

CRESUD INC
Form 6-K
May 21, 2003

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

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

For the month of May 2003

Cresud S.A.C.I.F. and A

(Exact name of Registrant as specified in its charter)

Republic of Argentina

(Jurisdiction of incorporation or organization)

Hipolito Yrigiyen 440, 3rd Floor, (1001)

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 into English of the Quarterly Financial Statements for the period ended on March 31, 2003 filed with the *Bolsa de Comercio de Buenos Aires* and with the *Comisión Nacional de Valores*

SIGNATURES

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

CRESUD S.A.C.I.F. AND A

By: /s/ SAÚL ZANG

Name: **Saúl Zang**
Title: **Second Vice
Chairman of the
Board of Directors**

Dated: May 19, 2003

Cresud Sociedad Anónima
Comercial, Inmobiliaria, Financiera
y Agropecuaria

Financial Statements

as at March 31, 2003 and 2002

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

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Unaudited Business Highlights

Limited Review Report

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

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

Principal Activity: Agriculture and livestock and real-estate

Financial statements for the period ended March 31, 2003
 presented in comparative form with the same period ended March 31, 2002
 Financial year N° 68 started on July 1, 2002

DATES OF REGISTRATION AT THE PUBLIC REGISTRY OF COMMERCE

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

Information on controlled companies in Note 3.f.1

CAPITAL STATUS (Note 4)

SHARES

<u>Type of stock</u>	<u>Authorized</u> Pesos	<u>Subscribed</u> pesos	<u>Paid-in</u> pesos
Ordinary certified shares of \$1 face value and 1 vote each	124,646,902	124,646,902	124,646,902

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Unaudited Consolidated Balance Sheet at March 31, 2003 and 2002

	March 31, 2003	March 31, 2002		March 31, 2003	March 31, 2002
	(Notes 1, 2, 3 and 4)	(Notes 1, 2, 3 and 4)		(Notes 1, 2, 3 and 4)	(Notes 1, 2, 3 and 4)
	Pesos	Pesos		Pesos	Pesos
ASSETS			LIABILITIES		
Current Assets			Current Liabilities		
Cash and banks (Note 5.a.)	6.338.347	2.566.596	Trade accounts payable (Note 5.f.)	12.930.771	15.066.430
Accounts receivable (Note 5.c.)	30.317.596	797.529	Bank loans (Note 5.g.)	7.709.335	27.283.125
Accounts receivable and prepaid expenses (Note 5.d.)	11.671.649	28.138.993	Salaries and social security payable (Note 5.h.)	388.704	433.125
Inventory (Note 5.e.)	3.992.270	11.683.127	Taxes payable (Note 5.i.)	1.133.048	953.125
Other current assets (Note 5.e.)	31.883.750	31.545.173	Other (Note 5.j.)	9.547.921	12,500.000
Current assets	84.203.612	74.731.418	Total current liabilities	31.709.779	56,243.805
Non-current assets			Non-current liabilities		
Accounts receivable and prepaid expenses (Note 5.d.)	703.227	2.416.746	Bank loans (Note 5.g.)	148.451.430	148.451.430
Inventory (Note 5.e.)	38.384.887	37.824.822	Taxes payable (Note 5.i.)	1.993	1.993
Accounts receivable (Note 5.b.)	334.160.693	127.906.442	Other (Note 5.j.)	19.084.903	12.453.125
Other assets, net (Schedule A)	127.419.824	159.958.580	Total non-current liabilities	167.538.326	12,453,125
Other assets (Schedule B)	3.572.027	3.103.305	Subtotal	199.248.105	68.700.000
Non-current assets	504.240.658	331.209.895	Minority interest	254.380	273.125
Assets	588.444.270	405.941.313	SHAREHOLDERS' EQUITY	388.941.785	336.953.125
			Total Liabilities and Shareholders' Equity	588.444.270	405.941.313

The accompanying notes are an integral part of these complementary information

Cresud Sociedad Anónima**Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries****Unaudited Consolidated Statement of Income**

For the periods ended March 31, 2003 and 2002

	March 31, 2003 (Notes 1, 2, 3 and 4) Pesos	March 31, 2002 (Notes 1, 2, 3 and 4) Pesos
Sales		
Crops	37.905.971	31.607.482
Beef cattle	11.414.198	20.130.678
Milk	1.657.986	1.846.740
Others	563.042	1.666.098
	<u>51.541.197</u>	<u>55.250.998</u>
Less: Gross sales tax	(437.755)	(374.610)
Total Net Sales	<u>51.103.442</u>	<u>54.876.388</u>
Cost of sales (Schedule F)		
Crops	(30.507.177)	(18.433.727)
Beef cattle	(3.132.233)	(14.498.856)
Milk	(1.051.444)	(2.457.282)
Others	(953.137)	(1.744.877)
Total cost of sales	<u>(35.643.991)</u>	<u>(37.134.742)</u>
Gross income	<u>15.459.451</u>	<u>17.741.646</u>
Selling expenses (Schedule H)	(2.836.271)	(6.388.449)
Administrative expenses (Schedule H)	(2.848.558)	(5.116.669)
Gain from fixed assets sales	8.234	4.413.183
Gain (loss) from inventory holdings (Schedule F)	12.629.645	(11.485.966)
Operating income (loss)	<u>22.412.501</u>	<u>(836.255)</u>
Financial results (Note 5.k.)		
Financial loss generated by assets	(45.000.923)	(44.813.617)
Financial gain (loss) generated by liabilities	27.950.843	(1.978.842)
Other expenses, net:		
Donations	(2.199.288)	
Others	(206.221)	(349.059)
Gain (loss) from related companies	50.190.298	(79.047)
Management fees	(4.887.308)	

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Income (loss) before income tax	48,259,902	(48,056,820)
Income tax expense	(4,450,506)	(1,386,034)
Minority interest	176,376	255,489
	<hr/>	<hr/>
Net Income (loss) for the period	43,985,772	(49,187,365)
	<hr/>	<hr/>

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

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Increase in intangible assets	(1,724,712)	
Net funds provided by (applied to) financing activities	165,732,435	(7,600,860)
Net decrease in funds	(12,121,298)	(1,664,102)
Funds at beginning of the period	44,336,453	4,235,283
Funds at the end of the period	32,215,155	2,571,181

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

Notes to the Unaudited Consolidated Financial Statements

For the periods ended March 31, 2003 and 2002

NOTE 1: ARGENTINE ECONOMIC CONTEXT

Argentina's current economic situation is highly sensitive, its main indicators being high levels of external indebtedness, a financial system in critical conditions, sovereign risk at unprecedented high levels and an economic recession that has been going on for over 5 years. This situation has brought about a major fall in the demand for goods and services, a significant increase in unemployment and a deterioration in the Argentine Government's ability to honor its commitments: at the end of fiscal 2001, Argentina announced that it would default on the services of the public debt. In late April 2003 presidential elections were held, and the new government will be inaugurated in late May 2003.

In response to the economic crisis, in December 2001, the Government restricted the free availability and circulation of cash as well as remittances abroad. Starting January 2002, laws were enacted, decrees issued and regulations imposed that dramatically changed the economic model in force until that time. These changes included the flotation of the exchange rate, which led to a significant devaluation of the Argentine Peso in the first months of fiscal 2002, the re-denomination into Pesos of certain assets and liabilities denominated in foreign currency and held in Argentina and the resulting increase in domestic prices.

Impact on the Company's economic situation

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

The evolution of the economic crisis may require the Government to modify some of the measures already taken or to issue additional regulations. Therefore, the Company's financial statements must be read in the light of these circumstances.

NOTE 2: BASIS OF PRESENTATION

As a consequence of the application of General Resolution No. 368/2001 of the Argentine Securities and Exchange Commission, which requires that the Consolidated Financial Statements be presented as established by Technical Pronouncement No. 4 of the Argentine Federation of Professional Councils in Economic Sciences, the Balance Sheet as of March 31, 2003 and 2002 and the Income Statements and the Statements of Cash Flows for the fiscal periods then ended were consolidated on a line by line basis with the financial statements of such companies in which it holds a majority of the voting shares.

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The Financial Statements of the Subsidiary Companies Inversiones Ganaderas S.A. and Futuros y Opciones.Com S.A. as of March 31, 2003 and 2002 have been used to determine the proportional equity value and carry out the consolidation. For purposes of comparability, reclassifications have been made on the information at March 31, 2002 to show it on a basis consistent with that for the current period.

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

Cresud Sociedad Anónima Comercial,
Inmobiliaria, Financiera y Agropecuaria and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 3: CORPORATE CONTROL

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

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

NOTE 4: SIGNIFICANT ACCOUNTING POLICIES

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

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

Intangible Assets - Development expenditures

This line corresponds to website organization and development expenses incurred through March 31, 2001. These expenses are amortized by the straight-line method over thirty nine months as from April 1, 2001, and have been restated into period-end currency.

Cresud Sociedad Anónima Comercial,
Inmobiliaria, Financiera y Agropecuaria and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements (Continued)

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

	March 31,	
	2003	2002
	Pesos	Pesos
Cash	104.972	196.533
Foreign currency (Schedule G)	170.847	9.786
Patacones currency	430	3.406
Lecop currency	235	6.440
Local currency checking account	2.686.641	1.525.540
Patacones currency checking account	28.862	29.681
Lecop currency checking account	38.380	259.735
Foreign currency checking account (Schedule G)	3.124.664	18.166
Local currency saving account	16.495	47.507
Checks to be deposited	166.821	449.546
Patacones checks to be deposited		20.256
	6.338.347	2.566.596

b. Investments

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Schedule C	30.317.596	797.529
	30.317.596	797.529
Non-Current		

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Schedule C	<u>334.160.693</u>	<u>127.906.442</u>
	<u>334.160.693</u>	<u>127.906.442</u>

Cresud Sociedad Anónima Comercial,
Inmobiliaria, Financiera y Agropecuaria and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 5: (Continued)**c. Trade accounts receivable**

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Accounts receivable in local currency	3.259.392	16.583.188
Accounts receivable in foreign currency (Schedule G)	9.034.498	12.738.626
Subsidiaries and related companies Law 19,550 Article 33:		
Cactus Argentina S.A.	13.269	8.270
IRSA Inversiones y Representaciones Sociedad Anónima		126.464
Less:		
Provision for defaulting debtors	(635.510)	(1.317.555)
	11.671.649	28.138.993

d. Other receivables and prepaid expenses

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Secured by mortgage and under legal proceedings (Schedule G)	514.250	3.094.696
Tax on Minimum Hypothetical Income	127.560	2.947.062
Guarantee deposits (Schedule G)	517.398	2.743.552
Tax credits	267.180	653.539
Surety bonds received	470.709	624.464
Prepaid expenses	344.868	334.639
Prepaid leases	63.580	371.426
Advances to suppliers		5.629

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Other (Schedule G)	353.409	552.332
Subsidiaries and related companies Law 19,550 Article 33:		
Cactus Argentina S.A.	1.333.318	355.788
	<u>3.992.272</u>	<u>11.683.127</u>
Non-current		
Secured by mortgage	501.834	1.843.248
Prepaid leases	176.447	176.457
Tax on Minimum Hypothetical Income	24.946	238.245
Other (Schedule G)		158.796
	<u>703.227</u>	<u>2.416.746</u>

Cresud Sociedad Anónima Comercial,
Inmobiliaria, Financiera y Agropecuaria and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 5: (Continued)**e. Inventories**

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Livestock	15.671.028	8.503.998
Crops	4.545.133	4.565.557
Unharvested crops	6.769.137	12.575.101
Seeds and fodder	1.935.787	1.208.515
Materials and others	1.647.443	3.258.561
Advances to suppliers	1.315.222	1.433.441
	31.883.750	31.545.173
Non-Current		
Livestock	38.384.887	37.824.822
	38.384.887	37.824.822

f. Trade accounts payable

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Suppliers in local currency	3.561.527	6.948.814
Suppliers in foreign currency (Schedule G)	9.222.930	7.068.534

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Subsidiaries and related companies Law 19,550 Article 33:

Cactus Argentina S.A.	146.314	147.905
IRSA Inversiones y Representaciones Sociedad Anónima		91.520
Notes (Schedule G)		806.534
	<u>12.930.771</u>	<u>15.063.307</u>

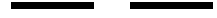
Cresud Sociedad Anónima Comercial,
Inmobiliaria, Financiera y Agropecuaria and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 5: (Continued)**g. Loans**

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Local financial loans	3.189.814	25.306.911
Foreign financial loans (Schedule G)		1.981.576
Convertible Bonds 2007 Interest payable (Schedule G)	4.519.521	
	7.709.335	27.288.487
Non Current		
Convertible Bonds 2007 (Schedule G)	148.451.430	
	148.451.430	

h. Salaries and social security payable

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Salaries payable	285.561	190.114
Social security administration	87.994	52.010
Health care scheme	5.051	164.538
Other	10.098	24.003
	388.704	430.665



Cresud Sociedad Anónima Comercial,
Inmobiliaria, Financiera y Agropecuaria and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements (Continued)

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

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Accrual for income tax	4,183.853	
Advances to Income tax	(2,951.103)	
Tax on Minimum Hypothetical Income	2.284	2.012
Value added tax	(219.336)	621.309
Property tax payable	161.978	290.431
Taxes withheld for income tax	87.752	24.175
Sales tax payable	37.487	9.608
Taxes withheld-Gross sales tax payable	(109.024)	3.481
Taxes withheld-Value added tax payable	(68.466)	
Other	7.623	3.501
	1,133.048	954.517
Non-current		
Tax on Minimum Hypothetical Income	1.993	2.934
	1.993	2.934

j. Other

	March 31,	
	2003	2002
	Pesos	Pesos

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Current

Accrual for other expenses (Schedule G)	3.260.361	7.789.893
Advances received (Schedule G)		3.713.715
IRSA negative goodwill	1.004.469	655.528
Accrual for Directors Fees	67.412	344.490
Advances to Directors	(36.740)	(227.271)
Accrual for cereal expenses	203.359	178.303
Accrual for Management fees (Note 7)	4.914.864	45.853
Subsidiaries and related companies Law 19,550 Article 33:		
Cactus Argentina S.A.(Schedule G)		9.180
Mutuo con accionistas minoritarios FyO	134.196	
	<u>9.547.921</u>	<u>12.509.691</u>

Non-current

IRSA negative goodwill	19.084.903	12.454.988
	<u>19.084.903</u>	<u>12.454.988</u>

Cresud Sociedad Anónima Comercial,
Inmobiliaria, Financiera y Agropecuaria and Subsidiaries
Notes to the Unaudited Consolidated Financial Statements (Continued)

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

	March 31,	
	2003	2002
	Pesos	Pesos
Generated by assets:		
Exchange differences and discounts	(45.392.085)	6.395.494
Interest income	814.263	547.293
Reference stabilization index (CER)	489.131	211.167
Banks expenses	(444)	(18.896)
Tax on debts and credits	(657.838)	(470.746)
Holding results	(2.640.590)	(1.721.741)
Inflation adjustment	(2.092.148)	(4.657.496)
Holding results and operations of stocks and bonds	4.478.788	(45.098.692)
	(45.000.923)	(44.813.617)
	March 31,	
	2003	2002
	Pesos	Pesos
Generated by liabilities:		
Holding results	1.286.969	7.910.413
Inflation adjustment	2.422.512	3.621.758
Reference stabilization index (CER)	(473.717)	(940.493)
Subsidiaries and related companies Law 19,550 Article 33:		
IRSA Inversiones y Representaciones Sociedad Anónima		(460.928)
Other	(5.525.086)	(2.240.832)
Exchange differences and discounts	30.240.165	(9.868.760)
	27.950.843	(1.978.842)

Cresud Sociedad Anónima Comercial,

Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements (Continued)

NOTE 6:

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

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

	Current investments		Trade accounts receivable		Other receivables and prepaid expenses		Trade payables		Bank loans		Salaries payable and social security payable		Taxes payable		Other liabilities	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
Quarter ended 2002			11,669,649	27,900,171	1,520,829	6,373,062	12,878,487	14,971,764	7,709,335	27,288,487	379,626	429,911	789,560	943,040	8,409,256	11,850,000
Quarter ended 2003	4,357,055		2,000			5,786					9,078		329,124			
Quarter ended 2003					127,560	79,486										
Quarter ended 2003					501,836	664,693										
Quarter ended 2003					24,945	238,245							1,993	2,934		
Quarter ended 2004						93,175										
Quarter ended 2004					501,836	582,400										

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Quarter 2004 Financial																	
Quarter 2005 Financial																	
Quarter 2005 Financial																	88.849
Quarter 2005 Financial																	582.400
Quarter 2005 Financial																	
Quarter 2006 Financial																	
Quarter 2006 Financial																	495.884
Quarter 2006 Financial	143,114.941																
Quarter 2007 Financial																	148,451.430
Quarter 2007 Financial																	
Due					238.822							754	14.264	11.477			
Term	25,960.541	797.529			2,018.493	4,895.353	52.284	23									134.196
	173,432.537	797.529	11,671.649	28,138.993	4,695.499	14,099.873	12,930.771	14,971.787	156,160.765	27,288.487	388.704	430.665	1,135.041	957.451	8,543.452	11,851.430	

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

Interest rate they accrue	Current investments		Trade accounts receivable		Other receivables and prepaid expenses		Trade payables		Bank loans		Salaries payable and social security payable		Taxes payable		Other liabilities	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
	Fixed	143,114.941				1,299.844	2,981.059			151,320.476	27,158.941					
Variable	25,960.541	797.529			475.331	2,705.107										

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Variable															
Interest rate															
Interest															
g	4,357.055	11,671.549	28,138.993	2,920.324	8,413.707	12,930.771	14,971.787	4,840.289	129,546	388.704	430,665	1,135,041	957,451	8,543,452	11,8
	173,432.537	797.529	11,671.549	28,138.993	4,695.499	14,099.873	12,930.771	14,971.787	156,160.765	27,288.487	388.704	430,665	1,135,041	957,451	8,543,452

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

Unaudited Consolidated Fixed Assets

For the periods ended March 31, 2003 and 2002

(Notes 1,2,3 and 4)

Schedule A

Principal Account	Value at the beginning of the period Pesos	Additions and/or transfers Pesos	Deductions and/or transfers Pesos	Value at the end of period Pesos	Rate %	Depreciation		Current period Amount Pesos	Accumulated at the end of period Pesos	Net carrying value at March 31, 2003 Pesos	Net carrying value at March 31, 2002 Pesos
						Accumulated at the beginning of the period Pesos	Decrease of the period Pesos				
Real estate	101,683.376			101,683.376						101,683.376	128,667.853
Wire fences	5,549.228			5,549.228	3	1,198.686		129.539	1,328.225	4,221.003	4,108.381
Watering troughs	3,695.094	3.005		3,698.099	3	694.049		134.225	828.274	2,859.825	3,415.688
Alfalfa fields and meadows	2,964.707			2,964.707	13-25-50	1,869.007		278.844	2,147.851	816.856	1,465.011
Bindings and constructions	5,816.197	46.138		5,862.335	2	1,849.158		76.707	1,925.865	3,936.470	4,746.633
Machinery	11,337.850	46.810	1,434.014	9,950.646	10	6,206.029	958.597	674.354	5,921.786	4,028.860	6,691.713
Vehicles	1,114.834	142.432	158.460	1,098.806	20	741.146	148.658	132.629	725.117	373.689	430.292
Tools	187.883	15.773	17.356	186.300	10	105.966	8.786	11.011	108.191	78.109	84.847
Furniture and equipment	1,085.600	9.605	1.076	1,094.129	10	614.213	646	65.896	679.463	414.666	1,267.228
Breeding livestock	398.797			398.797	20	397.040		1.318	398.358	439	21.329
Corral and leading lanes	580.122	22.675		602.797	3	89.615		14.760	104.375	498.422	489.724
Roads	1,358.228			1,358.228	10	592.397		93.190	685.587	672.641	657.089
Facilities	5,755.862	8.325		5,764.187	10-20-33	2,219.731		452.207	2,671.938	3,092.249	4,501.436
Computer equipment	1,131.275	19.782	10.704	1,140.353	10	816.031	8.563	101.512	908.980	231.373	
Planes	10.444			10.444	0	10.444			10.444		
Silo plants	1,050.811			1,050.811	2	189.642		42.871	232.513	818.298	1,054.538
Constructions in progress	1,987.107	1,526.148		3,513.255						3,513.255	2,263.636
Advances to suppliers	118.048	52.245		170.293						170.293	93.182
Total at March 31, 2003	145,825.463	1,892.938	1,621.610	146,096.791		17,593.154	1,125.250	2,209.063	18,676.967	127,419.824	
Total at March 31, 2002	187,096.940	1,014.356	8,868.353	179,242.943		17,620.684	827.630	2,491.309	19,284.363		1,59,958.580

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

Unaudited Consolidated Intangible Assets

For the periods ended March 31, 2003 and 2002

(Notes 1,2,3 and 4)

Schedule B

Principal Account	Value at the beginning of the period Pesos	Additions and/or transfers Pesos	Value at the end of period Pesos	Amortization		Accumulated at the end of period Pesos	Net carrying value at March 31, 2003 Pesos	Net carrying value at March 31, 2002 Pesos
				Accumulated at the beginning of the period Pesos	Current period Amount Rate % Pesos			
Real estate	101,683.376		101,683.376				101,683.376	128,667.853
Futuros y Opciones Com S A								
Goodwill	3,298.380		3,298.380	1,319.350	20.00	494.757(1)	1,814.107	2,144.067
Payment of expenses related with Convertible Bonds								
2007-IRSA		1,724.712	1,724.712		20.00	126.019(2)	126.019	940.298
Development expenditures	1,410.369		1,410.369	587.654	33.33	352.592(3)	940.246	18.940
Brands and patents	18.938		18.938					18.938
Total at March 31, 2003	4,727.687	1,724.712	6,452.399	1,907.004		973.368	2,880.372	3,572.027
Total at March 31 2002	4,727.950		4,727.950	777.250		847.395	1,624.645	3,103.305

- (1) The amortization of the period is included in loss from related companies, in the Consolidated Statements of Income
(2) The amortization of the period is included in loss from financial results, in the Consolidated Statements of Income
(3) The destiny of the amortization of the period is included in the Consolidate Schedule H.

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

Unaudited Consolidated Investments

For the periods ended March 31, 2003 and 2002

(Notes 1,2,3 and 4)

Schedule C

					INFORMATION ON THE ISSUER			
					Latest financial statements			
Type and characteristics of the securities	Amount	Value at March 31, 2003 Pesos	Value at March 31, 2002 Pesos	Market value	Principal activity	Capital Pesos	Income for the period Pesos	Shareholders Equity Pesos
Current Investments								
Mutual Funds								
Deutsche Dollar Fund	8,505.109	24,494.713		2,880,000				
ABN AM RO en dólares	133.078	295.966		2,224,004				
Fondo plazo fijo Banco Rio en dólares	1.778	3.903	4.584	2,195,163				
Fondo Letes Banco Francés			1.769					
Fondo Letes Banco Rio			4.936					
		24,794.582	11.289					
Notes and Convertible Bonds								
ON Convertibles 2007								
IRSA		4,357.055						
Bonos Global 2010	110.000	79.200		0,720,000				
Bocon Pro 1	157.647	630	786.240	0,003,996				
Certificado de crédito fiscal	6.129	6.129						
		4,443.014	786.240					
Local financial loans								
		1,080.000						
		1,080.000						
Total current investments		30,317.596	797.529					
Non-current investments								
Related companies Law 19,550. Article 33								
AGRO-URANGA S.A. Shares	893.069	5,411.499	4,714.127	unlisted	Agricultural and livestock	2,500.000	6,181.117	15,522.125
Contribution on account of future subscriptions of shares		7.865	7.864					

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Higher value of property		11,179.150	11,049.406					
		<u>16,598.514</u>	<u>15,771.397</u>					
CACTUS ARGENTINA S.A.				unlisted	Exploitation and administration of agricultural and beef cattle products	1,300.000	315.297	5,465.487
Shares	650.000	597.050	248.394					
Contribution on account of future subscriptions of shares		<u>2,135.693</u>	<u>1,744.280</u>					
		<u>2,732.743</u>	<u>1,992.674</u>					
IRSA Inversiones y Representaciones S.A.								
Shares	50,907.163	171,693.779	110,126.675	listed	Real state	212,000.000	197,628.000	715,007.000
		<u>171,693.779</u>	<u>110,126.675</u>					
Subtotal		<u>191,025.036</u>	<u>127,890.746</u>					
Others								
Convertible Bonds 2007 IRSA	49,692.688	143,114.941						
		<u>143,114.941</u>						
Coprolán		<u>20.716</u>	<u>15.696</u>	unlisted				
		<u>20.716</u>	<u>15.696</u>					
Total non-current investments		<u>334,160.693</u>	<u>127,906.442</u>					

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

Unaudited Consolidated Allowances and provisions

For the periods ended March 31, 2003 and 2002

(Notes 1, 2, 3 and 4)

Schedule E

Item	Opening balances Pesos	Increases (1) Pesos	Decreases Pesos	Inflation adjustment Pesos	Value at March 31, 2003 Pesos	Value at March 31, 2002 Pesos
Deducted from asset						
Defaulting debtors	802.934		(79.996)	(87.428)	635.510	1.317.555
Total at March 31, 2003	802.934		(79.996)	(87.428)	635.510	
Total at March 31, 2002	1.185.770	131.785				1.317.555

(1) The accounting appropriation is included in Schedule H

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

Unaudited Consolidated Cost of sales

For the periods ended March 31, 2003 and 2002

(Notes 1,2,3 and 4)

Schedule F

	Crops		Beef cattle		Milk		Others		Total	
	March 31, 2003 Pesos	March 31, 2002 Pesos	March 31, 2003 Pesos	March 31, 2002 Pesos	March 31, 2003 Pesos	March 31, 2002 Pesos	March 31, 2003 Pesos	March 31, 2002 Pesos	March 31, 2003 Pesos	March 31, 2002 Pesos
Inventories at the beginning of the period										
Beef cattle			35,445.265	62,444.184	1,467.561	4,296.508			36,912.826	66,740.692
Crops	25,222.406	12,399.131							25,222.406	12,399.131
Unharvested crops	835.288	1,543.254							835.288	1,543.254
Seeds and fodder			291.033	247.836	115.435	192.240			406.468	440.076
Materials	2,749.377	2,331.118	30.356	12.320	51.732	15.602	293.378	469.185	3,124.843	2,828.225
	<u>28,807.071</u>	<u>16,273.503</u>	<u>35,766.654</u>	<u>62,704.340</u>	<u>1,634.728</u>	<u>4,504.350</u>	<u>293.378</u>	<u>469.185</u>	<u>66,501.831</u>	<u>83,951.378</u>
Holding results		2,881.486	12,049.596	(13,228.707)	580.049	(1,089.823)		(48.922)	12,629.645	(11,485.966)
Commodities market results	(1,030.395)	(559.407)							(1,030.395)	(559.407)
Transfer of Inventories to expenses	(93.181)	(125.535)	(53.118)	(19.309)					(146.299)	(144.844)
Transfer of Inventories to fixed assets	(94.143)	(237.949)		(6.530)			(1.194)	(24.571)	(95.337)	(269.050)
Transfer of Unharvested crops to expenses	(8,045.390)	(8,721.660)	(334.275)	(1,372.798)	(151.687)	(168.106)	(345.260)	(235.501)	(8,876.612)	(10,498.065)
Recovery of Inventories			253.456	545.562	(253.456)	(545.562)				
Purchases	14,062.444	18,534.351	2,583.604	863.629	5.726	208.567	444.766	555.757	17,096.540	20,162.304
Operating expenses (Schedule H)	11,287.278	11,033.070	5,290.934	9,311.821	1,078.529	2,187.860	861.293	1,382.195	18,518.034	23,914.946
Less:										

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Inventories at the end of the period												
Beef cattle			(52,289.855)	(43,779.825)	(1,766.060)	(2,548.995)			(54,055.915)		(46,328.820)	
Crops	(4,545.133)	(4,565.557)							(4,545.133)		(4,565.557)	
Unharvested crops	(6,769.137)	(12,575.101)							(6,769.137)		(12,575.101)	
Seeds and fodder	(1,759.000)	(619.236)	(134.763)	(509.905)	(42.024)	(79.374)			(1,935.787)		(1,208.516)	
Materials	(1,313.237)	(2,884.238)		(9.422)	(34.360)	(11.635)	(299.846)	(353.266)	(1,647.443)	68,953.415	(3,258.561)	(67,936.554)
Cost of Sales	30,507.177	18,433.727	3,132.233	14,498.856	1,051.445	2,457.282	953.137	1,744.877		35,643.992		37,134.742

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

Unaudited Consolidated Foreign currency assets and liabilities

For the periods ended March 31, 2003 and 2002

(Notes 1, 2, 3 and 4)

Schedule G

Item	March 31, 2003			March 31, 2002			
	Type and amount of foreign currency	Current exchange rate Pesos	Amount in local currency Pesos	Type and amount of foreign currency	Amount in local currency Pesos		
Current Asset							
Cash and banks	US\$	1.144.275	2,880	3.295.511	US\$	5.792	27.952
Investments:							
Mutual funds	US\$	8.609.230	2,880	24.794.582	US\$		
Convertible Bonds 2007 IRSA	US\$	1.512.866	2,880	4.357.055	US\$		
Trade accounts receivable							
Accounts receivable	US\$	3.136.978	2,880	9.034.498	US\$	2.639.801	12.738.626
Other receivables and prepaid expenses:							
Secured by mortgages	US\$				US\$	5.691	27.461
Guarantee deposits	US\$	179.652	2,880	517.398	US\$	568.541	2.743.552
Non-Current Asset							
Investments:							
Convertible Bonds 2007 IRSA	US\$	49.692.688	2,880	143.114.941	US\$		
Total Asset	US\$	64.275.689		185.113.985	US\$	3.219.825	15.537.591
Current liabilities							
Trade payables:							
Suppliers	US\$	3.094.943	2,980	9.222.930	US\$	1.415.972	7.068.534
Bank loans							
Foreign financial loans	US\$				US\$	396.950	1.981.576
Convertible Bonds 2007	US\$	1.516.618	2,980	4.519.521	US\$		
Other liabilities							
Accrual for other expenses	US\$	335.515	2,980	999.834	US\$	853.473	4.260.536
Non-current liabilities							
Bank loans							
Convertible Bonds 2007	US\$	49.815.916	2,980	148.451.430			
Total Liabilities	US\$	54.762.992		163.193.715	US\$	2.666.395	13.310.646

Cresud Sociedad Anónima Comercial,

Inmobiliaria, Financiera y Agropecuaria and Subsidiaries

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

For the periods ended March 31, 2003 and 2002

(Notes 1,2,3 and 4)

Schedule H

Items	Total	Operating Expenses					Expenses		Total
	March 31, 2003	Total	Crops			Selling	Administrative	March 31, 2002	
	Pesos	Pesos	Pesos	Pesos	Pesos	Pesos	Pesos	Pesos	
Directors fees	56.435						56.435	358.173	
Fees and payments for services	800.169	407.102	267.538	104.157	14.914	20.493	393.067	1,363.052	
Salaries and wages	2,976.451	1,580.093	464.912	784.267	113.046	217.868	18.832	1,377.526	5,965.914
Social security contributions	502.076	235.798	82.898	125.365	11.545	15.990		266.278	589.923
Taxes, rates and contributions	239.225	186.359	52.549	101.180	19.564	13.066		52.866	459.772
Office and administrative expenses	245.058	38.153		10.282		27.871		206.905	111.729
Bank commissions and expenses	40.286	30.211	4.525	6.976	390	18.320		10.075	39.465
Depreciation of fixed assets	2,209.063	2,089.961	1,113.130	792.453	114.178	70.200		119.102	2,491.309
Vehicle and traveling expenses	313.870	241.911	85.825	119.148	12.209	24.729	1.491	70.468	336.096
Spare parts and repairs	550.042	550.042	229.815	252.673	49.425	18.129			677.354
Insurance	269.637	30.279	14.929	13.968	1.366	16		239.358	95.720
Employee s maintenance	105.478	80.638	21.774	53.070	5.794			24.840	228.600
Amortization of intangible assets	352.592	352.592				352.592			352.612
Livestock expenses	3,487.515	2,796.819		2,796.819			690.696		6,359.081
Dairy farm expenses	725.408	725.408			725.408				1,038.238
Agricultural expenses	10,723.504	8,647.595	8,647.595				2,075.909		12,903.956
Silo expenses	198.347	198.347	198.347						227.078
Coal expenses	33.568	12.649				12.649	20.919		700.815
Firewood expenses	11.717	6.939				6.939	4.778		129.492
FyO expenses	60.574	60.574				60.574			22.714
General expenses	270.210	246.564	103.441	130.576	10.690	1.857	23.646		837.186
Contributions and services	31.638							31.638	
Defaulting debtors									131.785
Total at March 31, 2003	24,202.863	18,518.034	11,287.278	5,290.934	1,078.529	861.293	2,836.271	2,848.558	
Total at March 31, 2002		23,914.946	11,033.070	9,311.821	2,187.860	1,382.195	6,388.449	5,116.669	35,420.064

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Balance Sheet as at March 31, 2003 and 2002

	March 31, 2003 (Notes 1, 2, and 3) Pesos	March 31, 2002 (Notes 1, 2, and 3) Pesos		March 31, 2003 (Notes 1, 2, and 3) Pesos	March 31, 2002 (Notes 1, 2, and 3) Pesos
ASSETS			LIABILITIES		
Current Assets			Current Liabilities		
Bank loans (Note 8.a.)	6,038.924	2,101.634	Trade accounts payables (Note 8.f.)	12,870.822	15,000.000
Accounts receivable (Note 8.b.)	30,317.596	797.529	Bank loans (Note 8.g.)	7,701.737	27,000.000
Accounts receivable (Note 8.c.)	11,366.780	27,382.744	Salaries and social security payable (Note 8.h.)	356.497	
Accounts receivables and prepaid expenses (Note 8.d.)	3,687.311	11,949.956	Taxes payable (Note 8.i.)	768.603	
Other assets (Note 8.e.)	31,257.080	31,369.036	Other (Note 8.j.)	10,055.370	12,000.000
Current Assets	82,667.691	73,600.899	Total Current Liabilities	31,753.029	56,000.000
Non-Current Assets			Non-Current Liabilities		
Accounts receivables and prepaid expenses (Note 8.f.)	678.283	2,178.501	Bank loans (Note 8.g.)	148,451.430	
Other assets (Note 8.e.)	35,161.443	34,622.971	Other (Note 8.j.)	19,324.703	12,000.000
Accounts receivable (Note 8.b.)	346,122.695	139,843.063	Total Non-Current Liabilities	167,776.133	12,000.000
Accounts receivable, net (Schedule A)	120,757.869	153,053.981	Total liabilities	199,529.162	68,000.000
Other assets (Schedule B)	3,082.966	2,144.067	SHAREHOLDERS EQUITY (as per corresponding statement)	388,941.785	336,000.000
Non-Current Assets	505,803.256	331,842.583	Total Liabilities and Shareholders Equity	588,470.947	405,000.000
Assets	588,470.947	405,443.482			

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

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Income (loss) before income tax	48,077,901	(47,801,331)
Income tax expense (Note 6)	(4,092,129)	(1,386,034)
Net income (loss) for the period	43,985,772	(49,187,365)

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

Cresud Sociedad Anónima

Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Statement of Changes in Shareholders' Equity for the periods ended March 31, 2003 and 2002

(Notes 1, 2, and 3)

Items	Shareholders' contributions							Total at March 31, 2003 Pesos	Total at March 31, 2002 Pesos
	Common stock (Note 4) Pesos	Treasury stock (Note 4) Pesos	Inflation adjustment of Common stock Pesos	Paid-in capital Pesos	Total Pesos	Legal reserve Pesos	Retained earnings Pesos		
Balances at the beginning of the period	122,745,539	1,538,853	166,218,112	89,784,877	380,287,381	5,833,163	(43,813,427)	342,307,117	394,141,786
Acquisition of treasury stock (Note 11)	1,538,853	(1,538,853)					2,088,363	2,088,363	
Issuance of bonds in common stock (Note 12)	362,510			198,024	560,534			560,534	
Appropriation of profits resolved by shareholders' Meeting held on April 19, 2001									
Change in legal reserve									
Dividends									(8,000,000)
Income (loss) for the period							43,985,772	43,985,772	(49,183,449)
Balances at March 31, 2003	124,646,902		166,218,112	89,982,901	380,847,915	5,833,163	2,260,708	388,941,786	
Balances at March 31, 2002	119,672,102	4,612,290	166,234,209	89,789,848	380,308,449	5,833,486	(49,183,449)		336,915,145

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

Cresud Sociedad Anónima
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Statement of Cash Flows

For the periods ended March 31, 2003 and 2002

	March 31, 2003	March 31, 2002
	(Notes 1, 2 and 3)	(Notes 1, 2 and 3)
	Pesos	Pesos
	<u> </u>	<u> </u>
<u>Funds provided by (applied to) ordinary operations</u>		
Net income/loss for the period	43,985,772	(49,187,365)
	<u> </u>	<u> </u>
<u>Adjustments to reconcile net income with net funds provided by (applied to) operations</u>		
Results of investments in related companies	(50,566,722)	1,728,021
Increase in allowances and provisions	7,938,353	5,065,878
Amortization and depreciation	2,158,455	2,366,527
Inventory holding results	(11,581,104)	11,491,166
Financial results	6,274,345	34,444,769
Income tax	3,854,729	1,386,034
Proceeds of the sale of fixed assets	(5,734)	(4,413,183)
	<u> </u>	<u> </u>
<u>Changes in assets and liabilities</u>		
Decrease in current investments		9,842,933
Decrease (increase) in trade accounts receivable	5,404,353	(21,385,159)
Decrease in other receivables and prepaid expenses	2,571,252	11,269,871
Decrease in inventories	9,966,611	2,543,309
Decrease in social security contributions and taxes payable	(9,928,054)	(891,629)
Increase in trade accounts payable	578,937	2,540,074
Increase in interest payable	5,752,819	2,116,568
Dividends collected	774,157	316,361
(Decrease) increase in other liabilities	(3,449,860)	2,061,656
	<u> </u>	<u> </u>
Net funds provided by operations	13,728,309	11,295,831
	<u> </u>	<u> </u>
<u>Net funds provided by (applied to) investment activities</u>		
Decrease in non-current investments		26,555,645
Increase in non-current investments	(192,969,900)	(43,279,179)
Acquisition and upgrading of fixed assets	(1,770,865)	(688,242)
Collection of receivables related to the sale of fixed assets	2,525,813	
Sale of fixed assets	493,524	12,443,726
	<u> </u>	<u> </u>
Net funds applied to investment activities	(191,721,428)	(4,968,050)
	<u> </u>	<u> </u>
<u>Net funds provided by (applied to) financing activities</u>		
Dividends paid		(8,001,031)
Subscription of treasury stock	2,088,363	3,915
Increase in financial loans	170,051,574	34,831,713
(Decrease) in financial loans	(4,690,456)	(34,435,458)
Increase in intangible assets	(1,724,712)	

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Net funds provided by (applied to) financing activities	165,724.769	(7,600.861)
Net decrease in funds	(12,268.350)	(1,273.080)
Funds at beginning of the period	44,184.082	3,379.298
Funds at the end of the period	31,915.732	2,106.218

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

Notes to the Unaudited Financial Statements

For the periods ended March 31, 2003 and 2002

NOTE 1: MERGER OF CONTROLLED COMPANIES

The merger definitive agreement was signed on December 6, 2002, pursuant to the provisions set forth in Section 83, subsection 1° of Law 19.550. It decided the merger of the companies Agro Riego San Luis S.A. and Colonizadora Argentina S.A. in CRESUD S.A.C.I.F. y A., effective as from July 1st, 2000.

NOTE 2: PRESENTATION OF FINANCIAL STATEMENTS IN CONSTANT PESOS

a. Presentation standards

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

Financial Statements corresponding to the nine-month period ended March 31, 2003 and 2002 have not been audited. The management believes that all necessary adjustments should be carried out in order to reflect the results of the period.

The results for the nine-month period ended March 31, 2003 is not necessarily indicative of the results of the company for the whole fiscal year.

b. Accounting for inflation

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

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As from March 1, 2003, Resolution 441/03 of the Argentine Securities Commission dated April 8, 2003, established that the method of restatement of financial statements in constant currency set forth in Technical Resolution No. 6, as amended by Technical Resolution No. 19, both issued by the Argentine Federation of Professional Councils in Economic Sciences (F.A.C.P.C.E.), was no longer applicable.

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

The impact of not applying inflation adjustment during the month of March 2003 does not imply any material adjustments in the Company's financial statements as of March 31, 2003.

Cresud Sociedad Anónima Comercial,

Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 2: (Continued)

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

Amounts corresponding to the nine-period ended on March 31, 2002 have been restated at February 28, 2003 for purposes of presentation on a comparative basis.

c. New Accounting Standards

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

The Argentine Securities and Exchange Commission, through Resolution N° 434/03 has adopted such technical resolutions with some exceptions and modifications, which will be in force for fiscal years initiated as from January 1, 2003. Consequently, the Company has filed the present accounting statements according to Resolutions N° 368/01 and 415/02 as established in Note 2, which do not include such changes and differ from the accounting principles in force at the moment of submitting the accounting statements.

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

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES

The principal valuation and disclosure criteria for the preparation of the financial statements, applied on a basis consistent with respect to the last fiscal period, are as follows:

a. Use of estimates

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

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

Notes to the Unaudited Financial Statements (Continued)

NOTE 3: (Continued)

b. Local currency assets and liabilities

The local currency assets and liabilities have been stated at period-end currency.

c. Foreign currency assets and liabilities

Foreign currency assets and liabilities have been translated at the official rate of exchange in effect at March 31, 2003.

d. Current investments

Mutual funds and notes and convertible notes are carried at market value as of period-end.

e. Inventories

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

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

f. Non-current investments

1. Long-term investments in subsidiaries and affiliates

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

Holdings at March 31, 2003 are as follows:

<u>Subsidiaries and affiliates</u>	<u>% Equity interest</u>
Inversiones Ganaderas S.A.	99.99
Futuros y Opciones.Com S.A.	70.00
Cactus Argentina S.A.	50.00
Agro Uranga S.A.	35.72
IRSA Inversiones y Representaciones Sociedad Anónima	24.01

Consolidated financial statements with Inversiones Ganaderas S.A. and Futuros y Opciones.com S.A. at March 31, 2003 and 2002 are presented as complementary information.

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

Notes to the Unaudited Financial Statements (Continued)

NOTE 3: (Continued)

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

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

2. Other securities

- Investments in Convertible Bonds

Investments in IRSA's convertible bonds has been valued at its cost plus accrued interest considering the exchange rate prevailing at the closing of the period.

- Other investments

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

g. Fixed assets

- Purchase value:

Valued at cost restated into period-end currency applying the coefficients mentioned in Note 2, based on the corresponding dates of origin.

- Depreciation

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

- The carrying value

The carrying value of such fixed assets does not exceed their recoverable values.

h. Intangible assets

The goodwill corresponding to the purchase of the subsidiary company Futuros y Opciones.com S.A. is valued at restated cost, which was calculated as the difference between the amount paid for that investment and its proportional equity value calculated at the time of the purchase, restated into period-end currency applying the coefficients mentioned in Note 2.

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

Notes to the Unaudited Financial Statements (Continued)

NOTE 3: (Continued)

Amortization is determined based on the estimated useful life of the goodwill, which is five years.

i. Loans with local financial institutions (Note 8.g.)

Financial liabilities in US currency, according to our legal counsellors advice, are included within the provisions of Decree 214 of February 3, 2002 and are not subject to the exceptions established by means of Decree 410 dated March 1, 2002, therefore these liabilities have been valued at a \$1 to US\$ 1 rate.

j. Shareholders equity

The balances at the beginning of the period and the movements for the period were restated into period-end currency.

k. Results for the period

The results for the period were adjusted as follows:

Income accounts were restated by applying adjusting coefficients to historical amounts.

The financial result was calculated at its actual value, net of the effect of inflation, and the result of exposure to inflation of net monetary positions is the counterpart of the adjustments made to all non-monetary balance sheet and income statement accounts, which were restated into period-end currency.

Financial results and the result of exposure to inflation were segregated into results generated by assets and those generated by liabilities.

I. Revenue recognition

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

NOTE 4: COMMON AND TREASURY STOCK

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

	Authorized	Subscribed	Paid in
	Pesos	Pesos	Pesos
	<u> </u>	<u> </u>	<u> </u>
Common and treasury stock at June 30, 2000	126,000,000	124,284,392	124,284,392
Pursuant to a decision made on March 3, 1999, the Company's Board decided to cancel the balance pending subscription and payment	(1,715,608)		
Conversion of bonds in common stock (Note 12)	362,510	362,510	362,510
	<u> </u>	<u> </u>	<u> </u>
Common and treasury stock at March 31, 2003	<u>124,646,902</u>	<u>124,646,902</u>	<u>124,646,902</u>

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

Notes to the Unaudited Financial Statements (Continued)

NOTE 4: (Continued)

At March 31, 2003 the common and treasury stock consisted of 124,646,902 ordinary book entry shares with a face value of Pesos 1 each entitled to one vote per share, which were available in the market.

NOTE 5: FUTURES

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

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

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

FUTURES SEASON 2002/2003

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

OPTIONS PURCHASE CALL SEASON 2002/2003

Cereal	Tons	Average price	Premium
--------	------	---------------	---------

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		US\$ (1)	US\$ (2)
Corn	3,500	92.00	9,695

At March 31, 2002 the Company had arranged futures and options on the futures market as follows (See Note 1 to the Consolidated Financial Statements):

FUTURES SEASON 2001/2002

Cereal	Tons	Average price	Total amount
		US\$ (1)	US\$
Sunflower sell	1,800	208.14	374,652
Corn sell	22,800	91.09	2,076,852
Soybean sell	11,300	154.97	1,751,161
Wheat purchase	1,200	103.42	124,104

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

Notes to the Unaudited Financial Statements (Continued)

NOTE 5: (Continued)

OPTIONS PURCHASE CALL SEASON 2001/2002

Cereal	Tons	Average price	
		US\$ (1)	Premium US\$ (2)
Corn	3,700	92.97	14,544
Soybean	8,500	163.94	37,656

OPTIONS SELL CALL SEASON 2001/2002

Cereal	Tons	Average price	
		US\$ (1)	Premium US\$ (2)
Soybean	8,100	171.74	(22,176)

OPTIONS PURCHASE PUT SEASON 2001/2002

Cereal	Tons	Average price	
		US\$ (1)	Premium US\$ (2)
Sunflower	1,900	207.89	9,750

OPTIONS PUT SELL SEASON 2001/2002

Cereal	Tons	Average price	
		US\$ (1)	Premium US\$ (2)

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Sunflower	5,700	163.12	(25,529)
Corn	4,600	88.00	(13,800)

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

Cereal	Tons	Average price US\$ (1)	Total amount US\$
Soybean purchase	9,520	178.21	1,696,559
Soybean oil purchase	816	361.54	295,017

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

Cereal	Tons	Average price US\$ (1)	Premium US\$ (2)
Corn	35,687	94.48	151,442

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

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

Notes to the Unaudited Financial Statements (Continued)

NOTE 6: INCOME TAX AND TAX ON MINIMUM HIPOTHETICAL INCOME

- a) The Company determines the Income Tax charge at the prevailing rate of 35% on the estimated taxable net income, without considering the effect of temporary differences between the accounting and tax-purpose results. At March 31, 2003, the Company has recognized an income tax charge amounting to \$ 4,092,129.
- b) Pursuant to Decree N° 935, published in the Official Gazette on July 25, 2001, the Company is 100% exempt from the Tax on Minimum Hypothetical Income created by Law No. 25,063, published in the Official Gazette on December 30, 1998, applicable for fiscal periods ended as from December 31, 1998 up to March 31, 2003. This tax is calculated at 1% of the Company's assets, determined on the basis of tax criteria.

The Company has not registered accrual, by Tax on Minimum Hypothetical Income, for this period, due to the Income Tax exceed it.

NOTE 7: MANAGEMENT AGREEMENT

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

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

The financial statements at March 31, 2003 include an accrual for an amount of Ps. 4,914,864 for this concept. The charge to results for this period is of Ps. 4,887,308.

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

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

Notes to the Unaudited Financial Statements (Continued)

NOTE 8: Details of balance sheet and income statement accounts

a. Cash and banks

	March 31,	
	2003	2002
	Pesos	Pesos
Cash	89.612	151.288
Foreign currency (Schedule G)	170.847	9.786
Patacones currency	430	3.406
Lecop currency	235	6.440
Local currency checking account	2.417.977	1.179.002
Patacones currency checking account	28.862	29.681
Lecop currency checking account	38.380	259.735
Foreign currency checking account (Schedule G)	3.124.664	18.166
Local currency saving account	6.254	24.551
Checks to be deposited	161.663	399.323
Patacones checks to be deposited		20.256
	6.038.924	2.101.634

b. Investments

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Schedule C	30.317.596	797.529
	30.317.596	797.529

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Non-Current	<u> </u>	<u> </u>
Schedule C	346.122.695	139.843.063
	<u> </u>	<u> </u>
	346.122.695	139.843.063
	<u> </u>	<u> </u>

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

Notes to the Unaudited Financial Statements (Continued)

NOTE 8: (Continued)**c. Trade accounts receivable**

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Accounts receivable in local currency	2.930.736	15.826.939
Accounts receivable in foreign currency (Schedule G)	9.019.855	12.738.626
Less:		
Provision for defaulting debtors	(610.510)	(1.317.555)
	11.340.081	27.248.010
Subsidiaries and related companies Law 19,550 Article 33:		
Inversiones Ganaderas S.A.	13.430	
Cactus Argentina S.A.	13.269	8.270
IRSA Inversiones y Representaciones Sociedad Anónima		126.464
	11.366.780	27.382.744

d. Other receivables and prepaid expenses

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Other (Schedule G)	307.035	548.645
Prepaid leases	63.580	334.639
Tax on Minimum Hypothetical Income (Note 6)		2.947.062
Guarantee deposits (Schedule G)	517.398	2.743.552
Secured by mortgage and under legal proceedings (Schedule G)	514.250	3.067.235
Prepaid expenses	344.868	371.426
Surety bonds received	470.709	624.464

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Tax prepayments	112.550	271.121
Subsidiaries and related companies Law 19,550 Article 33:		
Cactus Argentina S.A.	1.333.318	355.788
Futuros y Opciones.Com S.A.	23.603	494.551
Inversiones Ganaderas S.A.		191.473
	<u>3.687.311</u>	<u>11.949.956</u>
Non-current		
Secured by mortgage	501.834	1.843.248
Prepaid leases	176.449	176.457
Other		158.796
	<u>678.283</u>	<u>2.178.501</u>

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

Notes to the Unaudited Financial Statements (Continued)

NOTE 8: (Continued)

e. Inventories

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Livestock	15,143,132	8,503,998
Crops	4,545,133	4,565,557
Unharvested crops	6,769,137	12,575,101
Seeds and fodder	1,935,787	1,203,167
Materials and others	1,550,975	3,087,772
Advances to suppliers	1,312,916	1,433,441
	<u>31,257,080</u>	<u>31,369,036</u>
Non-Current		
Livestock	35,161,443	34,622,971
	<u>35,161,443</u>	<u>34,622,971</u>

f. Trade accounts payables

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Suppliers in local currency	3,553,862	6,923,455
Suppliers in foreign currency (Schedule G)	9,222,930	7,068,534
Subsidiaries and related companies Law 19,550 Article 33:		
IRSA Inversiones y Representaciones Sociedad Anónima		147,881
Cactus Argentina S.A.	94,030	91,520
Notes		806,534
	<u>12,870,822</u>	<u>15,037,924</u>



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

Notes to the Unaudited Financial Statements (Continued)

NOTE 8: (Continued)

g. Loans

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Local financial loans (Note 3.i.)	3.182.216	25.306.911
Foreign financial loans (Schedule G)		1.981.576
Convertible Bonds 2007 Interest payable (Schedule G)	4.519.521	
	7.701.737	27.288.487
Non-Current		
Convertible Bonds 2007 (Schedule G)	148.451.430	
	148.451.430	

h. Salaries and social security payable

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Social security administration	79.111	163.520
Salaries payable	275.179	177.169
Health care scheme	1.440	39.370
Other	767	21.521
	356.497	401.580



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

Notes to the Unaudited Financial Statements (Continued)

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

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Accrual for income tax	3.854.729	
Advances to Income tax	(2.951.103)	
Value Added Tax	(219.336)	621.309
Property tax payable	153.219	278.955
Taxes withheld for income tax	80.434	23.957
Gross sales tax	29.730	
Taxes withheld-Gross sales taxes	(110.604)	3.207
Taxes withheld-Value Added Tax	(68.466)	
	768.603	927.428

j. Other

	March 31,	
	2003	2002
	Pesos	Pesos
Current		
Accrual for other expenses (Schedule G)	3.219.822	7.700.360
Advances received (Schedule G)		3.713.715
IRSA negative goodwill	1.004.469	655.528
Accrual for Directors Fees	56.523	219.049
Advances to Directors	(36.740)	(147.399)
Accrual for cereal expenses	203.359	178.303
Accrual for Management fees (Note 7)	4.914.864	45.853

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Subsidiaries and related companies Law 19,550 Article 33:		
Inversiones Ganaderas S.A.	455.592	
Cactus Argentina S.A.(Schedule G)		9.180
Futuros y Opciones.Com S.A.	237.481	
	<u>10.055.370</u>	<u>12.374.589</u>
Non-current		
IRSA negative goodwill	19.084.903	12.454.988
Subsidiaries and related companies Law 19,550 Article 33:		
Inversiones Ganaderas S.A.	239.800	
	<u>19.324.703</u>	<u>12.454.988</u>

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

Notes to the Unaudited Financial Statements (Continued)

NOTE 8: (Continued)

k. Financial results

	March 31,	
	2003	2002
	Pesos	Pesos
Generated by assets:		
Exchange differences and discounts	(45.303.402)	6.395.494
Interest income	715.542	532.000
Reference stabilization index (CER)	489.131	209.298
Tax on debts and credits	(650.624)	(470.746)
Holding results	(2.640.590)	(1.709.509)
Holding results and operations of stocks and bonds	4.478.788	(45.098.691)
Inflation adjustment	(1.956.955)	(4.065.422)
	<u>(44.868.110)</u>	<u>(44.207.576)</u>
Generated by liabilities		
Holding results	1.286.969	7.910.413
Inflation adjustment	2.379.126	3.336.145
Reference stabilization index (CER)	(473.717)	(940.493)
Subsidiaries and related companies Law 19,550 Article 33:		
IRSA Inversiones y Representaciones Sociedad Anónima		(460.926)
Others	(5.514.932)	(2.240.836)
Exchange differences and discounts	30.239.912	(9.868.760)
	<u>27.917.358</u>	<u>(2.264.457)</u>

Cresud Sociedad Anónima Comercial, Inmobiliaria, Financiera y Agropecuaria

Notes to the Unaudited Financial Statements (Continued)

NOTE 9:

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

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

Based on their estimated collection or payment term	Current Investments		Trade accounts receivable		Other receivables and prepaid expenses		Trade payables		Bank loans		Salaries payable and social security payable		Taxes payable		Other liabilities	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
4th quarter 2003/2002 financial year			11,366.780	27,143.922	1,474.458	6,342.467	12,870.822	15,037.924								