,036	-	427,036
Changes in the net realizable value of agricultural produce after harvest	(9,217 )	-	(9,217 )
Gross profit	58,715	736,709	795,424
Gain from disposal of investment properties	-	7,150	7,150
General and administrative expenses	(107,571 )	(130,691 )	(238,262 )
Selling expenses	(90,347 )	(68,052 )	(158,399 )
Other operating results	(566 )	(18,415 )	(18,981 )
(Loss) / profit from operations	(139,769 )	526,701	386,932
Share of profit of associates and joint ventures	2,022	43,703	45,725
Segment (loss) / profit	(137,747 )	570,404	432,657
Investment properties	39,193	4,488,314	4,527,507
Property, plant and equipment	1,925,290	222,941	2,148,231
Trading properties	-	212,027	212,027
Goodwill	7,363	86,591	93,954
Biological assets	610,789	-	610,789
Inventories	269,223	16,000	285,223
Investment in associates	29,913	1,251,769	1,281,682

Total segment assets	2,881,771	6,277,642	9,159,413
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6. Segment information (Continued)

Below is a summarized analysis of the lines of business of the Group for the six-month period ended December 31, 2012:

	Agricultural business (I)	Urban properties and investments (II)	Total
Revenues	529,366	1,159,564	1,688,930
Costs	(890,080 )	(600,255 )	(1,490,335 )
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	462,368	-	462,368
Changes in the net realizable value of agricultural produce after harvest	6,811	-	6,811
Gross Profit	108,465	559,309	667,774
Gain from disposal of investment properties	-	53,678	53,678
Gain from disposal of farmlands	53,988	-	53,988
General and administrative expenses	(74,100 )	(110,848 )	(184,948 )
Selling expenses	(75,520 )	(54,843 )	(130,363 )
Other operating results	(10,480 )	115,347	104,867
Profit from operations	2,353	562,643	564,996
Share of profit of associates and joint ventures	319	7,032	7,351
Segment profit	2,672	569,675	572,347
Investment properties	25,190	4,254,430	4,279,620
Property, plant and equipment	1,672,267	235,769	1,908,036
Trading properties	4,678	247,271	251,949
Goodwill	7,159	5,824	12,983
Biological assets	562,577	-	562,577
Inventories	204,500	16,197	220,697
	24,198	1,121,686	1,145,884

Investment in associates and joint ventures

Total segment assets

2,500,569	5,881,177	8,381,746
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6. Segment information (Continued)

(I) Agriculture line of business:

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

	Agriculture					December 31, 2013		Land transfor an sal
	Crops	Cattle	Dairy	Sugarcane	Agriculture rentals and services	Agriculture Subtotal	-	
Revenues	318,356	64,380	24,482	76,175	7,151	490,544	-	-
Costs	(583,388 )	(102,251 )	(47,082 )	(142,059 )	(5,969 )	(880,749 )	-	(2,9
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	310,126	27,743	25,060	64,107	-	427,036	-	-
Changes in the net realizable value of agricultural produce after harvest	(9,213 )	(4 )	-	-	-	(9,217 )	-	-
Gross profit / (loss)	35,881	(10,132 )	2,460	(1,777 )	1,182	27,614	-	(2,9
General and administrative expenses	(56,090 )	(13,947 )	(2,941 )	(22,398 )	(1,398 )	(96,774 )	-	(57
Selling expenses	(44,217 )	(9,406 )	(889 )	(3,845 )	(388 )	(58,745 )	-	(3,8
Other operating results	3,491	(1,588 )	(329 )	6	(182 )	1,398	-	(65
Loss from operations	(60,935 )	(35,073 )	(1,699 )	(28,014 )	(786 )	(126,507 )	-	(7,3
Share of profit of associates	1,362	483	102	-	46	1,993	-	20
Segment loss	(59,573 )	(34,590 )	(1,597 )	(28,014 )	(740 )	(124,514 )	-	(7,3
Investment properties	-	-	-	-	39,193	39,193	-	-
Property, plant and equipment	1,297,290	144,934	21,189	348,019	9,695	1,821,127	-	57,3
Goodwill	5,084	-	-	2,279	-	7,363	-	-
Biological assets	276,753	203,323	29,010	101,637	-	610,723	-	-
Inventories	196,873	43,827	-	1,642	-	242,342	-	-
Investment in associates	18,617	6,611	1,401	-	635	27,264	-	275
Total segment assets	1,794,617	398,695	51,600	453,577	49,523	2,748,012	-	57,3

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## 6. Segment information (Continued)

	Agriculture					December 31, 2012		Land transform and sale
	Crops	Cattle	Dairy	Sugarcane	Agriculture rentals and services	Agriculture Subtotal	-	
Revenues	243,925	36,643	18,048	110,028	12,072	420,716	-	-
Costs	(465,724 )	(65,381 )	(35,416 )	(214,645 )	(2,996 )	(784,162 )	-	(3,000 )
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	286,498	29,083	18,272	128,565	-	462,418	-	-
Changes in the net realizable value of agricultural produce after harvest	6,726	85	-	-	-	6,811	-	-
Gross profit / (loss)	71,425	430	904	23,948	9,076	105,783	-	(3,000 )
Gain from disposal of farmlands	-	-	-	-	-	-	-	53,900
General and administrative expenses	(29,054 )	(5,041 )	(846 )	(20,306 )	(1,216 )	(56,463 )	-	(9,400 )
Selling expenses	(51,812 )	(4,987 )	(572 )	(2,213 )	(595 )	(60,179 )	-	(7,200 )
Other operating results	(6,756 )	(829 )	(135 )	(87 )	(195 )	(8,002 )	-	(1,500 )
Profit / (loss) from operations	(16,197 )	(10,427 )	(649 )	1,342	7,070	(18,861 )	-	32,700
Share of profit / (loss) of associates and joint ventures	(207 )	(29 )	(14 )	-	(10 )	(260 )	-	-
Segment profit / (loss)	(16,404 )	(10,456 )	(663 )	1,342	7,060	(19,121 )	-	32,700
Investment properties	-	-	-	1,516	23,674	25,190	-	-
Property, plant and equipment	1,124,235	134,135	20,924	303,204	363	1,582,861	-	58,700
Trading properties	557	3,258	-	-	706	4,521	-	-
Goodwill	4,393	-	-	1,970	-	6,363	-	-
Biological assets	241,173	187,390	26,045	96,861	-	551,469	-	-
Inventories	57,740	3,248	-	-	-	60,988	-	-
Investment in associates and joint ventures	9,745	3,255	557	-	801	14,358	-	6,190
Total segment assets	1,437,843	331,286	47,526	403,551	25,544	2,245,750	-	64,900



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## 6. Segment information (Continued)

## (II) Urban properties and investments

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

	December 31, 2013						Total urban and investment properties (II)
	Shopping Center Properties	Offices developments	Sales and Hotels	International	Financial operations and others		
Revenues	1,011,950	149,523	40,979	160,575	39,456	334	1,402,837
Costs	(457,784 )	(54,124 )	(21,438 )	(105,831 )	(26,455 )	(476 )	(666,108 )
Gross profit / (loss)	554,166	95,399	19,541	54,744	13,001	(142 )	736,709
Gain from disposal of investment properties	-	-	7,150	-	-	-	7,150
General and administrative expenses	(51,026 )	(21,736 )	(19,007 )	(28,952 )	(9,915 )	(55 )	(130,691 )
Selling expenses	(32,232 )	(9,892 )	(6,271 )	(19,974 )	-	317	(68,052 )
Other operating results	(13,786 )	(1,053 )	(1,779 )	177	187	(2,161 )	(18,415 )
Profit / (loss) from operations	457,122	62,718	(366 )	5,995	3,273	(2,041 )	526,701
Share of profit / (loss) of associates	-	2,842	1,693	310	(49,008 )	87,866	43,703
Segment profit / (loss)	457,122	65,560	1,327	6,305	(45,735 )	85,825	570,404
Investment properties	2,331,087	841,764	420,566	-	887,130	7,767	4,488,314
Property, plant and equipment	17,936	26,475	3,867	174,444	219	-	222,941
Trading properties	1,484	93	117,030	-	93,420	-	212,027
Goodwill	8,582	11,661	4,541	-	61,807	-	86,591
Inventories	8,557	-	525	6,918	-	-	16,000
Investment in associates	-	26,959	33,613	21,649	1,208	1,168,340	1,251,779
Total segment assets	2,367,646	906,952	580,142	203,011	1,043,784	1,176,107	6,277,618

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6. Segment information (Continued)

December 31, 2012

	Shopping Center Properties	Offices	Sales and developments	Hotels	International	Financial operations and others	Total urban and investment properties (II)
Revenues	802,914	140,690	85,735	116,807	12,100	1,318	1,159,564
Costs	(381,690 )	(59,376 )	(63,145 )	(84,947 )	(10,292 )	(805 )	(600,255 )
Gross profit	421,224	81,314	22,590	31,860	1,808	513	559,309
Gain from disposal of investment properties	-	-	53,678	-	-	-	53,678
General and administrative expenses	(37,398 )	(20,510 )	(20,060 )	(26,095 )	(6,638 )	(147 )	(110,848 )
Selling expenses	(25,752 )	(5,163 )	(9,471 )	(13,819 )	-	(638 )	(54,843 )
Other operating results	(9,048 )	(1,096 )	(8,082 )	385	134,061	(873 )	115,347
Profit / (loss) from operations	349,026	54,545	38,655	(7,669 )	129,231	(1,145 )	562,643
Share of profit / (loss) of associates	-	-	1,053	59	(37,978 )	43,898	7,032
Segment profit / (loss)	349,026	54,545	39,708	(7,610 )	91,253	42,753	569,675
Investment properties	2,065,616	893,376	599,607	-	687,453	8,378	4,254,430
Property, plant and equipment	14,186	30,444	3,737	187,203	199	-	235,769
Trading properties	1,484	120	169,163	-	76,504	-	247,271
Goodwill	343	5,481	-	-	-	-	5,824
Inventories	9,733	-	480	5,984	-	-	16,197
Investments in associates and joint ventures	-	-	41,912	21,315	581	1,057,878	1,121,686
	2,091,362	929,421	814,899	214,502	764,737	1,066,256	5,881,177

Total segment  
assets

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## 6. Segment information (Continued)

At the time of assessing the performance of business segments and deciding upon the allocation of resources, the Executive Committee uses information on operating income assets and liabilities of each such segment. In the Unaudited Condensed Consolidated Financial Statements, the transactions and balances between related parties which may affect more than one segment are eliminated. In order to obtain clear information that may be useful for Management's decision making, the Group has defined that, as from the six month period ending December 31, 2013, such transactions will not be eliminated for segment reporting purposes.

The comparative information presented as from such period has been adjusted retrospectively for the sake of comparability.

The following tables present reconciliation between the total results of segment operations and the results of operations as per the statement of income. The adjustments relate to the presentation of the results of operations of joint ventures accounted for under the equity method under IFRS and the non-elimination of the inter-segment transactions as explained in the preceding paragraph.

	December 31, 2013			
	Total segment information	Adjustment for share of profit / (loss) of joint ventures	Adjustment to income for elimination of inter-segment transactions	Total Statement of Income
Revenues	2,187,394	(30,515 )	(23,017 )	2,133,862
Costs	(1,809,789)	25,467	22,576	(1,761,746)
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	427,036	(2,528 )	-	424,508
Changes in the net realizable value of agricultural produce after harvest	(9,217 )	-	-	(9,217 )
Gross profit / (loss)	795,424	(7,576 )	(441 )	787,407
Gain from disposal of investment properties	7,150	-	-	7,150
General and administrative expenses	(238,262 )	1,352	796	(236,114 )
Selling expenses	(158,399 )	2,641	67	(155,691 )
Other operating results	(18,981 )	1,909	(422 )	(17,494 )
Profit from operations before share of associates and Joint Ventures	386,932	(1,674 )	-	385,258
Share of profit of associates and joint ventures	45,725	2,044	-	47,769
Profit from operations before Financing and Taxation	432,657	370	-	433,027



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6. Segment information (Continued)

	December 31, 2012			
	Total segment information	Adjustment for share of profit / (loss) of joint ventures	Adjustment to income for elimination of inter-segment transactions	Total Statement of Income
Revenues	1,688,930	(81,433 )	(2,311 )	1,605,186
Costs	(1,490,335)	66,620	1,592	(1,422,123)
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	462,368	(2,939 )	-	459,429
Changes in the net realizable value of agricultural produce after harvest	6,811	-	-	6,811
Gross profit / (loss)	667,774	(17,752 )	(719 )	649,303
Gain from disposal of investment properties	53,678	-	-	53,678
Gain from disposal of farmlands	53,988	-	-	53,988
General and administrative expenses	(184,948 )	2,540	940	(181,468 )
Selling expenses	(130,363 )	6,632	52	(123,679 )
Other operating results	104,867	508	(273 )	105,102
Profit from operations before share of associates and Joint Ventures	564,996	(8,072 )	-	556,924
Share of profit of associates and joint ventures	7,351	5,195	-	12,546
Profit from operations before Financing and Taxation	572,347	(2,877 )	-	569,470

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

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

	December 31, 2013
Total reportable assets as per Segment Information	9,159,413
Deconsolidation of investment properties	(160,861 )
Deconsolidation of property, plant and equipment	(116,406 )

Deconsolidation of trading properties	(7,638 )
Deconsolidation of goodwill	(5,235 )
Deconsolidation of biological assets	(3,669 )
Deconsolidation of inventories	(5,061 )
Deconsolidation of investments in associates and joint ventures	348,295
Total assets as per the Statement of Financial Position	9,208,838

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## 7. Information about principal subsidiaries

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

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

### Summarized statements of financial position

	IRSA		Brasilagro	
	December 31, 2013	June 30, 2013	December 31, 2013	June 30, 2013
<b>Assets</b>				
Non-current assets	7,558,024	6,487,209	1,565,315	1,210,560
Current assets	1,181,982	1,839,320	644,232	667,656
<b>Total assets</b>	<b>8,740,006</b>	<b>8,326,529</b>	<b>2,209,547</b>	<b>1,878,216</b>
<b>Liabilities</b>				
Non-current liabilities	4,170,962	3,590,593	146,640	168,553
Current liabilities	1,671,724	1,605,247	436,755	278,594
<b>Total liabilities</b>	<b>5,842,686</b>	<b>5,195,840</b>	<b>583,395</b>	<b>447,147</b>
<b>Net assets</b>	<b>2,897,320</b>	<b>3,130,689</b>	<b>1,626,152</b>	<b>1,431,069</b>

### Summarized statements of income and statements of comprehensive income

	IRSA		Brasilagro	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
<b>Revenues</b>	1,373,960	1,080,036	103,288	218,101
(Loss) / profit before income tax	(33,386 )	320,168	(21,735 )	32,556
Income tax expense	7,312	(74,289 )	7,057	(7,168 )
(Loss) / profit for the period	(26,074 )	245,879	(14,678 )	25,388
Other comprehensive income	71,776	23,733	701,144	94,151
<b>Total other comprehensive income</b>	<b>45,702</b>	<b>269,612</b>	<b>686,466</b>	<b>119,539</b>
<b>Profit attributable to non-controlling interest</b>	<b>15,944</b>	<b>22,409</b>	-	-





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7. Information about principal subsidiaries (Continued)

Summarized cash flows

	IRSA		Brasilagro	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Cash flow from operating activities				
Net cash generated from operating activities	421,981	351,696	68,016	(9,551 )
Cash flow from investing activities				
Net cash used in investing activities	(625,361 )	(195,244 )	(99,496 )	(1,796 )
Cash flow from financing activities				
Net cash used in financing activities	(398,603 )	(60,241 )	(21,826 )	(41,171 )
Net (decrease) increase in cash and cash equivalents	(601,983 )	96,211	(53,306 )	(52,518 )
Cash and cash equivalents at beginning of period	796,902	259,169	197,113	151,064
Foreign exchange gain on cash and cash equivalents	30,821	10,657	32,966	8,655
Cash and cash equivalents at end of period	225,740	366,037	176,773	107,201

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

8. Interests in joint ventures

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

As stated in Note 4, APSA acquired shares of ENUSA. Thus as of December 31, 2013, the joint ventures of the Group are Cresca, Cyrsa S.A., Puerto Retiro S.A., Baicom Networks S.A., Quality Invest S.A., Nuevo Puerto Santa Fe S.A. (NPSF), EHSA and ENUSA (indirectly through an investment in EHSA. See Note 4). The shares in these joint ventures are not publicly traded.

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8. Interests in joint ventures (Continued)

As of November 29, 2012, the Company acquired shares representing 50% of capital stock and votes of EHSA for an amount of Ps. 21.2 million. The fair value of the net assets acquired determined as of the purchase date amounted to Ps. 5.4 million. Therefore, the Group recognized a goodwill of Ps. 26.6 million.

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

Changes in the Group's investments in joint ventures for the six-month period ended December 31, 2013 and for the year ended June 30, 2013 were as follows:

	December 31, 2013	June 30, 2013
Beginning of the period / year	324,194	260,994
Acquisition of Joint Ventures	(13 )	25,899
Capital contribution	39,490	42,892
Disposal of joint ventures	-	(6,534 )
Cash dividends (i)	-	(1,250 )
Share of profit/(loss)	4,885	(661 )
Currency translation adjustments	6,675	2,854
End of the period / year (ii)	375,231	324,194

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

(ii) Include a balance of Ps. (24) reflecting interests in companies with negative equity as of December 31, 2013 which are reclassified to "Provision". See Note 24.

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9. Interests in associates

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

As stated in Note 4, the Group acquired, through a subsidiary, equity interest in Avenida Inc. and Avenida Compras S.A. (which will be dedicated to e-commerce business). Thus as of December 31, 2013, the associates of the Group are New Lipstick LLC, BHSA, Tarshop S.A., Manibil S.A., Lipstick Management LLC, BACS and Bitania 26 S.A., Agrouranga S.A., Agromanagers S.A., Avenida Inc. and Avenida Compra S.A..

The evolution of the Group's investments in associates for the six-month period ended as of December 31, 2013 and for the year ended as of June 30, 2013 was as follows:

	December 31, 2013	June 30, 2013
Beginning of the period / year	1,123,577	1,239,566
Acquisition of Associates	13,057	-
Capital contribution	-	37,721
Business combinations	-	(103,315 )
Share of profit / (loss)	42,884	(9,157 )
Currency translation adjustments	(14,029 )	(1,139 )
Cash dividends (i)	(13,309 )	(40,099 )
End of the period / year (ii)	1,152,180	1,123,577

- (i) As of December 31, 2013, the Group cashed dividends from Agro-Uranga S.A., Manibil and BHSA in the amount of Ps. 3.3 million, Ps. 0.8 million and Ps. 9.2 million, respectively. During the year ended on 2013, the Group cash dividends from Agro-Uranga S.A., Manibil S.A. and BHSA in the amount of Ps. 4.8 million, Ps. 4.8 million and Ps. 30.5 million, respectively.
- (ii) Include a balance of Ps. (102,542) and Ps. (39,091) reflecting interests in companies with negative equity as of December 31, 2013 and June 30, 2013, respectively, which is reclassified to "Provisions" (see Note 24).

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10. Investment properties

The evolution of the Group's investment properties for the six-month period ended as of December 31, 2013 and for the year ended as of June 30, 2013 was as follows:

	Shopping Center Properties	Office and other rental properties portfolio	Undeveloped parcels of land	Leases of farmland	Properties under development	Total
<b>Year ended June 30, 2013</b>						
Opening net book amount	1,986,542	976,982	418,819	30,398	51,200	3,463,941
Additions	51,295	13,270	1,768	2,532	144,187	213,052
Reclassification of property, plant and equipment	(86 )	86	-	10,095	-	10,095
Disposals	(65 )	(68,533 )	-	(907 )	-	(69,505 )
Depreciation charge (i)	(147,155 )	(48,395 )	-	(361 )	-	(195,911 )
Currency translation adjustments	-	77,769	-	1,241	-	79,010
Acquisition of interest in subsidiaries	-	679,219	-	-	-	679,219
Closing net book amount	1,890,531	1,630,398	420,587	42,998	195,387	4,179,901
<b>As of June 30, 2013</b>						
Costs	3,152,971	1,834,756	420,587	43,675	195,387	5,647,376
Accumulated depreciation	(1,262,440)	(204,358 )	-	(677 )	-	(1,467,475)
Net book amount	1,890,531	1,630,398	420,587	42,998	195,387	4,179,901
<b>Period ended December 31, 2013</b>						
Opening net book amount	1,890,531	1,630,398	420,587	42,998	195,387	4,179,901
Additions	13,420	12,375	111	1,483	112,462	139,851
Reclassification of property, plant and equipment	-	-	-	(7,293 )	-	(7,293 )
Disposals	-	(1,766 )	-	(79 )	-	(1,845 )
Depreciation charge (i)	(70,196 )	(30,904 )	-	(173 )	-	(101,273 )
Currency translation adjustments	-	155,048	-	2,257	-	157,305
Closing net book amount	1,833,755	1,765,151	420,698	39,193	307,849	4,366,646
<b>As of December 31, 2013</b>						
Costs	3,166,391	1,998,950	420,698	40,015	307,849	5,933,903
Accumulated depreciation	(1,332,636)	(233,799 )	-	(822 )	-	(1,567,257)
Net book amount	1,833,755	1,765,151	420,698	39,193	307,849	4,366,646

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

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10. Investment properties (Continued)

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

	December 31, 2013	December 31, 2012
Rental and service income	1,194,093	955,764
Direct operating expenses	541,927	(447,758 )
Gain from disposal of investment properties	7,150	53,678

Properties under development mainly comprise works in Shopping Neuquén S.A. and Arcos del Gourmet S.A.. As of December 31, 2013 and June 30, 2013 works in Shopping Neuquén amount to Ps. 74.9 million and Ps. 43.1 million, respectively. Works in Arcos del Gourmet as of December 31, 2013 and June 30, 2013 amount to Ps. 217.0 million and Ps. 136.3 million, respectively.

As of December 31, 2013 contractual obligations mainly correspond to constructions regarding to both projects. In Shopping Neuquén S.A. contractual obligations amount to Ps. 205 million and the Project is expected to be completed in September, 2014. In Arcos del Gourmet S.A. contractual obligations amount to Ps. 234 million. On December 10, 2013, the Judicial Branch confirmed an injunction order that suspends the opening of the shopping center on the grounds that it does not have certain governmental permits. Even though the construction has all regulatory permits in place, the Company is carrying out specific actions, has challenged the ruling, and has requested that the injunction be lifted and has reasonable expectations of a favorable result.

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11. Property, plant and equipment

The evolution of the Group's property, plant and equipment for the six-month period ended as of December 31, 2013 and for the year ended as of June 30, 2013 was as follows:

	Owner occupied farmland	Hotel buildings and facilities	Other buildings and facilities	Furniture and fixtures	Machinery and equipment	Vehicles	Total
<b>Year ended June 30, 2013</b>							
Opening net book amount	1,557,072	194,758	63,579	6,583	45,524	5,404	1,872,920
Currency translation adjustments	96,674	-	530	1,133	2,446	112	100,895
Additions	109,436	3,872	3,845	1,314	19,912	1,635	140,014
Reclassifications to investment properties	(10,095 )	-	-	-	-	-	(10,095 )
Reclassifications to intangible assets	-	-	-	-	(336 )	-	(336 )
Disposals	(176,671 )	-	(660 )	(636 )	(4,728 )	(448 )	(183,143 )
Depreciation charge (i)	(37,708 )	(18,282 )	(10,055 )	(1,216 )	(9,857 )	(1,683 )	(78,801 )
Closing net book amount	1,538,708	180,348	57,239	7,178	52,961	5,020	1,841,454
<b>As of June 30, 2013</b>							
Costs	1,667,619	394,591	122,305	19,772	160,913	10,832	2,376,032
Accumulated depreciation	(128,911 )	(214,243 )	(65,066 )	(12,594 )	(107,952 )	(5,812 )	(534,578 )
Net book amount	1,538,708	180,348	57,239	7,178	52,961	5,020	1,841,454
<b>Period ended December 31, 2013</b>							
Opening net book amount	1,538,708	180,348	57,239	7,178	52,961	5,020	1,841,454
Currency translation adjustments	163,131	-	892	426	4,116	123	168,688
Additions	48,232	1,560	2,132	1,123	6,493	697	60,237
Reclassifications to investment properties	7,293	-	-	-	-	-	7,293
Reclassifications to intangible assets	-	-	(30 )	-	-	-	(30 )
Disposals	(4,878 )	(2 )	(59 )	(16 )	(530 )	(275 )	(5,760 )
Depreciation charge (i)	(18,240 )	(7,463 )	(6,189 )	(691 )	(6,607 )	(867 )	(40,057 )
Closing net book amount	1,734,246	174,443	53,985	8,020	56,433	4,698	2,031,825
<b>As of December 31, 2013</b>							
Costs	1,881,372	394,249	123,318	21,323	170,277	10,846	2,601,385
Accumulated depreciation	(147,126 )	(219,806 )	(69,333 )	(13,303 )	(113,844 )	(6,148 )	(569,560 )
	1,734,246	174,443	53,985	8,020	56,433	4,698	2,031,825



Net book  
amount

i) For the six-month period ended as of December 31, 2013, depreciation charges of property, plant and equipment were included as follows: Ps. 3,061 under the line item "General and administrative expenses", Ps. 139 under the line item "Selling expenses" and Ps. 36,857 under the line item "Cost" in the Statement of Income. For the fiscal year ended June 30, 2013, depreciation charges of property, plant and equipment were included as follows: Ps. 5,663 under the line item "General and administrative expenses", Ps. 279 under the line item "Selling expenses" and Ps. 72,859 under the line item "Cost" in the Statement of Income.

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## 12. Trading properties

The evolution of the Group's trading property for the six-month period ended as of December 31, 2013 and for the year ended as of June 30, 2013 was as follows:

	Completed properties	Properties under development	Undeveloped sites	Total
As of June 30, 2012	15,665	83,040	82,296	181,001
Additions	19	1,463	-	1,482
Currency translation adjustments	-	17,757	-	17,757
Transfers	-	61,444	(61,444 )	-
Disposals	(5,993 )	(5 )	-	(5,998 )
As of June 30, 2013	9,691	163,699	20,852	194,242
Additions	1,400	1,450	-	2,850
Currency translation adjustments	-	11,509	-	11,509
Transfers	7,351	(7,351 )	-	-
Disposals	(4,174 )	(23 )	(15 )	(4,212 )
As of December 31, 2013	14,268	169,284	20,837	204,389

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13. Intangible assets

The evolution of the Group's intangible assets for the six-month period ended as of December 31, 2013 and for the year ended as of June 30, 2013 was as follows:

	Goodwill	Computer Software	Rights of use	Others	Total
<b>Year ended June 30, 2013</b>					
Opening net book amount	25,472	8,696	40,692	217	75,077
Currency translation adjustments	5,857	657	-	-	6,514
Additions	-	2,682	-	9	2,691
Disposals	-	(3 )	-	-	(3 )
Reclassification of property, plant and equipment	-	336	-	-	336
Acquisition of interest in subsidiary	45,723	-	-	-	45,723
Amortization charge (i) (Note 30)	-	(4,179 )	(753 )	(94 )	(5,026 )
Net book amount at year end	77,052	8,189	39,939	132	125,312
<b>As of June 30, 2013</b>					
Costs	77,052	31,009	44,455	907	153,423
Accumulated depreciation	-	(22,820 )	(4,516 )	(775 )	(28,111 )
Net book amount	77,052	8,189	39,939	132	125,312
<b>Period ended December 31, 2013</b>					
Opening net book amount	77,052	8,189	39,939	132	125,312
Currency translation adjustments	11,667	1,188	-	-	12,855
Additions	644	886	-	-	1,530
Reclassification of Property, plant and equipment	-	30	-	-	30
Amortization charge (i) (Note 30)	-	(1,866 )	(375 )	(40 )	(2,281 )
Net book amount at period end	89,363	8,427	39,564	92	137,446
<b>As of December 31, 2013</b>					
Costs	89,363	33,114	44,455	906	167,838
Accumulated depreciation	-	(24,687 )	(4,891 )	(814 )	(30,392 )
Net book amount	89,363	8,427	39,564	92	137,446

(i)

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

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## 14. Biological assets

The evolution of the Group's biological assets for the six-month period ended as of December 31, 2013 and for the year ended as of June 30, 2013 was as follows:

	December 31, 2013	June 30, 2013
Beginning of the period / year	400,692	363,459
Purchases	25,328	8,375
Initial recognition and changes in the fair value of biological assets	400,334	851,289
Harvest	(191,133 )	(756,067 )
Sales	(55,503 )	(73,788 )
Consumes	(624 )	(1,232 )
Currency translation adjustments	28,026	8,656
End of the period / year	607,120	400,692

Biological assets as of December 31, 2013 and June 30, 2013 were as follows:

	Classification	December 31, 2013	June 30, 2013
<b>Non-current</b>			
Cattle for dairy production	Production	28,968	27,957
Breeding cattle	Production	178,130	155,058
Sugarcane	Production	101,637	111,063
Other cattle	Production	5,756	6,320
Other biological assets	Production	3,581	2,730
Non-current biological assets		318,072	303,128
<b>Current</b>			
Cattle for dairy production	Consumable	42	177
Cattle for sale	Consumable	14,101	40,692
Crops	Consumable	274,291	55,879
Other cattle	Consumable	614	816
Current biological assets		289,048	97,564
Total biological assets		607,120	400,692

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## 15. Inventories

Group's inventories as of December 31, 2013 and June 30, 2013 were as follows:

	December 31, 2013	June 30, 2013
Crops	34,911	120,697
Materials and inputs	186,526	92,900
Seeds and fodder	41,483	22,397
Hotel supplies	6,918	5,962
Beef	10,324	8,985
Others	-	1,435
Total inventories	280,162	252,376

## 16. Financial instruments by category

## Determining fair values

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

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

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16. Financial instruments by category (Continued)

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

In the case of Level 3, the Group uses valuation techniques not based on inputs observable in the market. This is only permissible insofar as no observable market data are available. The inputs used reflect the Group's assumptions regarding the factors which market players would consider in their pricing. The Group uses the best available information for this, including internal company data. The financial instruments that the Group has allocated to this level mainly comprise shares and warrants of Supertel.

As of December 31, 2013, the Group has determined that Arcos del Gourmet S.A.'s stock option is a Level 3 financial instrument and its fair value at the end of the period is zero.

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

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

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

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

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## 16. Financial instruments by category (Continued)

The following tables present the Group's financial assets and financial liabilities that are measured at fair value as of December 31, 2013 and June 30, 2013 and their allocation to the fair value hierarchy:

	December 31, 2013			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Financial assets at fair value through profit or loss:				
- Investment in equity securities in TGLT	64,883	-	-	64,883
- Investment in equity securities in Hersha	36,099	-	-	36,099
- Corporate bonds	22,141	-	-	22,141
- Mutual funds	828,450	-	-	828,450
- Shares of Supertel	-	-	57,408	57,408
- Shares	293	-	-	293
- Don Mario S.G.R.	12,777	-	-	12,777
- Government bonds	673,247	-	-	673,247
Derivative financial instruments:				
- Commodity derivatives	6,050	-	-	6,050
- Foreign-currency contracts	-	24,794	-	24,794
- Swaps	-	11,422	-	11,422
Cash and cash equivalents	111,217	-	-	111,217
<b>Total assets</b>	<b>1,755,157</b>	<b>36,216</b>	<b>57,408</b>	<b>1,848,781</b>
<b>Liabilities</b>				
Derivative financial instruments:				
- Foreign-currency contracts	-	6,768	-	6,768
- Commodity derivatives	71	-	-	71
<b>Total liabilities</b>	<b>71</b>	<b>6,768</b>	<b>-</b>	<b>6,839</b>



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## 16. Financial instruments by category (Continued)

	June 30, 2013			Total
	Level 1	Level 2	Level 3	
<b>Assets</b>				
Financial assets at fair value through profit or loss:				
- Investment in equity securities in TGLT	56,859	-	-	56,859
- Investment in equity securities in Hersha	30,163	-	-	30,163
- Corporate bonds	26,738	-	-	26,738
- Shares	323	-	-	323
- Mutual funds	211,665	-	-	211,665
- Shares of Supertel	-	-	139,120	139,120
- Non-convertible notes	5,136	-	-	5,136
- Don Mario S.G.R.	11,691	-	-	11,691
- Government bonds	157,632	-	-	157,632
Derivative financial instruments:				
- Commodity derivatives	35,706	-	-	35,706
- Foreign-currency contracts	-	10,007	-	10,007
- Swaps	-	4,259	-	4,259
- Warrants of Supertel	-	-	16,949	16,949
Cash and cash equivalents	129,880	-	-	129,880
<b>Total assets</b>	<b>665,793</b>	<b>14,266</b>	<b>156,069</b>	<b>836,128</b>
<b>Liabilities</b>				
Derivative financial instruments:				
- Foreign-currency contracts	-	11,461	-	11,461
- Commodity derivatives	3	-	-	3
<b>Total liabilities</b>	<b>3</b>	<b>11,461</b>	<b>-</b>	<b>11,464</b>

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16. Financial instruments by category (Continued)

The following table presents the changes in Level 3 instruments for the years ended December 31, 2013:

	Call option for the shares of Arcos	Warrants of Supertel	Shares of Supertel	Total
Balance as of June 30, 2013	-	16,949	139,120	156,069
Acquisition	-	-	-	-
Total losses for the period (i)	-	(16,949 )	(81,712 )	(98,661 )
Balance at December 31, 2013	-	-	57,408	57,408

(i) The gain / (loss) is not realized as of December 31, 2013 and is accounted for under “Other financial results” in the Statement of Income (Note 33)

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

On December 31, 2013, the fair value of warrants of Supertel as determined pursuant to the indicated method was lower than the gain not recognized upon initial recording; therefore, warrants are valued at zero.

According to Group estimates, all factors being constant, a 10% decline in the price of the underlying assets of Level 3 shares and warrants of Supertel (data observed in the market) as of December 31, 2013, would reduce pre-tax income by Ps. 3.7 million.

According to Group estimates, all factors being constant, a 10% increase in the credit spread (data which is not observable in the market) of shares and warrants of Supertel used in the valuation model applied to Level 3 financial instruments as of December 31, 2013, would reduce pre-tax income by Ps. 5.5 million. The rate used as of December 31, 2013 was 14.08%.

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## 16. Financial instruments by category (Continued)

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

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

## 17. Restricted assets

The following table presents the restricted assets as of December 31, 2013 and June 30, 2013:

	December 31, 2013	June 30, 2013
<b>Non-current</b>		
Escrow deposits	13,333	10,881
Mutual funds	48,151	43,750
<b>Total Non-Current</b>	<b>61,484</b>	<b>54,631</b>
<b>Current</b>		
Escrow deposits	923	1,022
<b>Total Current</b>	<b>923</b>	<b>1,022</b>

Total restricted assets	62,407	55,653
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## 18. Trade and other receivables

The table below shows trade and other receivables of the Group as of December 31, 2013 and June 30, 2013:

	December 31, 2013	June 30, 2013
<b>Non-current</b>		
Leases and services receivable	62,039	58,783
Consumer financing receivables	-	214
Receivables from sale of agriculture products	1,144	-
Property sales receivable (i)	100,324	88,387
Less: Allowance for doubtful accounts	(2,208 )	(2,266 )
Non-current trade receivables	161,299	145,118
Trade receivables from disposal of joint ventures	2,592	2,147
Prepayments	9,401	5,210
VAT receivables	19,548	28,944
Other tax receivables	69,454	62,759
Loans	1,230	-
Guarantee deposits	14,833	-
Others	5,453	4,499
Non-current other receivables	122,511	103,559
Related parties (Note 35)	62,804	42,753
Non-current trade and other receivables	346,614	291,430
<b>Current</b>		
Consumer financing receivables	15,047	15,735
Leases and services receivable	311,683	418,022
Receivables from sale of agriculture products and farmlands leases	134,002	407,127
Receivables from hotel operations	34,171	26,201
Deferred checks received	174,882	164,808
Debtors under legal proceedings	55,000	51,610
Property sales receivable (i)	86,438	91,142
Less: allowance for doubtful accounts	(87,075 )	(84,418 )
Trade receivables	724,148	1,090,227
Trade receivables from disposal of joint ventures	15,639	20,555
Prepayments	77,613	78,603
VAT receivables	46,074	39,342
Gross sales tax credit	6,417	2,420
Other tax receivables	46,180	37,353
Loans	11,094	8,982

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Expenses and services to recover	5,873	3,757
Suppliers advances	125,100	54,961
Guarantee deposits	45,592	10
Dividends receivable	3,427	2,828
Others	36,534	29,906
Less: allowance for doubtful accounts	(198 )	(218 )
Current other receivables	419,345	278,499
Related parties (Note 35)	65,287	77,365
Current trade and other receivables	1,208,780	1,446,091
Total trade and other receivables	1,555,394	1,737,521

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

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18. Trade and other receivables (Continued)

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

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

	December 31, 2013	June 30, 2013
Beginning of period / year	86,902	72,480
Charge for the period	10,700	32,229
Unused amounts reversed	(6,406 )	(16,142 )
Used during the period/year	(2,479 )	(1,610 )
Receivables written off	-	(235 )
Currency translation adjustments	764	180
End of period / year	89,481	86,902

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

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19. Investment in financial assets

Group's investment in financial assets as of December 31, 2013 and June 30, 2013 were as follows:

	December 31, 2013	June 30, 2013
<b>Non-current</b>		
Financial assets at fair value through profit or loss		
Investment in equity securities in		
TGLT	64,883	56,859
Investment in equity securities in		
Hersha	36,099	30,163
Mutual Funds (Note 35) (i)	698,264	17,249
Shares of Supertel	57,408	139,120
Don Mario S.G.R.	10,000	10,060
Shares	293	291
<b>Total Investment in Financial Assets Non-current</b>	<b>866,947</b>	<b>253,742</b>
<b>Current</b>		
Financial assets at fair value through profit or loss		
Mutual funds (Note 35)	130,186	194,416
Don Mario S.G.R.	2,777	1,631
Non-convertible notes related parties	-	5,136
Corporate bonds	22,141	26,738
Government bonds	673,247	157,632
Others	-	32
<b>Total Investment in Financial Assets current</b>	<b>828,351</b>	<b>385,585</b>
<b>Total Investment in Financial Assets</b>	<b>1,695,298</b>	<b>639,327</b>

(i) During the quarter the Group has subscribed, through subsidiaries Tyrus and Ritelco, shares from Dolphin for the amount of US\$ 75 million. See Note 41.



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20. Derivative financial instruments

Group's derivative financial instruments as of December 31, 2013 and June 30, 2013 were as follows:

	December 31, 2013	June 30, 2013
<b>Assets</b>		
<b>Non-current</b>		
Swaps	8,367	4,259
Foreign-currency contracts	-	4,169
Supertel warrants	-	16,949
Total non-current	8,367	25,377
<b>Current</b>		
Commodities	6,050	35,706
Foreign-currency contracts (Note 35)	24,794	5,838
Swaps	3,055	-
Total current	33,899	41,544
Total assets	42,266	66,921
<b>Liabilities</b>		
<b>Non-current</b>		
Foreign-currency contracts	-	2,773
Total non-current	-	2,773
<b>Current</b>		
Commodities	71	3
Foreign-currency contracts	6,768	8,688
Total current	6,839	8,691
Total liabilities	6,839	11,464

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21. Cash flow information

The following table shows the amounts of cash and cash equivalents as of December 31, 2013 and June 30, 2013:

	December 31, 2013	June 30, 2013
Cash at bank and on hand	332,906	769,485
Short-term bank deposits	67,943	148,221
Mutual funds	111,217	129,880
Total cash and cash equivalents	512,066	1,047,586

Following is a detailed description of cash flows generated by the Group's operations for the six-month period ended as of December 31, 2013 and 2012.

	Note	December 31, 2013	December 31, 2012
(Loss) Gain for the period		(354,769 )	176,718
Adjustments for:			
Income tax expense		(170,104 )	33,535
Depreciation and amortization		143,611	138,375
Gain from disposal of investment properties		(7,150 )	(53,678 )
Loss from disposal of farmlands		-	(53,988 )
Loss (Gain) on the revaluation of receivables arising from the sale of farmland		522	(3,855 )
Loss (Gain) from disposal of property, plant and equipment		468	(231 )
Release of investment property and property, plant and equipment		633	2,040
Dividends income		(6,510 )	(14,017 )
Share-based payments		16,625	5,350
Unrealized Gain (Loss) from derivative financial instruments		(20,648 )	17,287
Changes in fair value of financial assets		(81,857 )	(48,583 )
Interest expense, net		256,891	199,172
Unrealized initial recognition and changes in the fair value of biological assets and agricultural produce		(305,334 )	(421,320 )
Changes in net realizable value of agricultural produce after harvest		9,217	(6,811 )
Provisions and allowances		53,889	66,369

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Share of loss of associates and joint ventures	(47,769 )	(12,546 )
Unrealized foreign exchange loss, net	756,381	196,685
Result from purchase of joint venture	12	(137,062 )
Result from repurchase of Non-convertible Notes	35,157	(43 )
Changes in operating assets and liabilities:		
(Increase) Decrease in biological assets	119,894	327,244
Decrease (Increase) in inventories	199,018	(2,230 )
Decrease (Increase) in trading properties	1,362	(1,633 )
Decrease (Increase) in trade and other receivables	151,455	(8,121 )
Decrease (Increase) in derivative financial instruments	488	(49,605 )
(Decrease) Increase in trade and other payables	(127,285 )	188,593
Decrease in payroll and social security liabilities	(14,531 )	(25,342 )
Decrease in provisions	(5,034 )	(90 )
Net cash generated from operating activities before income tax paid	604,632	512,213

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21. Cash flow information (Continued)

The following table shows a detail of non-cash transactions occurred in the six-month periods ended December 31, 2013 and 2012:

	December 31, 2013	December 31, 2012
Reimbursement of expired dividends	1,278	1,001
Dividends payable	(139,780 )	(118,638 )
Dividends not collected	(824 )	-
Increase in trading properties through a decrease in property, plant and equipment and investment property	-	4,727
Increase in trade and other receivables through a decrease in property, plant and equipment	-	183
Increase in trading properties through a decrease in property, plant and equipment	-	4,669
Increase in investments in financial assets through an increase in borrowings	-	18,767

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22. Trade and other payables

Group's trade and other payables as of December 31, 2013 and June 30, 2013 were as follows:

	December 31, 2013	June 30, 2013
Non-current		
Trade payables	940	-
Admission rights	114,666	112,654
Sales, rent and services payments received in advance	57,329	53,300
Guarantee deposits	19,206	17,352
Non-current trade payables	192,141	183,306
VAT payables	206	-
Other tax payables	16,731	14,136
Deferred income	8,505	8,660
Shareholders' personal tax payable	1,323	1,476
Tax amnesty plan for payable taxes	14,663	15,641
Others	4,867	5,028
Non-current other payables	46,295	44,941
Related parties (Note 35)	248	20
Non-current trade and other payables	238,684	228,267
Current		
Trade payables	307,197	212,797
Accrued invoices	166,152	141,657
Admission rights	105,459	98,656
Sales, rent and services payments received in advance	192,949	199,909
Guarantee deposits	10,524	13,477
Current trade payables	782,281	666,496
Withholdings tax	10,072	9,800
VAT payables	22,719	26,739
Gross sales tax payable	763	1,836
Other tax payables	39,712	41,996
Deferred revenue	6,016	1,246
Dividends payable	157,876	11,445
Tax amnesty plan for payable taxes	308	310
Shareholders' personal tax payable	8,653	3,220
Others	12,395	6,930
Current other payables	258,514	103,522
Related parties (Note 35)	73,096	129,524
Current trade and other payables	1,113,891	899,542

Total trade and other payables	1,352,575	1,127,809
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## 22. Trade and other payables (Continued)

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

## 23. Payroll and social security liabilities

Group's Salaries and social security liabilities as of December 31, 2013 and June 30, 2013 were as follows:

	December 31, 2013	June 30, 2013
<b>Non-current</b>		
Others	5,511	3,984
<b>Non-current payroll and social security liabilities</b>	<b>5,511</b>	<b>3,984</b>
<b>Current</b>		
Provision for vacation and bonuses	64,011	89,238
Social security payable	25,825	28,967
Salaries payable	2,954	1,776
Others	1,487	854
<b>Current payroll and social security liabilities</b>	<b>94,277</b>	<b>120,835</b>
<b>Total payroll and social security liabilities</b>	<b>99,788</b>	<b>124,819</b>

## 24. Provisions

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

	Labor and legal claims	Tax and social security claims	Investments in associates and joint ventures (i)	Total
As of June 30, 2013	47,054	1,691	39,091	87,836
Additions	14,671	296	49,249	64,216
Used during period	(14,211 )	(433 )	-	(14,644 )
Currency translation adjustments	1,783	-	14,226	16,009
As of December 31, 2013	49,297	1,554	102,566	153,417

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





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## 24. Provisions (Continued)

The analysis of total provisions is as follows:

	December 31, 2013	June 30, 2013
Non-current	137,797	71,626
Current	15,620	16,210
	153,417	87,836

## 25. Borrowings

Group's borrowings as of December 31, 2013 and June 30, 2013 were as follows:

						Nominal value (in millions)	Book value December 31, 2013	June 30, 2013
Non-current								
CRESUD NCN Class VIII due 2014	Unsecured	US\$	Fixed	7.50 %	60	-	322,925	
CRESUD NCN Class XI due 2015	Unsecured	Ps.	Floating	Badlar + 375 bps	80.5	12,748	39,415	
CRESUD NCN Class XII due 2014	Unsecured	Ps.	Floating	Badlar + 410 bps	102	-	67,819	
CRESUD NCN Class XIII due 2015	Unsecured	US\$	Fixed	1.90 %	79	517,087	425,658	
CRESUD NCN Class XIV due 2018	Unsecured	US\$	Fixed	1.50 %	32	207,520	171,084	
CRESUD NCN Class XV due 2015	Unsecured	Ps.	Floating	23.67 %	176	175,620	-	
CRESUD NCN Class XVI due 2018	Unsecured	US\$	Fixed	1.50 %	109	718,375	-	
IRSA NCN Class I due 2017	Unsecured	US\$	Fixed	8.50 %	150	918,903	784,855	
IRSA NCN Class II due 2020	Unsecured	US\$	Fixed	11.50 %	150	922,641	781,338	
APSA NCN Class I due 2017	Unsecured	US\$	Fixed	7.87 %	120	678,387	568,362	
Syndicated loan (I)	Unsecured	Ps.	Fixed	15.01 %	229	125,539	175,604	
Banco M&T loan	Secured	US\$	Floating	Libor + 3.25%	75	484,415	399,691	

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Long term loans	Unsecured	US\$	Floating	Libor + 300 bps o 6% (the higher) Rate Survey PF 30-59 days	15	94,200	77,780
Long term loans	Unsecured	Ps.	Floating	15.01 %	24	10,182	13,543
Long term loans	Unsecured	Ps.	Fixed	TJLP + 1.95 to 3.10 and 5.5 to 10	20.5	10,166	17,162
Long term loans	Secured	Rs.	Floating	7.23 %	98.7	109,748	121,289
Long term Seller financing	Secured	US\$	Fixed	3.50 % and 5% and 10.75% and 7.5%	17.9	95,592	78,371
Finance leases	Secured	US\$	Fixed	7.5%	0.3	1,406	1,590
Other long term loans		Ps.	Fixed		-	18,734	19,163
Other long term loans		Bol.	Floating		-	7,668	6,136
Related parties (Note 35)						119,457	98,327
Non-current borrowings						5,248,180	4,189,896

(i) Include Ps. 32,780 and Ps. 35,557 with Banco Hipotecario as of December 31 and June 30, 2013, respectively. See Note 35.

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25. Borrowings (Continued)

				Effective	Nominal	December	June 30,
	Secured/ unsecured	Currency	Fixed/ Floating	interest rate %	value (in millions)	31, 2013	2013
<b>Current</b>							
CRESUD NCN Class VIII due 2014	Unsecured	US\$	Fixed	7.5 %	60	399,362	6,074
				Badlar +			
CRESUD NCN Class IX due 2014	Unsecured	Ps.	Floating	300 bps	161	-	101,316
CRESUD NCN Class X due 2014	Unsecured	US\$	Fixed	7.75 %	31.5	134,162	165,810
CRESUD NCN Class X – 2nd tranche due 2014	Unsecured	US\$	Fixed	7.75 %	30	131,323	163,477
				Badlar +			
CRESUD NCN Class XI due 2015	Unsecured	Ps.	Floating	375 bps	80.5	46,567	19,652
				Badlar +			
CRESUD NCN Class XII due 2014	Unsecured	Ps.	Floating	410 bps	102	103,762	35,083
CRESUD NCN Class XIII due 2015	Unsecured	US\$	Fixed	1.90 %	79	(1,809 )	(1,954 )
CRESUD NCN Class XIV due 2018	Unsecured	US\$	Fixed	1.50 %	32	(19 )	(74 )
CRESUD NCN Class XV due 2015	Unsecured	Ps.	Floating	23.67 %	176	4,030	-
CRESUD NCN Class XVI due 2018	Unsecured	US\$	Fixed	1.50 %	109	3,096	-
IRSA NCN Class I due 2017	Unsecured	US\$	Fixed	8.50	150	30,939	26,675
IRSA NCN Class II due 2020	Unsecured	US\$	Fixed	11.50	150	47,821	40,604
				Badlar +			
IRSA NCN Class III due 2013	Unsecured	Ps.	Floating	249 bps	153	-	52,240
IRSA NCN Class IV due 2014	Unsecured	US\$	Fixed	7.45 %	33.8	55,663	137,750
APSA NCN due 2014 (Note 35)	Unsecured	US\$	Fixed	10.00 %	50	-	-
APSA NCN Class I due 2017	Unsecured	US\$	Fixed	7.88 %	120	4,424	5,499
Bank overdrafts	Unsecured	Ps.	Fixed	33.1% and 18%	-	515,525	444,527
				Libor +			
Short term loans	Unsecured	US\$	Floating	300 bps o 6% (the higher)	15	7,641	6,266
				Rate Survey PF 30-59 days			
Short term loans	Unsecured	Ps.	Floating		20	1,006	893

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Short term loans	Unsecured	Rs.	Floating	TJLP + 1.95 to 3.10	84.1	112,531	-
Short term loans	Unsecured	Rs.	Fixed	7.23 %	19.1	-	19,081
Short term loans	Unsecured	Ps.	Fixed	15.01 %	24	6,894	6,895
Short term loans	Secured	Rs.	Fixed	7.23 %	11.9	34,662	-
Short term loans	Secured	Rs.	Floating	9.54 TJLP + 1.95 to 3.10	-	-	84,933
Short term loans	Secured	Rs.	Floating	5.5 to 10 TJLP + 1.95 to 3.10	5.5	5,983	5,263
Syndicated loans (i)	Unsecured	Ps.	Fixed	15.01 %	229	89,135	51,005
Seller financing	Secured	US\$	Fixed	3.5 %	16.4	19,369	12,809
Seller financing	Unsecured	Rs.	Floating	IGPM/CDI	102	128,322	106,165
Other seller - financed debt					9.9	-	16,348
Finance lease obligations	Secured	US\$	Fixed	10.75% y7.5 %	0.3	1,752	1,460
Other short term loans		Ps.	Fixed			13,602	9,625
Other short term loans		Bol.	Floating			12,464	9,968
Related parties						62	-
Current borrowings						1,908,269	1,527,390
Total borrowings						7,156,449	5,717,286

(i) Include Ps. 17,221 and Ps. 9,738 with Banco Hipotecario as of December 31 and June 30, 2013, respectively. See Note 35.

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25. Borrowings (Continued)

Notes issued by Cresud

Class XV and XVI NCN

On November 18, 2013, the Eighth Series of simple corporate notes was issued in the equivalent amount of Ps. 828 million, in two classes.

Class XV Non-Convertible Notes, for a face value of 176.37 million and falling due 24 months after the issuance date, will accrue interest at a variable rate (Badlar plus 399 basis points). Interest will be payable quarterly in arrears whereas the principal will be amortized in three consecutive payments on the 18, 21 and 24 months following the issue date.

Class XVI Non-Convertible Notes, for a face value of US\$ 109.11 million (equivalent to Ps. 651.20 million) and falling due 60 months after the issuance date, will accrue interest at fixed annual rate of 1.50%. Interest will be payable quarterly in arrears whereas the principal will be amortized in two consecutive payments on the 54 and 60 months following the issue date.

26. Taxation

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

	December 31, 2013	December 31, 2012
Current income tax	(145,883 )	(119,249 )
Deferred income tax	318,641	85,714
Minimum Presumed Income Tax	(2,654 )	-
Income tax expense	170,104	(33,535 )

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

	December 31, 2013	June 30, 2013
Beginning of the period / year	(351,035 )	(549,337 )
Currency translation adjustments	4,347	5,965
Additions for business combinations	-	(26,103 )
Charged / Credited to the statement of income	318,641	218,440
End of the period / year	(28,047 )	(351,035 )



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## 26. Taxation (Continued)

The Group did not recognize deferred income tax assets of Ps. 34.1 million and Ps. 70.1 million as of December 31, 2013 and June 30, 2013, respectively. Although management believes that it will become profitable in the foreseeable future, as a result of the history of recent losses incurred during the development phase of the different Group's business operations and the lack of verifiable and objective evidence due to the limited operating history of the Group itself, the Board of Directors has determined that there is sufficient uncertainty as to the generation of sufficient income to utilize the losses within a reasonable timeframe, therefore, no deferred tax asset is recognized in relation to these losses.

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

	December 31, 2013	December 31, 2012
Tax calculated at the tax rates applicable to profits in the respective countries	(166,397 )	67,755
Permanent differences:		
Share of loss of associates and joint ventures	(8,006 )	1,729
Unrecognized tax losses	385	(18,904 )
Non-taxable income	2,301	(14,431 )
Difference between the tax return and provision	(6,081 )	(6,332 )
Others	7,694	3,718
Income tax expense	(170,104 )	33,535

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27. Shareholders' Equity

Special Reserve

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

Dividends

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



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28. Revenues

	December 31, 2013				December 31, 2012			
	Urban properties and investments	Agriculture	Feed lot / slaughtering house	Total	Urban properties and investments	Agriculture	Feed lot / slaughtering house	Total
Trading properties	23,140	-	-	23,140	16,559	-	-	16,559
Crops	-	317,288	-	317,288	-	242,977	-	242,977
Cattle	-	46,083	-	46,083	-	34,121	-	34,121
Milk	-	24,482	-	24,482	-	18,048	-	18,048
Sugarcane	-	76,175	-	76,175	-	110,028	-	110,028
Beef	-	-	229,757	229,757	-	-	64,594	64,594
Supplies	-	38,219	-	38,219	-	25,458	-	25,458
Agriculture products and services income	23,140	502,247	229,757	755,144	16,559	430,632	64,594	511,785
Base rent	499,306	4,182	-	503,488	385,444	10,832	-	396,276
Contingent rent	178,997	-	-	178,997	143,077	-	-	143,077
Admission rights	60,046	-	-	60,046	51,433	-	-	51,433
Parking fees	40,032	-	-	40,032	30,792	-	-	30,792
Commissions	16,825	-	-	16,825	13,053	-	-	13,053
Property management fee	13,035	-	-	13,035	16,317	-	-	16,317
Expenses and Collective Promotion Funds	365,784	-	-	365,784	293,683	-	-	293,683
Flattening of tiered lease payments	13,581	-	-	13,581	9,344	-	-	9,344
Agricultural services	-	2,859	-	2,859	-	1,240	1,545	2,785
Advertising and brokerage fees	-	19,441	-	19,441	-	13,868	-	13,868
Others	2,305	1,416	-	3,721	1,789	-	-	1,789
Leases and service income	1,189,911	27,898	-	1,217,809	944,932	25,940	1,545	972,417
Other revenues:								
Consumer financing	334	-	-	334	1,318	-	-	1,318
Hotel operations	160,575	-	-	160,575	116,807	-	-	116,807
Others	-	-	-	-	-	2,843	16	2,859
Other revenues	160,909	-	-	160,909	118,125	2,843	16	121,084
Total Group revenue	1,373,960	530,145	229,757	2,133,862	1,079,616	459,415	66,155	1,545,186



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## 29. Costs

	December 31, 2013				December 31, 2012			
	Urban properties and investments	Agriculture	Feed lot/ slaughtering house	Total	Urban properties and investments	Agriculture	Feed lot / slaughtering house	Total
Cost of leases and services	-	4,268	-	4,268	-	1,602	-	1,602
Other operative costs	-	2,917	-	2,917	-	3,068	-	3,068
Cost of property operations	-	7,185	-	7,185	-	4,670	-	4,670
Crops	-	578,975	-	578,975	-	461,331	-	461,331
Cattle	-	95,520	-	95,520	-	63,239	-	63,239
Milk	-	47,082	-	47,082	-	35,416	-	35,416
Sugarcane	-	142,059	-	142,059	-	214,645	-	214,645
Supplies	-	29,882	-	29,882	-	21,994	-	21,994
Beef	-	-	184,983	184,983	-	-	64,905	64,905
Other agriculture products	-	5,179	-	5,179	-	-	-	-
Agriculture services	-	1,701	6,142	7,843	-	1,394	2,079	3,473
Brokerage fees	-	16,391	-	16,391	-	12,806	-	12,806
Cost of agricultural sales and services	-	916,789	191,125	1,107,914	-	810,825	66,984	877,809
Cost of sale of trading properties	8,111	-	-	8,111	7,477	-	-	7,477
Cost from hotel operations	105,437	-	-	105,437	84,553	-	-	84,553
Cost of leases and services	532,928	-	-	532,928	447,137	-	-	447,137
Other costs	171	-	-	171	477	-	-	477
Other costs	646,647	-	-	646,647	539,644	-	-	539,644
Total Group costs	646,647	923,974	191,125	1,761,746	539,644	815,495	66,984	1,422,123

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## 30. Expenses by nature

For the six-month period ended as of December 31, 2013:

	Cost of property operations	Cost of agricultural sales and services	Cost of agriculture production	Group costs Cost of sale of properties	Cost from Consumer Financing	Cost from hotel operations	Other operational costs	General and administrative expenses	Selling expenses	To
Leases, services charges and vacant property costs	6,578	8,999	637	694	-	279	66	6,169	608	24,0
Depreciation and amortization	109,797	17,974	3,482	242	-	5,511	1,124	5,342	139	143,
Allowance for doubtful accounts	-	-	-	-	-	-	-	-	4,294	4,29
Advertising, publicity and other selling expenses	94,259	-	-	10	-	-	-	-	10,904	105,
Taxes, rates and contributions	38,800	910	2,792	1,314	-	243	15	5,889	61,064	111,
Maintenance and repairs	118,540	7,234	8,315	1,761	-	12,358	53	11,162	459	159,
Fees and payments for services	14,144	35,872	1,963	28	169	1,006	34	26,449	8,045	87,7
Director's fees	-	-	-	-	-	-	-	73,295	-	73,2
Payroll and social security expenses	143,855	36,781	21,768	77	-	59,407	1,750	89,937	14,864	368,
Cost of sale of properties	-	-	-	3,970	-	6,374	-	-	-	10,3
Food, beverage and lodging expenses	-	-	-	-	-	17,962	-	3,211	1,633	22,8
Changes in biological assets and agricultural produce	-	540,427	-	-	-	-	-	-	245	540,
Supplies and labor	-	8,404	401,781	-	-	-	-	-	221	410,
Freights	30	652	6,180	-	-	-	6	18	34,572	41,4
Commissions and expenses	-	1,832	69	1	-	2,078	-	5,736	6,533	16,2
Conditioning and clearance	-	-	4	-	-	-	-	-	9,835	9,83
Others	6,925	3,678	2,428	14	2	219	(131 )	8,906	2,275	24,3
Total expenses by nature	532,928	662,763	449,419	8,111	171	105,437	2,917	236,114	155,691	2,15

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## 30. Expenses by nature (Continued)

For the six-month period ended as of December 31, 2012:

	Group costs									
	Cost of property operations	Cost of agricultural sales and services	Cost of agriculture production	Cost of sale of trading properties	Cost from Financing	Cost from hotel operations	Other operational costs	General and administrative expenses	Selling expenses	Tot
Leases, services charges and vacant property costs	16,337	621	508	919	-	134	59	2,105	510	21,193
Depreciation and amortization	97,548	26,734	2,401	316	-	7,471	1,146	5,735	131	141,446
Allowance for doubtful accounts	-	-	-	-	-	-	-	-	4,410	4,410
Advertising, publicity and other selling expenses	71,813	-	-	-	-	-	2	-	7,935	79,750
Taxes, rates and contributions	29,543	2,134	2,928	605	-	-	14	3,571	36,144	74,935
Maintenance and repairs	103,237	2,751	6,096	1,189	29	10,909	168	7,049	438	131,866
Fees and payments for services	11,305	52	1,462	86	441	779	38	28,662	2,072	44,895
Director's fees	171	-	-	-	-	-	-	54,884	-	55,055
Payroll and social security expenses	112,337	27,394	16,229	284	3	46,365	1,397	62,836	10,559	277,408
Cost of sale of properties	-	-	-	4,055	-	-	-	-	-	4,055
Food, beverage and lodging expenses	-	-	-	-	-	16,046	-	1,443	391	17,886
Changes in biological assets and agricultural produce	-	346,697	-	-	-	-	-	-	-	346,697
Supplies and labor	-	71,612	362,024	-	-	-	-	-	-	433,636
Freights	210	169	4,358	3	-	69	16	187	35,331	40,343
Commissions and expenses	-	1,029	277	-	-	2,452	-	2,109	9,564	15,432
Conditioning and clearance	-	-	-	-	-	-	-	-	7,631	7,631
Others	4,636	1,604	2,332	20	4	328	227	12,887	8,563	30,600
Total expenses by nature	447,137	480,797	398,615	7,477	477	84,553	3,067	181,468	123,679	1,727,160

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31.	Employee costs	December 31, 2013	December 31, 2012
	Salaries, bonuses and social security costs	351,035	271,780
	Share-based payments	16,625	5,350
	Pension costs – defined contribution plan	779	274
		368,439	277,404
32.	Other operating results	December 31, 2013	December 31, 2012
	Gain from purchase of subsidiaries	-	137,062
	Gain from commodity derivative financial instruments	3,871	788
	Gain (loss) from disposal of other property items	(468 )	231
	Recovery of provisions	-	3,294
	Tax on personal assets	(8,015 )	(9,281 )
	Management fee	50	1,010
	Contingencies	(3,272 )	(16,244 )
	Donations	(7,682 )	(4,209 )
	Project Analysis and Assessment	(2,479 )	(4,940 )
	Unrecoverable VAT	(262 )	(160 )
	Others	763	(2,449 )
	Total other operating results, net	(17,494 )	105,102

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## 33. Financial results, net

	December 31, 2013	December 31, 2012
Finance income:		
- Interest income	53,342	18,012
- Foreign exchange gains	57,697	57,870
- Dividends income	6,510	14,017
- Gain from repurchase of Non-convertible Notes	-	43
- Others	92	98
Finance income	117,641	90,040
Finance costs:		
- Interest expense	(310,233 )	(217,184 )
- Foreign exchange losses	(826,952 )	(251,236 )
- Loss from repurchase of Non-convertible Notes	(35,157 )	-
- Embedded derivatives on borrowings	-	(6 )
- Other financial costs	(41,457 )	(42,292 )
Finance cost	(1,213,799)	(510,718 )
Less Finance costs capitalized	14,657	2,721
Total financial costs	(1,199,142)	(507,997 )
Other finance results:		
- Fair value gains of financial assets at fair value through profit or loss	93,850	55,906
- Gain (Loss) from derivative financial instruments (except commodities)	25,270	(1,021 )
- Gain on the revaluation of receivables arising from the sale of farmland	4,481	3,855
Total other financial income	123,601	58,740
Total financial results, net	(957,900 )	(359,217 )

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34. Share-based payments

Established by the Company and subsidiaries

Equity Incentive Plan

The Group incurred in a charge of Ps. 15 million and Ps. 4 million for the six-month period ended December 31, 2013 and 2012, respectively, related to the awards granted under the Equity Incentive Plan.

Movements in the number of equity-settled options outstanding under the Equity Incentive Plan were as follows:

	December 31, 2013	June 30, 2013
At the beginning	3,232,474	1,671,666
Granted	2,287,120	1,566,060
Canceled	(66,082 )	(5,252 )
At the end	5,453,512	3,232,474

Established only by subsidiary undertakings

Brasilagro Stock Option Plan

For the six-month period ended December 31, 2013 and 2012, the Group incurred in a charge of Ps. 0.9 million and Ps. 0.5 million, respectively, related to the awards granted under the Brasilagro Stock Option Plan.

Movements in the number of equity-settled options outstanding under the Brasilagro Stock Option Plan were as follows:



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34. Share-based payments (Continued)

Movements in the number of equity-settled options outstanding and their related weighted average exercise prices under the Brasilagro Stock Option Plan are as follows:

	December 31, 2013					
	First tranche		Second tranche		Third tranche	
	Exercise price	Options	Exercise price	Options	Exercise price	Options
At the beginning	\$R 8.97	370,007	\$R 8.25	315,479	\$R 8.52	315,479
Granted	-	-	-	-	-	-
Forfeited	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Expired	-	-	-	-	-	-
At the end	\$R 8.97	370,007	\$R 8.25	315,479	\$R 8.52	315,479

	June 30, 2013					
	First tranche		Second tranche		Third tranche	
	Exercise price	Options	Exercise price	Options	Exercise price	Options
At the beginning	\$R 8.97	370,007	\$R 8.25	315,479	\$R 8.52	315,479
Granted	-	-	-	-	-	-
Forfeited	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Expired	-	-	-	-	-	-
At the end	\$R 8.97	370,007	\$R 8.25	315,479	\$R 8.52	315,479

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35. Related party transactions

See description of the main transactions conducted with related parties in Note 39 to the Consolidated Financial Statements as of June 30, 2013 and 2012.

The following is a summary of the balances with related parties as of December 31, 2013:

Related party	Description of transaction	Investments	Investments	Trade	Trade	Trade	Trade	Borrowings	Borrowings	Derivative financial instruments
		in Financial Assets	in Financial Assets	and receivables	and receivables	and payables	and payables			
		Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	
<b>Associates</b>										
Tarshop S.A.	Reimbursement of expenses	-	-	-	697	-	-	-	-	-
	Leases and/or rights to use	-	-	-	-	(228 )	(401 )	-	-	-
New Lipstick LLC	Reimbursement of expenses	-	-	-	1,841	-	-	-	-	-
Lipstick Management LLC	Reimbursement of expenses	-	-	-	613	-	-	-	-	-
Agro-Uranga S.A.	Dividends receivable	-	-	-	863	-	-	-	-	-
	Purchase – Sale of goods and/or services	-	-	-	23	-	(230 )	-	-	-
Agro Managers S.A.	Reimbursement of expenses	-	-	-	153	-	-	-	-	-
Banco Hipotecario S.A.	Reimbursement of expenses	-	-	-	1,673	-	(1,451 )	-	-	-
	Borrowings	-	-	-	-	-	-	(32,780 )	(17,221 )	-
	Derivatives	-	-	-	-	-	-	-	-	22,150
	Leases and/or rights of use	-	-	-	141	-	-	-	-	-
Banco de Crédito y Securitización	Reimbursement of expenses	-	-	-	35	-	-	-	-	-
		-	-	-	235	-	-	-	-	-

	Leases and/or rights of use									
Total Associates	-	-	-	6,274	(228 )	(2,082 )	(32,780 )	(17,221 )	22,150	

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Cresud Sociedad Anónima,  
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Notes to the Unaudited Condensed Interim Consolidated Financial Statements (Continued)  
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## 35. Related party transactions (Continued)

Related party	Description of transaction	Investments		Trade and other receivables	Trade and other payables	Trade and other payables	Borrowings	Borrowings	Derivative financial instruments
		in Financial Assets Non-current	in Financial Assets Current						
<b>Joint Ventures</b>									
Cresca S.A.	Management fee	-	-	-	2,097	-	-	-	-
	Reimbursement of expenses	-	-	-	97	-	(190 )	-	-
	Loans granted	-	-	51,364	-	-	-	-	-
	Financial operations	-	-	10,364	-	-	-	-	-
<b>Puerto Retiro S.A.</b>									
	Contributions to be paid in	-	-	-	101	-	-	-	-
	Reimbursement of expenses	-	-	-	196	-	-	-	-
	Financial operations	-	-	-	4,372	-	-	-	-
<b>Nuevo Puerto Santa Fe S.A.</b>									
	Reimbursement of expenses	-	-	-	495	-	-	-	(62 ) -
	Leases and/or rights to use	-	-	-	6	-	(292 )	-	-
	Management fee	-	-	-	1,399	-	-	-	-
<b>Quality Invest S.A.</b>									
	Management fee	-	-	-	68	-	(45 )	-	-
	Reimbursement of expenses	-	-	-	86	-	-	-	-
<b>Baicom Networks S.A.</b>									
	Management fee	-	-	-	8	-	-	-	-
	Financial operations	-	-	1,074	-	-	-	-	-

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	Contributions to be paid in	-	-	-	135	-	-	-	-	-
	Reimbursement of expenses	-	-	-	17	-	-	-	-	-
Cyrsa S.A.	Financial operations	-	-	-	-	-	-	(114,457 )	-	-
	Reimbursement of expenses	-	-	2	111	-	-	-	-	-
Boulevard Norte S.A.	Reimbursement of expenses	-	-	-	98	-	-	-	-	-
Total Joint Ventures		-	-	62,804	9,286	-	(527 )	(114,457 )	(62 )	-

Cresud Sociedad Anónima,  
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Notes to the Unaudited Condensed Interim Consolidated Financial Statements (Continued)  
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## 35. Related party transactions (Continued)

Related party	Description of transaction	Investments	Investments	Trade	Trade	Trade	Trade	Borrowings	Borrowings	Derivative financial instruments
		in Financial Assets	in Financial Assets	and receivables	and receivables	and payables	and payables			
		Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	
Other related parties										
Consultores										
Asset Management S.A. (CAMSA)	Advances to be recovered	-	-	-	1,466	-	-	-	-	-
	Reimbursement of expenses	-	-	-	3,590	-	(41)	-	-	-
Estudio Zang, Bergel & Viñes	Sale of goods and/or services	-	-	-	50	-	-	-	-	-
	Legal services	-	-	-	10	-	(710)	-	-	-
Fundación IRSA	Reimbursement of expenses	-	-	-	59	-	-	-	-	-
Inversiones Financieras del Sur S.A.	operations	-	-	-	43,163	-	(4)	-	-	-
	Dividends payable	-	-	-	-	-	(43,464)	-	-	-
	Reimbursement of expenses	-	-	-	8	-	-	-	-	-
Museo de los Niños	Reimbursement of expenses	-	-	-	57	-	(5)	-	-	-
	Leases and/or rights to use	-	-	-	697	-	(3)	-	-	-
	Reimbursement of expenses	-	-	-	9	-	(3)	-	-	-
Austral Gold Cactus Argentina S.A.	Reimbursement of expenses	-	-	-	92	-	-	-	-	-
IRSA Real Estate Strategies LP	Capital contribution	-	-	-	-	-	(7)	-	-	-
		-	-	-	-	-	(4)	-	-	-

IRSA Developments LP	Capital contribution									
Elsztain Managing Partners	Management fee	-	-	-	-	-	(25 )	-	-	-
Dolphin Fund PLC	Capital contributions	698,264	-	-	-	-	-	-	-	-
	Reimbursement of expenses	-	-	-	133	-	-	-	-	-
Total Other related parties		698,264	-	-	49,334	-	(44,266)	-	-	-
Directors and Senior Management										
Directors and Senior Management	Management fee	-	-	-	302	-	(26,145)	-	-	-
	Guarantee deposits	-	-	-	-	(20 )	-	-	-	-
	Reimbursement of expenses	-	-	-	91	-	(76 )	-	-	-
Total Directors and Senior Management		-	-	-	393	(20 )	(26,221)			
Total		698,264	-	62,804	65,287	(248 )	(73,096)	(147,237)	(17,283)	22,150

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Notes to the Unaudited Condensed Interim Consolidated Financial Statements (Continued)  
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## 35. Related party transactions (Continued)

The following is a summary of the balances with related parties as of June 30, 2013:

Related party	Description of transaction	Investments	Investments	Trade	Trade	Trade	Trade	Borrowings	Borrowings
		in Financial Assets Non-current	in Financial Assets Current	and other receivables Non-current	and other receivables Current	and other payables Non-current	and other payables Current		
<b>Associates</b>									
Tarshop S.A.	Reimbursement of expenses	-	-	-	1,759	-	(1 )	-	-
	Management fee	-	-	-	226	-	-	-	-
New Lipstick LLC	Reimbursement of expenses	-	-	-	1,525	-	-	-	-
IRSA Developments LP	Reimbursement of expenses	-	-	-	32	-	(5 )	-	-
Lipstick Management LLC	Reimbursement of expenses	-	-	-	507	-	-	-	-
Agro-Uranga S.A.	Dividends receivable	-	-	-	1,471	-	-	-	-
	Sale of goods and/or services	-	-	-	708	-	(364 )	-	-
Agro Managers S.A.	Reimbursement of expenses	-	-	-	113	-	-	-	-
Banco Hipotecario S.A.	Reimbursement of expenses	-	-	-	298	-	(372 )	-	-
	Borrowings	-	-	-	-	-	-	(35,557 )	(9,738 )
	Non-convertible notes	-	5,135	-	-	-	-	-	-
	Mortgage bonds	-	540	-	-	-	-	-	-
	Leases and/or rights to use	-	-	-	11	-	-	-	-
Manibil S.A.	Other liabilities	-	-	-	-	-	(781 )	-	-
<b>Total Associates</b>		-	5,675	-	6,650	-	(1,523 )	(35,557 )	(9,738 )





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Notes to the Unaudited Condensed Interim Consolidated Financial Statements (Continued)  
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## 35. Related party transactions (Continued)

Related party	Description of transaction	Investments		Trade and other		Trade and other		Borrowings	
		in Financial Assets Non-current	in Financial Assets Current	receivables Non-current	receivables Current	payables Non-current	payables Current	Non-current	Current
Joint Ventures									
Cresca S.A.	Management fee	-	-	-	1,693	-	-	-	-
	Reimbursement of expenses	-	-	-	49	-	(157 )	-	-
	Financial operations	-	-	41,746	-	-	-	-	-
Puerto Retiro S.A.	Contributions to be paid in	-	-	-	101	-	-	-	-
	Reimbursement of expenses	-	-	-	180	-	-	-	-
	Financial operations	-	-	-	3,916	-	-	-	-
Nuevo Puerto Santa Fe S.A.	Reimbursement of expenses	-	-	-	275	-	(142 )	-	-
	Leases and/or rights to use	-	-	-	11	-	(261 )	-	-
	Management fee	-	-	-	629	-	-	-	-
Baicom Networks S.A.	Management fee	-	-	1,007	1	-	-	-	-
	Reimbursement of expenses	-	-	-	18	-	(2 )	-	-
Quality Invest S.A.	Management fee	-	-	-	46	-	(45 )	-	-
	Reimbursement of expenses	-	-	-	77	-	-	-	-
	Financial operations	-	-	-	500	-	-	-	-
Cyrsa S.A.		-	-	-	-	-	-	(98,327)	-

	Financial operations								
	Reimbursement of expenses	-	-	-	6,039	-	(254 )	-	-
Boulevard Norte S.A.	Reimbursement of expenses	-	-	-	29	-	-	-	-
Total Joint Ventures		-	-	42,753	13,564	-	(861 )	(98,327)	-

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Notes to the Unaudited Condensed Interim Consolidated Financial Statements (Continued)  
(All amounts in thousands of Argentine Pesos, except shares and per share data and as otherwise indicated)  
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## 35. Related party transactions (Continued)

Related party	Description of transaction	Investments	Investments	Trade	Trade	Trade and	Trade and	Borrowings	Borrowings
		in Financial Assets	in Financial Assets	receivables and other Non-current	receivables and other Current	and other payables Non-current	and other payables Current	Non-current	Current
Other related parties									
Consultores									
Asset Management S.A. (CAMSA)	Management fee	-	-	-	9,342	-	-	-	-
	Reimbursement of expenses	-	-	-	2,659	-	(43 )	-	-
Estudio Zang, Bergel & Viñes	Sale of goods and/or services	-	-	-	60	-	-	-	-
	Legal services	-	-	-	22	-	(1,432 )	-	-
Fundación IRSA	Reimbursement of expenses	-	-	-	51	-	(2 )	-	-
Inversiones Financieras del Sur S.A.	Financial operations	-	-	-	34,669	-	-	-	-
	Reimbursement of expenses	-	-	-	268	-	(3 )	-	-
Museo de los Niños	Reimbursement of expenses	-	-	-	133	-	(11 )	-	-
	Leases and/or rights of use	-	-	-	928	-	(3 )	-	-
Elsztain Managing Partners Master	Reimbursement of expenses	-	-	-	-	-	(61 )	-	-
Elsztain Managing Partners Ltd.	Reimbursement of Capital	-	-	-	-	-	(105,326 )	-	-
Decater	Reimbursement of Capital	-	-	-	-	-	(6,661 )	-	-
Dolphin Fund PLC	Subscription	17,249	-	-	-	-	-	-	-

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	Reimbursement of expenses	-	-	-	133	-	-	-	-
Total Other related parties		17,249	-	-	48,265	-	(113,542)	-	-
Directors and Senior Management									
Directors and Senior Management	Management fee	-	-	-	7,599	-	(11,754 )	-	-
	Advances	-	-	-	1,204	-	(1,746 )	-	-
	Guarantee deposits	-	-	-	-	(20 )	-	-	-
	Reimbursement of expenses	-	-	-	83	-	(98 )	-	-
Total Directors and Senior Management		-	-	-	8,886	(20 )	(13,598 )	-	-
Total		17,249	5,675	42,753	77,365	(20 )	(129,524)	(133,884 )	(9,738 )

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35. Related party transactions (Continued)

The following is a summary of the transactions with related parties for the six-month period ended as of December 31, 2013:

Related party	Leases and/or rights to use	Management fee	Sale of goods and/or services	Compensation of Directors and senior management	Legal services	Financial operations	Donations
<b>Associates</b>							
Agro-Uranga S.A.	-	-	2,729	-	-	-	-
Tarshop S.A.	3,777	(239 )	-	-	-	-	-
<b>Banco Crédito y Securitización S.A.</b>							
	178	-	-	-	-	-	-
<b>Banco Hipotecario S.A.</b>							
	262	-	-	-	-	22,358	-
<b>Total Associates</b>	<b>4,217</b>	<b>(239 )</b>	<b>2,729</b>	<b>-</b>	<b>-</b>	<b>22,358</b>	<b>-</b>
<b>Joint Ventures</b>							
Cyrsa S.A.	-	-	-	-	-	(8,628 )	-
Cresca S.A.	-	46	-	-	-	2,216	-
<b>Baicom Networks S.A.</b>							
	-	6	-	-	-	59	-
<b>Nuevo Puerto Santa Fe S.A.</b>							
	(230 )	986	-	-	-	-	-
Puerto Retiro S.A.	-	-	-	-	-	456	-
<b>Quality Invest S.A.</b>							
	-	108	-	-	-	-	-
<b>Canteras Natal Crespo S.A.</b>							
	-	-	-	-	-	-	-
<b>Total Joint Ventures</b>	<b>(230 )</b>	<b>1,146</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,897 )</b>	<b>-</b>
<b>Other related parties</b>							
<b>Inversiones Financieras del Sur S.A.</b>							
	-	-	-	-	-	9,139	-
Fundación IRSA	-	-	-	-	-	-	(1,450 )
<b>Estudio Zang, Bergel &amp; Viñes</b>							
	-	-	-	-	(1,522 )	-	-
<b>Dolphin Fund PLC (i)</b>							
	-	-	-	-	-	286	-

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Hamonet S.A.	(171 )	-	-	-	-	-	-
Isaac Elzstain e							
Hijos S.C.A.	(327 )	-	-	-	-	-	-
Total Other related parties	(498 )	-	-	-	(1,522 )	9,425	(1,450 )
Directors and Senior Management							
Directors and Senior Management	-	(24,856 )	-	(31,319 )	-	-	-
Total Directors and Senior Management	-	(24,856 )	-	(31,319 )	-	-	-
Total	3,489	(23,949 )	2,729	(31,319 )	(1,522 )	25,886	(1,450 )

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Notes to the Unaudited Condensed Interim Consolidated Financial Statements (Continued)  
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## 35. Related party transactions (Continued)

The following is a summary of the transactions with related parties for the six-month period ended as of December 31, 2012:

Related party	Leases and/or rights to use	Management fee	Sale of goods and/or services	Corporate services	Financial operations	Legal services	Donations	Compensation of Directors and senior management
<b>Associates</b>								
Agro-Uranga S.A.	-	-	2,652	-	-	-	-	-
Tarshop S.A.	2,730	-	-	153	(189 )	-	-	-
<b>Total Associates</b>	<b>2,730</b>	<b>-</b>	<b>2,652</b>	<b>153</b>	<b>(189 )</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Joint Ventures</b>								
Cyrsa S.A.	-	-	-	-	(2,792 )	-	-	-
Cresca S.A.	-	631	-	-	2,201	-	-	-
<b>Baicom Networks S.A.</b>								
S.A.	-	6	-	-	47	-	-	-
<b>Nuevo Puerto Santa Fe S.A.</b>								
S.A.	-	705	-	-	-	-	-	-
Puerto Retiro S.A.	-	-	-	-	189	-	-	-
Quality Invest S.A.	-	108	-	-	10	-	-	-
<b>Canteras Natal Crespo S.A.</b>								
S.A.	-	-	-	48	5	-	-	-
<b>Total Joint Ventures</b>	<b>-</b>	<b>1,450</b>	<b>-</b>	<b>48</b>	<b>(340 )</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other related parties</b>								
Fundación IRSA	-	-	-	-	-	-	(1,420 )	-
Estudio Zang, Bergel & Viñes	(360 )	-	-	-	-	(7,169 )	-	-
<b>Consultores Asset Management S.A. (CAMSA)</b>								
S.A.	80	(6,751 )	-	-	-	-	-	-
<b>Inversiones Financieras del Sur S.A.</b>								
S.A.	-	-	-	-	1,768	-	-	-
<b>Total Other related parties</b>	<b>(280 )</b>	<b>(6,751 )</b>	<b>-</b>	<b>-</b>	<b>1,768</b>	<b>(7,169 )</b>	<b>(1,420 )</b>	<b>-</b>
<b>Directors and Senior Management</b>								
Directors and Senior Management	-	-	-	-	-	-	-	(42,439 )
	-	-	-	-	-	-	-	(42,439 )



Total Directors and  
Senior Management

Total	2,450	(5,301 )	2,652	201	1,239	(7,169 )	(1,420 )	(42,439 )
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Cresud Sociedad Anónima,  
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36. Negative working capital

At the end of the year, the Company carried a working capital deficit of Ps. 68,559 whose treatment is being considered by the respective Management.

37. CNV General Resolution No. 622

As required by Section 1°, Chapter III, Title IV of CNV General Resolution No. 622, below there is a detail of the notes to the Unaudited Condensed Interim Consolidated Financial Statements that disclosure the information required by the Resolution in Exhibits.

Exhibit A - Property, plant and equipment	Note 10 - Investment properties
	Note 11 - Property, plant and equipment
Exhibit B - Intangible assets	Note 13 - Intangible assets
Exhibit C - Equity investments	Note 38 - Investments in associates and joint ventures
Exhibit D - Other investments	Note 16 - Financial instruments by category
	Note 17 - Restricted assets
Exhibit E - Provisions	Note 18 - Trade and other receivables
	Note 24 - Provisions
Exhibit F - Cost of sale and services	Note 39 - Cost of sales and services provided
Exhibit G - Foreign currency assets and liabilities	Note 40 - Foreign currency assets and liabilities
Exhibit H - Information submitted in compliance with Section 64, subsection B of Law 19,550	Note 30 - Expenses by nature

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

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38. Investments in associates and joint ventures

			Issuer's information						
Issuer and type of securities	Class	Amount	Value	Value	Market	Main	Place of business / country of incorporation	Last financial statements Common stock (nominal value)	Income (loss) for the period
			recorded as of 12.31.13	recorded as of 06.30.13	value as of 12.31.13				
Associates									
Avenida Inc.	Shares	3,703,704	9,161	-	Not publicly traded	Investment	United States	2,000	499
	Higher value		4,595	-					
			13,756	-					
Avenida Compras	Shares	23,077	(9 )	-	Not publicly traded	E-commerce	Argentina	1,100	(470)
	Goodwill		18	-					
			9	-					
Agromanagers S.A.	Shares	981,029	1,578	1,569	Not publicly traded	Investment	Argentina	2,094	20
	Higher value		796	796					
			2,374	2,365					
Agro-Uranga S.A.	Shares	893,069	16,360	17,679	Not publicly traded	Agricultural	Argentina	2,500	6,708
	Higher value		11,179	11,179					
			27,539	28,858					

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Banco de Crédito y Securitización S.A.	Shares	3,984,375	11,773	9,901	Not publicly traded	Financing	Argentina	62,500	39,327
			11,773	9,901					
Banco Hipotecario S.A.	Shares	446,515,208	1,115,216	1,036,669	1.78	Financing	Argentina	1,500,000	420,950
	Higher value		(5,298 )	(5,239 )					
			1,109,918	1,031,430					
Bitania 26 S.A.	Shares		11,604	11,069	Not publicly traded	Real State	Argentina	20,000	1,091
	Goodwill	4,724,203	1,736	1,736					
	Higher value		8,309	8,535					
			21,649	21,340					
Lipstick Management LLC	Shares	N/A	1,208	799	Not publicly traded	Management company	United States	N/A	446
			1,208	799					

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Notes to the Consolidated Financial Statements (Continued)

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

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## 38. Investments in associates and joint ventures (Continued)

Issuer and type of securities	Class	Amount	Value		Market value as of 12.31.13	Issuer's information		Last financial statement		
			recorded as of 12.31.13	recorded as of 06.30.13		Main activity	Place of business / country of incorporation	Common stock (nominal value)	Income (loss) for the period	Sh eq
Manibil S.A.	Shares	30,397,880	33,604	26,250	Not publicly traded	Real State	Argentina	62,037	3,455	6
	Irrevocable contribution	-	6,500							
	Goodwill	10	10							
		33,614	32,760							
New Lipstick LLC	Shares	N/A	(102,543 )	(39,091 )	Not publicly traded	Real State	United States	N/A	(98,459 )	(3
			(102,543 )	(39,091 )						
Tarshop S.A.	Shares	133,796,440	37,965	39,140	Not publicly traded	Consumer financing	Argentina	133,796	(13,761 )	1
	Higher value	(5,082 )	(3,925 )							
		32,883	35,215							
Total Associates			1,152,180	1,123,577						
Joint Ventures										
Baicom Networks S.A.	Shares	4,701,455	3,218	3,035	Not publicly traded	Real State	Argentina	9,403	(414 )	6
			-	390						

Irrevocable contribution									
Higher value			276	276					
			3,494	3,701					

Cresca S.A.	Shares	N/A	21,950	21,644	Not publicly traded	Agricultural	Paraguay	67,979	(12,739)	1
	Irrevocable contribution		38,269	-						
			60,219	21,644						

Cyrsa S.A.	Shares	119,608,531	137,847	129,627	Not publicly traded	Real State	Argentina	239,217	16,441	2
	Higher value		2,753	2,753						
			140,600	132,380						

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## 38. Investments in associates and joint ventures (Continued)

Issuer and type of securities	Class	Amount	Issuer's information						
			Value recorded as of 12.31.13	Value recorded as of 06.30.13	Market value as of 12.31.13	Main activity	Place of business / country of incorporation	Last financial statement Common stock (nominal value)	Income (loss) for the period
Entertainment Holdings S.A.	Shares	22,395,574	22,783	12,709	Not publicly traded	Investment	Argentina	44,791	(5,786)
	Irrevocable contribution		721	-					
	Goodwill		(23,192)	24					
	Higher value		26,647	10,652					
			26,959	23,385					
Entretenimiento Universal S.A.	Shares	300	(23 )	-	Not publicly traded	Event organization and others	Argentina	12	61
			(23 )	-					
Nuevo Puerto Santa Fé S.A.	Shares	277,500	18,549	16,504	Not publicly traded	Commercial real state	Argentina	27,750	4,091
	Goodwill		4,068	4,155					
	Higher value		1,323	1,323					
			23,940	21,982					
Puerto Retiro S.A.	Shares	23,067,250	14,848	15,696	Not publicly traded	Real State	Argentina	46,135	(1,696)
	Higher value		41,160	41,160					
			56,008	56,856					
Quality Invest S.A.	Shares		62,505	63,210	Not publicly	Real State	Argentina	139,628,684	(1,410)

traded

Irrevocable contribution	500	
Goodwill	3,911	3,911
Higher value	(2,882 )	(2,875 )
	64,034	64,246
Total Joint Ventures	375,231	324,194
Total investments in associates and joint ventures as of 12.31.13	(*1,527,411	-
Total investments in associates and joint ventures as of 06.30.13	-	(*1,447,771

(\*Include a balance of Ps. (102,566) and Ps. (39,091) reflecting interests in companies with negative equity as of December 31, 2013 and June 30, 2013, respectively, which is reclassified to "Provisions" (see Note 24).



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39. Cost of sales and services provided

Description	Agricultural business				Services and other operating costs	Real Estate Business			Subtotal Real State business	Total as of 12.31.13
	Biological assets	Inventories	Agricultural services	Subtotal Agricultural business		Trading properties	Hotels	Others		
Inventories as of 06.30.13	231,020	236,056	-	467,076	-	194,242	5,962	-	200,204	(i) 667,280 (
Initial recognition and changes in fair value of biological assets and agricultural produce at the point of harvest	26,894	22,416	-	49,310	-	-	-	-	-	49,310
Changes in net realizable value of agricultural produce after harvest	-	(9,217 )	-	(9,217 )	-	-	-	-	-	(9,217 )
Decrease due to harvest	-	186,017	-	186,017	-	-	-	-	-	186,017
Acquisitions and classifications	24,987	614,729	-	639,716	-	-	-	-	-	639,716
Consume	(279 )	(241,925)	-	(242,204)	-	-	-	-	-	(242,204 )
Additions	-	-	-	-	-	2,850	956	-	3,806	3,806
Disposals	-	-	-	-	-	(4,104 )	-	-	(4,104 )	(4,104 )
Expenses incurred	-	26,732	25,301	52,033	532,928	8,003	105,437	171	646,539	698,572
Currency translation	-	8,689	-	8,689	-	11,509	-	-	11,509	20,198

adjustments										
Other costs	-	-	-	-	-	-	-	-	-	-
Inventories as of 12.31.13	(227,611)	(261,046)	-	(488,657)	-	(204,389)	(6,918 )	-	(211,307)	(699,964 )
Costs as of 12.31.13	55,011	582,451	25,301	662,763	532,928	8,111	105,437	171	646,647	1,309,410
Costs as of 12.31.12	31,481	431,324	17,992	480,797	447,137	7,477	84,553	477	539,644	-

(i) Includes Ps. (10,359) and Ps. (10,867) corresponding to materials and inputs of IRSA as of December 31 and June 30, 2013, respectively.

(ii) Includes Ps. (12,198) and Ps. (10,155) corresponding to materials and inputs of IRSA and FyO as of December 31 and June 30, 2013, respectively.

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40. Foreign currency assets and liabilities

Book amounts of foreign currency assets and liabilities are as follows:

Items (3)	Amount of foreign currency (2)	Prevailing exchange rate (1)	Total as of 12.31.13	Amount of foreign currency (2)	Prevailing exchange rate (1)	Total as of 06.30.13
<b>Assets</b>						
<b>Restricted assets</b>						
US Dollar	6,162	6.481	39,937	3,124	5.348	16,706
<b>Total restricted assets</b>			<b>39,937</b>			<b>16,706</b>
<b>Trade and other receivables</b>						
Uruguayan Peso	13,271	0.302	4,011	355	0.262	93
US Dollar	24,075	6.481	156,032	90,639	5.348	484,735
Euros	4	8.940	35	2	6.949	17
Swiss francs	55	7.302	400	77	5.660	437
<b>Total trade and other receivables</b>			<b>160,478</b>			<b>485,282</b>
<b>Investment in financial assets</b>						
US Dollar	134,827	6.481	873,814	39,209	5.348	209,692
Argentine Peso			-	90	1.000	90
<b>Total Investment in financial assets</b>			<b>873,814</b>			<b>209,782</b>
<b>Derivative financial instruments</b>						
US Dollar	1,341	6.481	8,694	3,169	5.348	16,949
<b>Total Derivative financial instruments</b>			<b>8,694</b>			<b>16,949</b>
<b>Cash and cash equivalents</b>						
Uruguayan Peso	53	0.302	16	309	0.262	81
US Dollar	23,396	6.481	151,627	108,401	5.348	579,731
Euros	110	8.940	980	107	6.949	745
Pounds	2	10.700	25	3	8.080	22
Yenes	65	0.062	4	74	0.054	4
Brazilian Reais	9	2.650	24	5	2.370	12
<b>Total Cash and cash equivalents</b>			<b>152,676</b>			<b>580,595</b>



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40. Foreign currency assets and liabilities (Continued)

Item (3)	Amount of foreign currency (2)	Prevailing exchange rate (1)	Total as of 12.31.13	Total as of 06.30.13	Prevailing exchange rate (1)	Amount of foreign currency (2)
<b>Liabilities</b>						
Trade and other payables						
Uruguayan Peso	294	0.303	89	38	0.262	10
US Dollar	13,358	6.521	87,106	34,121	5.388	183,845
Euros	1					