

CRESUD INC  
Form 6-K  
November 24, 2015

---

**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

---

**FORM 6-K**

---

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

**For the month of November 2015**

---

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

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

---

**Republic of Argentina**  
(Jurisdiction of incorporation or organization)

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

---

Form 20-F       Form 40-F

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

Yes       No



**CRESUD S.A.C.I.F. y A.**  
**(THE “COMPANY”)**

**REPORT ON FORM 6-K**

Attached is an English translation of the Financial Statements for the three month periods ended on September 30, 2015 and on June 30, 2015 filed by the Company with the *Comisión Nacional de Valores* and the *Bolsa de Comercio de Buenos Aires*:

---

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

**Unaudited Condensed Interim Consolidated Financial Statements as of September 30, 2015 and June 30, 2015 and for the three-month periods ended September 30, 2015 and 2014**

---

### Legal Information

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

**Fiscal year N°:** 83, beginning on July 1, 2015

**Legal address:** Moreno 877, 23rd floor – Autonomous City of 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:** 501,642,804 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:** 187,651,850 common shares

Type of stock	CAPITAL STATUS	
	Authorized to be offered publicly (Shares)	Subscribed, Issued and Paid-in (Ps.)
Ordinary certified shares of Ps. 1 face value and 1 vote each	501,642,804	501,642,804



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

**Unaudited Condensed Interim Consolidated Statements of Financial Position**

**as of September 30, 2015 and June 30, 2015**

(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	09.30.15	06.30.15
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties	10	3,435,699	3,474,959
Property, plant and equipment	11	1,826,815	1,977,195
Trading properties	12	123,624	129,654
Intangible assets	13	171,530	175,763
Biological assets	14	416,645	458,879
Investments in associates and joint ventures	8, 9	2,992,144	3,394,288
Deferred income tax assets	26	687,918	652,186
Income tax credit		160,605	160,457
Restricted assets	17	3,621	4,301
Trade and other receivables	18	419,617	426,777
Investment in financial assets	19	505,416	622,845
Derivative financial instruments	20	323,637	207,602
<b>Total non-current assets</b>		<b>11,067,271</b>	<b>11,684,906</b>
<b>Current Assets</b>			
Trading properties	12	4,088	3,300
Biological assets	14	113,809	119,998
Inventories	15	467,505	511,350
Restricted assets	17	119,238	607,021
Income tax credit		27,632	30,749
Trade and other receivables	18	1,850,872	1,772,373
Investment in financial assets	19	1,006,926	504,102
Derivative financial instruments	20	46,312	29,554
Cash and cash equivalents	21	1,033,415	633,693
<b>Total current assets</b>		<b>4,669,797</b>	<b>4,212,140</b>
<b>TOTAL ASSETS</b>		<b>15,737,068</b>	<b>15,897,046</b>
<b>SHAREHOLDERS' EQUITY</b>			

**Capital and reserves attributable to equity holders of the parent**

Share capital	495,015	494,777
Treasury stock	6,628	6,866
Inflation adjustment of share capital	64,561	64,530
Inflation adjustment of treasury stock	864	895
Share premium	659,464	659,464
Additional Paid-in Capital from Treasury Stock	14,952	12,678
Cost of treasury stock	(32,198)	(32,198)
Changes in non-controlling interest	48,668	53,806
Cumulative translation adjustment	350,151	463,297
Equity-settled compensation	83,719	81,988
Reserve for the acquisition of securities issued by the company	32,198	32,198
Retained earnings	(173,928)	117,559
<b>Equity attributable to equity holders of the parent</b>	<b>1,550,094</b>	<b>1,955,860</b>
Non-controlling interest	2,258,916	2,558,906
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>3,809,010</b>	<b>4,514,766</b>

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

Fernando A. Elsztain

Director

Acting as President



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

**Unaudited Condensed Interim Consolidated Statements of Financial Position**

**as of September 30, 2015 and June 30, 2015** (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	09.30.15	06.30.15
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Trade and other payables	22	269,791	264,054
Income tax liabilities		59,896	-
Borrowings	25	6,626,706	5,832,973
Deferred income tax liabilities	26	195,312	150,691
Derivative financial instruments	20	264,098	268,862
Payroll and social security liabilities	23	5,374	5,539
Provisions	24	410,483	386,948
<b>Total non-current liabilities</b>		<b>7,831,660</b>	<b>6,909,067</b>
<b>Current liabilities</b>			
Trade and other payables	22	1,292,834	1,306,835
Income tax liabilities		78,853	142,361
Payroll and social security liabilities	23	160,733	230,400
Borrowings	25	2,247,408	2,476,886
Derivative financial instruments	20	261,152	261,760
Provisions	24	55,418	54,971
<b>Total current liabilities</b>		<b>4,096,398</b>	<b>4,473,213</b>
<b>TOTAL LIABILITIES</b>		<b>11,928,058</b>	<b>11,382,280</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>15,737,068</b>	<b>15,897,046</b>

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

Fernando A. Elsztain

Edgar Filing: CRESUD INC - Form 6-K

Director

Acting as President

3

---

## Cresud Sociedad Anónima,

## Comercial, Inmobiliaria, Financiera y Agropecuaria

## Unaudited Condensed Interim Consolidated Statements of Income

for the three-month periods beginning on July 1, 2015 and 2014 and ended September 30, 2015 and 2014

(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	09.30.15	09.30.14
Revenues	28	1,624,361	1,523,484
Costs	29	(1,194,591)	(1,243,223)
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest		196,625	282,227
Changes in the net realizable value of agricultural produce after harvest		(8,933)	(22,021)
<b>Gross profit</b>		<b>617,462</b>	<b>540,467</b>
Gain from disposal of investment properties (Note 4)		383,585	316,767
General and administrative expenses	30	(194,458)	(139,351)
Selling expenses	30	(146,516)	(122,554)
Other operating results, net	32	10,709	964
<b>Profit from operations</b>		<b>670,782</b>	<b>596,293</b>
Share of loss of associates and joint ventures	8, 9	(496,669)	(102,728)
<b>Profit from operations before financing and taxation</b>		<b>174,113</b>	<b>493,565</b>
Finance income	33	91,441	55,418
Finance cost	33	(516,535)	(497,685)
Other financial results	33	(21,772)	101,449
Financial results, net	33	(446,866)	(340,818)
<b>(Loss) / Profit before income tax</b>		<b>(272,753)</b>	<b>152,747</b>
Income tax expense	26	(89,007)	(131,082)
<b>(Loss) / Profit for the period</b>		<b>(361,760)</b>	<b>21,665</b>
<b>Attributable to:</b>			
Equity holders of the parent		(292,151)	(122,005)
Non-controlling interest		(69,609)	143,670

**Loss per share attributable to equity holders of the parent during the period:**

Basic	(0.59)	(0.25)
Diluted	(i) (0.59)	(i) (0.25)

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

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

Fernando A. Elsztain

Director

Acting as President

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

**Unaudited Condensed Interim Consolidated Statements of Comprehensive Income  
for the three-month periods beginning on July 1, 2015 and 2014 and ended September 30, 2015 and  
2014**

(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

	<b>09.30.15</b>	<b>09.30.14</b>
(Loss) / Profit for the period	(361,760)	21,665
<b>Other comprehensive income:</b>		
<b>Items that may be reclassified subsequently to profit or loss:</b>		
Currency translation adjustment	(361,301)	(84,292)
Currency translation adjustment from associates and joint ventures	41,016	30,334
<b>Other comprehensive loss for the period (i)</b>	<b>(320,285)</b>	<b>(53,958)</b>
<b>Total comprehensive loss for the period</b>	<b>(682,045)</b>	<b>(32,293)</b>
<b>Attributable to:</b>		
Equity holders of the parent	(405,297)	(130,380)
Non-controlling interest	(276,748)	98,087

(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.

Fernando A. Elsztain

Edgar Filing: CRESUD INC - Form 6-K

Director

Acting as President

5

---

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

**Unaudited Condensed Interim Consolidated Statements of Changes in Shareholders' Equity  
for the three-month periods ended September 30, 2015 and 2014**

(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	Inflation adjustment of Treasury Stock	Share premium	Additional Paid-in Capital from Treasury Stock	Cost of Treasury Stock	Subtotal	Changes i non-control interests
<b>Balances as of June 30, 2015</b>	494,777	6,866	64,530	895	659,464	12,678	(32,198)	1,207,012	53,
Loss for the period	-	-	-	-	-	-	-	-	-
Other comprehensive loss for the period	-	-	-	-	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-
Capital contributions from	-	-	-	-	-	-	-	-	-

non-controlling interest									
Equity-settled compensation	-	-	-	-	-	-	-	-	-
Equity incentive plan granted	238	(238)	31	(31)	-	2,274	-	2,274	
Changes in non-controlling interest	-	-	-	-	-	-	-	-	(5,1
<b>Balances as of September 30, 2015</b>	<b>495,015</b>	<b>6,628</b>	<b>64,561</b>	<b>864</b>	<b>659,464</b>	<b>14,952</b>	<b>(32,198)</b>	<b>1,209,286</b>	<b>48,</b>

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

Fernando A. Elsztain

Director

Acting as President



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

**Unaudited Condensed Interim Consolidated Statements of Changes in Shareholders' Equity**  
**for the three-month periods ended September 30, 2015 and 2014**

(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	Inflation adjustment of Treasury Stock	Share premium	Cost of Treasury Stock	Share warrants	Subtotal	Changes in non-controlling interests
<b>Balances as of June 30, 2014</b>	490,997	10,566	64,047	1,378	773,079	(54,876)	106,264	1,391,455	(15,42)
(Loss) / Profit for the period	-	-	-	-	-	-	-	-	-
Other comprehensive loss for the period	-	-	-	-	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	-	-	-	-	-	-	-	-
Equity-settled compensation	-	-	-	-	-	-	-	-	-
Acquisition of Treasury stock	(3,068)	3,068	(400)	400	-	(32,198)	-	(32,198)	-
Changes in non-controlling interest	-	-	-	-	-	-	-	-	29,0
Cash dividends	-	-	-	-	-	-	-	-	-

Capital contributions from non-controlling interest	-	-	-	-	-	-	-	-	-
Capital reduction	-	-	-	-	-	-	-	-	-
<b>Balances as of September 30, 2014</b>	<b>487,929</b>	<b>13,634</b>	<b>63,647</b>	<b>1,778</b>	<b>773,079</b>	<b>(87,074)</b>	<b>106,264</b>	<b>1,359,257</b>	<b>13,634</b>

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

Fernando A. Elsztain

Director

Acting as President

## Cresud Sociedad Anónima,

## Comercial, Inmobiliaria, Financiera y Agropecuaria

## Unaudited Condensed Interim Consolidated Statements of Cash Flows

## for the three-month periods ended September 30, 2015 and 2014

(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	09.30.15	09.30.14
<b>Operating activities:</b>			
Cash generated from operations	21	412,260	381,238
Income tax paid		(67,043)	(54,448)
<b>Net cash generated from operating activities</b>		<b>345,217</b>	<b>326,790</b>
<b>Investing activities:</b>			
Acquisition of associates and joint ventures		-	(268,975)
Capital contributions to associates and joint ventures		(34,340)	(52,479)
Acquisition of investment properties		(46,926)	(62,414)
Proceeds from sale of associates and joint ventures <sup>a</sup>		-	19,139
Proceeds from sale of investment properties		388,406	1,507,067
Acquisition of property, plant and equipment		(18,971)	(67,404)
Proceeds from sale of property, plant and equipment		1,859	92
Payments of purchase of farmlands		(77,830)	-
Proceeds from sale of farmlands		14,470	23,693
Acquisition of intangible assets		(1,172)	(1,889)
Acquisition of Investment in financial assets		(1,315,705)	(1,423,566)
Proceeds from disposals of Investment in financial assets		1,056,378	1,471,551
Loans granted to associates and joint ventures		-	49
Loans repayments received from associates and joint ventures		1,052	1,694
Interest received from financial assets		-	2,286
Dividends received		462	3,081
<b>Net cash (used in) / generated from investing activities</b>		<b>(32,317)</b>	<b>1,151,925</b>
<b>Financing activities:</b>			
Repurchase of non-convertible notes		(120,803)	-
Purchase of treasury stock		-	(32,198)
Proceeds from issuance of non-convertible notes		793,018	455,038

Payment of non-convertible notes		(154,419)	(538,081)
Borrowings		537,144	442,551
Payment of trust debt titles		-	(9,733)
Payment of seller financing of shares		-	(105,861)
Repayments of borrowings		(546,785)	(351,733)
Proceeds from borrowings from associates and joint ventures		-	13,009
Cancellation of liabilities held for sale		-	(603,021)
Borrowings from associates and joint ventures		600	-
Payment of seller financing		(973)	(690)
Acquisition of non-controlling interest in subsidiaries		(24,568)	(1,094)
Dividend paid		(48,246)	(14,640)
Payments of derivative financial instruments		(26,587)	(63,514)
Proceeds from derivative financial instruments		-	131
Capital reduction		-	(3,784)
Sale of equity in subsidiaries to non-controlling interest		-	55,314
Capital contributions of non-controlling interest		-	275
Interest paid		(285,286)	(260,343)
<b>Net cash generated from / (used in) financing activities</b>		<b>123,095</b>	<b>(1,018,374)</b>
<b>Net increase in cash and cash equivalents</b>		<b>435,995</b>	<b>460,341</b>
Cash and cash equivalents at beginning of period	21	633,693	1,002,987
Foreign exchange (loss) gain on cash and cash equivalents		(36,273)	18,424
<b>Cash and cash equivalents at end of period</b>		<b>1,033,415</b>	<b>1,481,752</b>

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

Fernando A. Elsztain

Director

Acting as President

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

**Notes to the Unaudited Condensed Interim Consolidated Financial Statements**

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

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

**1. General information**

**1.1 The Group's business and general information**

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

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

Cresud and its subsidiaries are collectively referred to hereinafter as the Group. See Note 2.3 to the Consolidated Financial Statements as of June 30, 2015 and 2014 for a description of the Group's companies.

As of September 30, 2015, the Group operates in two major lines of business: (i) Agricultural business, (ii) Urban Properties and Investments business. See Note 6 to the Unaudited Condensed Interim Consolidated Financial Statements as of June 30, 2015 and 2014 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 currently has agricultural operations and investments in Argentina, Brazil, Uruguay, Paraguay and Bolivia.

The Urban Properties and Investments business operations are conducted primarily through IRSA and IRSA's principal subsidiary, IRSA Propiedades Comerciales S.A. (formerly Alto Palermo S.A. ("APSA") which changed its legal name to "IRSA Propiedades Comerciales"). Through IRSA Propiedades Comerciales and IRSA, the Group owns, manages and develops shopping centers across Argentina, a portfolio of office and other rental properties in the Autonomous City of Buenos Aires, capital of Argentina, and since 2009 it entered into the US real estate market, mainly through the acquisition of non-controlling interests in office buildings and hotels. Through IRSA or IRSA Propiedades Comerciales, 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 Condensed Interim 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)

During fiscal year ended June 30, 2014, the Group made an investment in the Israeli market, through Dolphin Fund Ltd. ("DFL") and the Dolphin Netherlands B.V. ("DN B.V.", and together with DFL "Dolphin"), in IDB Development Corporation Ltd. ("IDBD") an Israeli company, with an initial interest of 26.65%. During fiscal year ended June 30, 2015, the Group continued investing in IDBD, increasing its indirect interest as of June 30, 2015, to 49%. During the three-month-period ended on September 30, 2015 the Group did not invest further in the company. IDBD is one of the Israeli biggest and most diversified conglomerates, which is involved, through its subsidiaries, in several markets and industry, including real estate, retail, agribusiness, insurance, telecommunications, etc.; controlling or holding interest equity in companies as: Clal Insurance (Insurance Company), Cellcom (Mobile phone services), Adama (Agrochemicals), Super-Sol (supermarket), PBC (Real Estate), among others. IDBD went public in Tel Aviv Stock Exchange ("TASE") since May, 2014.

The activities of the Group's segment "Financial operations and others" is carried out mainly through Banco Hipotecario S.A. ("BHSA"), where it has a 29.99% interest (without considering treasury shares). BHSA is a commercial bank offering a wide variety of banking activities and related financial services to individuals, small, medium-sized and large corporations, including the provision of mortgaged loans. BHSA's shares are listed on the Buenos Aires Stock Exchange. Additionally, the Group has a 43.15% interest in Tarshop S.A ("Tarshop") whose main business comprises credit cards activities and the provision of loans.

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

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

These consolidated financial statements have been approved for issue by the Board of Directors on November 11, 2015.

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

### **2.1 Basis of preparation**

The present Unaudited Condensed Interim Consolidated Financial Statements for the three-month periods ended September 30, 2015 and 2014 (the “Unaudited Condensed Interim Consolidated Financial Statements”) have been prepared in accordance with IAS 34 “Interim Financial Reporting”.



**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)

These Unaudited Condensed Interim Consolidated Financial Statements should be read together with the Annual Consolidated Financial Statements of the Company as of June 30, 2015. These Unaudited Condensed Interim Consolidated Financial Statements are expressed in thousands of Argentine Pesos.

The Condensed Interim Consolidated Financial Statements corresponding to the three-month periods ended as of September 30, 2015 and 2014 have not been audited. The Company's management believes they include all necessary adjustments to fairly present the results of each period. Results for the three-month periods ended September 30, 2015 and 2014 do not necessarily reflect proportionally the Company's results for the complete fiscal years.

**2.2 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, 2015, except for those mentioned below which were applied in these financial statements. Most significant accounting policies are described in note 2 included in the Consolidated Financial Statements as of June 30, 2015 and 2014.

**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 Unaudited Condensed Interim Consolidated 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 as of June 30, 2015, save for changes in accrued income tax, provision for legal claims, allowance for doubtful accounts, provision for director's fees and for percentage rent.

Additionally, to estimate the market value of its investment in IDBD, in this period the Group chose to stop considering the listed price (Level 1 valuation) and to adopt a valuation model based on unobservable variables (Level 3 valuation), as a result of the circumstances described in Note 16.

**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)

**2.4 Comparative information**

Amounts as of September 30, 2014 and June 30, 2015, which are disclosed for comparative purposes have been taken from the Consolidated Financial Statements as of such dates. The financial statements originally issued have been subject to certain reclassifications required in order to present these figures comparatively with this period.

During the three-month periods ended September 30, 2015 and 2014, the Real Brasileño (RS) has depreciated against the Argentine Peso and other currencies by around 19.1% and 6.4%, respectively, which affects the comparability of the figures reported in the current financial statements given its negative impact on the financial position and results of operations of the Group, due mainly to the foreign exchange rate exposure to net assets and liabilities denominated in foreign currency and investments in joint ventures with a functional currency different from the Real.

**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 January and September every year. Wheat is generally harvested between November and February. 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.

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 year-end celebrations (December) 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 impact 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.

**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

**4. Acquisitions and disposals**

**For the three-month period ended as of September 30, 2015**

Sale of investment properties

On July 10, 2015, the Group through IRSA signed the transfer deed for the sale of the 16th floor of the Maipú 1300 Building. The total price of the transaction was US\$ 1.5 million. Such transaction generated a gain before tax of approximately Ps. 12 million.

On July 24, 2015, the Group through IRSA signed the transfer deed for the sale of the 4th floor of the Maipú 1300 Building. The total price of the transaction was Ps. 21.7 million. Such transaction generated a gain before tax of approximately Ps. 19.7 million.

On July 31, 2015, the Group through IRSA signed the transfer deed for the sale of the 18th floor of the Maipú 1300 Building. The total price of the transaction was US\$ 1.6 million. Such transaction generated a gain before tax of approximately Ps. 12.6 million.

On August 24, 2015, the Group through IRSA signed the transfer deed for the sale of the 3rd floor of the Maipú 1300 Building. The total price of the transaction was US\$ 1.5 million. Such transaction generated a

gain before tax of approximately Ps. 11.6 million.

On September 3, 2015, the Group, through IRSA sold the lands of “Isla Sirgadero”, located in Santa Fe province. The total price of the transaction was US\$ 4.0 million. Such transaction generated a gain before tax of approximately Ps. 31.9 million.

On September 10, 2015, the Group through IRSA CP, transferred 5,963 square meters corresponding to seven offices floors, 56 parking units and 3 housing units of Intercontinental Plaza Building. The transaction price was Ps. 324.5 million, which has already been fully paid. Gross profit of this operation amounted to Ps. 295.8 million.

All sales of the period led to a combined profit for the Group of Ps. 383.6 million, disclosed within the line “Gain from disposal of investment properties” in the Statement of Income.

**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

**4. Acquisitions and disposals (Continued)**

Investment in IDBD

On May 7, 2014, a transaction was closed whereby the Group, acting indirectly through Dolphin, acquired, jointly with C.A.A. Extra Holdings Limited, a non-related company incorporated under the laws of the State of Israel, controlled by Mordechay Ben Moshé (hereinafter, "ETH"), an aggregate number of 106.6 million common shares in IDBD representing 53.30% of its stock capital, under the scope of the debt restructuring of IDBD's holding company, IDB Holdings Corporation Ltd. ("IDBH"), with its creditors (the "Arrangement"). Under the terms of the agreement entered into between Dolphin and E.T.H.M.B.M. Extra Holdings Ltd., a company controlled by Mordechay Ben Moshé, to which Dolphin and ETH agreed to (the "Shareholders' Agreement"), Dolphin, jointly with other third party investors acquired a 50% interest in this investment, while ETH acquired the remaining 50%. The initial investment amount was NIS 950 million, equivalent to approximately US\$ 272 million at the exchange rate prevailing on that date. During fiscal year 2015 Dolphin continued investing in IDBD and as of June 30, 2015, the IRSA's indirect equity interest in IDBD amounted to approximately 49%.

On August 27, 2015, DIC published a rights offering memorandum according to the Proposal to IDBD and DIC (see on this regard note 9 "Interest in associates" accompanying these financial statements) and on September 6, 2015 issued right for every 1000 shares of DIC, which would be exercised automatically and cost-free on the same day for 224 Series 3 warrants, 204 Series 4 warrants, 204 Series 5 warrants and 204 Series 6 warrants, each. Each DIC warrant is convertible to 1 share of DIC and has the following characteristics:

- Series 3 warrants are exercisable at NIS 6.54 and mature on December 21, 2015;
- Series 4 warrants are exercisable at NIS 7.183 and mature on December 21, 2016;
- Series 5 warrants mature on December 21, 2017. The exercise price is NIS 7.183 until December 20, 2016, and NIS 7.836 thereafter.
- Series 6 warrants mature on December 21, 2018. The exercise price is NIS 7.183 until December 20, 2016, and NIS 8.489 thereafter.

Pursuant to the above said, on September 6, 2015 Dolphin received 91,163 warrants Series 3 and 83,023 warrants Series 4, 5 and 6 from DIC.

As a result of the transactions described above, as of September 30, 2015, Dolphin held an aggregate number of 324,445,664 shares, 15,998,787 Series 3 warrants, 24,897,859 Series 4 warrants, 109,342,966 Series 5 warrants and 97,833,180 Series 6 warrants, accounting for a 49.0% share interest in IDBD. Furthermore, as of September 30, 2015, Dolphin owned 406,978 shares of DIC, 91,163 warrants Series 3 and 83,023 warrants Series 4, 5 and 6 of DIC, representing a direct equity interest of 0.48%.



**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

**4. Acquisitions and disposals** (Continued)

As of September 30, 2015, IDBD's Board of Directors consisted of nine members, three of which were appointed by Dolphin as regular directors: Eduardo Sergio Elsztain (President), Roni Bar-On (on July 7 Roni Bar- On replaced Alejandro Gustavo Elsztain) and Saúl Zang.

During February and March 2015 Dolphin and ETH initiate an exchange of letters mainly in relation to claims from ETH in connection with the Rights Offering and ETH's claim demanding a pro rata acquisition of the shares in IDBD owned by Dolphin and subscribed for under the Rights Offering and all the shares acquired thereafter by IFISA asserting in the latter case the rights under the Shareholder's Agreement (*first refusal*).

Based on the foregoing and in accordance with the provisions of the Shareholders' Agreement with respect to dispute resolution, on April 30, 2015 (the "Preliminary Hearing") arbitration proceedings were initiated in English language, in Tel Aviv, and the Israeli law applies thereto.

The arbitration proceedings are intended to settle the issues referred to above, and application and interpretation of certain clauses of the Shareholders' Agreement.

In addition, during such Preliminary Hearing, the parties agreed on the rules and procedures that would govern the conduct of the arbitration proceedings and a schedule for such purposes. Appointment of an arbitrator was approved and, as a result, any applicable statutory terms began running thereafter.

On May 28, 2015, before the filing of the arbitration claim, ETH made a preliminary petition to the arbiter that triggered application of the Buy Me Buy You (“BMBY”) clause, which establishes that each party to the Shareholders’ Agreement may offer to the counterparty to acquire (or sell, as the case may be) the shares it holds in IDBD at a fixed price; and within 14 days from delivery of the BMBY notice (the “Notice”) recipient should let it know whether it desires to sell or acquire the other party’s shares pursuant to the terms of the Notice, in accordance with the provisions of the Shareholders’ Agreement. In such petition, ETH further added that the purchaser thereunder would be required to assume all obligations of seller under the Arrangement.

In addition, on June 10 and 11, 2015, Dolphin gave notice to ETH of its intention to buy all the shares in IDBD held by ETH, asserted its defenses and its interpretation about application and construction of the BMBY, establishing that ETH’s interpretation of such mechanism was erroneous.

**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

**4. Acquisitions and disposals** (Continued)

As a result, the parties pursued arbitration to settle their disputes and in respect of the correct interpretation of the BMBY clause, in order to determine, first, who is the purchaser under the BMBY clause, and whether such party will be under the obligation to assume all the obligations of seller under the Arrangement.

For such purposes, the arbiter decided to divide the arbitration proceedings into two phases: the first one to deal with the disputes related to application and interpretation of the mechanism under the BMBY clause and the second one in relation to the parties' additional petitions or claims.

Moreover, on June 28 and 30, 2015 ETH filed a motion with the arbiter requesting an injunction preventing changes in IDBD's current Board of Director's composition at IDBD's annual shareholders' meeting held on July 7, 2015.

On July 6, 2015, the arbiter granted such injunction as requested by ETH, for which reason Dolphin appointed only 3 directors for the next meeting and could appoint such number of directors until the arbiter issues a final decision about who is the purchaser under the BMBY process.

On September 24, 2015 the arbitrator issued its award, which provided that: (i) Dolphin and IFISA are entitled to act as buyers in the BMBY process, and ETH should sell IDBD shares held by it (92,665,925 shares) at a NIS price of 1.64 per share; (ii) the buyer must fulfill all of the commitments included in the seller's Arrangement, including the commitment to carry out Tender Offers and the obligation to engage in

capital increases; (iii) the buyer must pledge in favor of the Arrangement Trustees the shares that seller had pledged to them; (iii) the parties will have 16 days to complete the BMBY process from the time of notice of this award.

As Dolphin is a subsidiary that qualifies as a VCO in accordance with the IAS 28 exemption referred to in Note 2.3 (d), of the Consolidated Financial Statements for the fiscal year ended June 30, 2015, the Company has recorded its interest in IDBD at fair value with changes in the income statement.

**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

**4. Acquisitions and disposals** (Continued)

***Transactions with non-controlling interests***

*IRSA Commercial Properties*

During the three-month period ended September 30, 2015, the Group, through IRSA, acquired an additional 0.10% interest in IRSA Commercial Properties for a total amount of Ps. 3.1 million. This resulted in a decrease in non-controlling interests of Ps. 0.9 million and a decrease in equity attributable to the owners of the parent of Ps. 9.5 million. As of September 30, 2015, IRSA's equity interest in IRSA Propiedades Comerciales amounts to 95.90%. The effect of changes in the ownership interest of IRSA Propiedades Comerciales on the equity attributable to owners of the Group is summarized as follows:

	Ps. (million)
Carrying amount of group's interest acquired of	0.9
Consideration paid for non-controlling interests	(9.5)
Reserve recorded in within parent's equity	(i) (8.6)

(i) The reserve includes Ps. 3.0 million for non-controlling interest.

**5. Financial risk management**

## **5.1. Financial risk**

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 Unaudited 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 consolidated financial statements as of June 30, 2015. There have been no changes in the risk management or risk management policies applied by the Group since the fiscal year-end.

## **5.2. Fair value estimates**

Since June 30, 2015, to the balance sheet date, there have been no significant changes in business or economic circumstances affecting the fair value of the Group's assets or liabilities (either measured at fair value or amortized cost). Neither have been certain transfers between the several tiers used in estimating the fair value of the Group's financial instruments, which are describe in Note 16.

**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

**6. Segment information**

The Group's Executive Board periodically reviews the results and certain asset categories corresponding to these segments. The valuation criteria used in preparing this information are consistent with IFRS standards used for the preparation of the consolidated financial statements, except for the investments in joint ventures: Cresca S.A., Cyrsa S.A., Nuevo Puerto Santa Fe S.A., Puerto Retiro S.A., Baicom Networks S.A. and Quality Invest S.A., which are reported to the Group's Executive Board, applying proportional consolidation method. Under this method the income/loss generated and assets, are reported in the income statement line-by-line rather than in a single item as required by IFRS. Management believes that the proportional consolidation method provides more useful information to understand the business return. Moreover, operating results of Entertainment Holding S.A. ("EHSA") joint venture is accounted for under the equity method. Management believes that, in this case, this method provides more adequate information for this type of investment, given its low materiality and considering it is a company without direct trade operations, where the main asset consists of an indirect interest of 25% of la Rural S.A..

The following asset categories are reviewed by the Group's Executive Board: investment properties, property, plant and equipment, trading properties, goodwill, rights to receive future units through barter agreements, assets held for sale, biological assets, inventories, investments in associates and investment in EHSA joint venture. The aggregate of these assets, classified by business segment, are disclosed as "segment assets". The measurement principles for the segment assets are based on the IFRS principles adopted in the preparation of the consolidated financial statements, except for the Group's share of assets of the joint ventures: Cresca S.A., Cyrsa S.A., Nuevo Puerto Santa Fe S.A., Puerto Retiro S.A., Baicom Networks S.A. and Quality Invest S.A., which are all reported to the Executive Board under the proportionate, consolidation method. Under this method, each of the segment assets reported includes the proportionate share of the Group in the same operating assets of these joint ventures. As an example, the investment properties amount reported to the Executive Board includes (i) the investment property balance

as per the statement of financial position plus (ii) the Group's share of the investment properties of these joint ventures. Under IFRS 11, the investment properties of these joint ventures are included together with all other of the joint ventures' net assets in the single line item titled "Investments in associates and joint ventures" in the statement of financial position. Assets are allocated to each segment based on the operations and/or their physical location. Assets and services exchanged between segments are calculated on the basis of market prices. Intercompany transactions between segments, if any, are eliminated.



**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

**6. Segment information (Continued)**

In the last quarter of the fiscal year ended June 30, 2015, the Group has changed the presentation of the income statement which is reviewed by the CODM for purposes of assigning resources and assessing performance for the fiscal year for a better alignment with the current business vision and the metrics used to such end. These amendments affected the shopping centers and office segments. The information examined by the CODM does not include the amounts pertaining to income from building administration expenses and collective promotion funds ("FPC", as per its Spanish acronym) from the income statement, and so does it exclude total recovered costs, whether by way of building administration expenses or other concepts included under financial income (for example default interest and other concepts) and not analyzed to assess the operating performance of the segment. The CODM examines the net amount from both concepts (total surplus or deficit between building administration expenses and collective promotion funds and recoverable expenses). These costs and income are presented now for reconciliation of all segments and their respective consolidating operating income. The amounts corresponding to prior fiscal years have been retroactively adjusted to reflect these changes in segment information.

In addition, in the last quarter of the fiscal year ended June 30, 2015, the Group has modified how it presents the gain/loss on the sale of investment property in segment information, which is revised by CODM. The information revised by CODM includes the gain/loss on the sale of investment properties within sales and development segment, regardless of the segment where the property would have been originally located. These modifications affected the segments of sales and development and international.



**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

**6. Segment information** (Continued)

Below is a summarized analysis of the lines of business of the Group for the three-month period ended September 30, 2015:

	<b>Agricultural business</b>	<b>Urban properties and investments business</b>	<b>Total</b>
	<b>(I)</b>	<b>(II)</b>	
Revenues	679,900	721,016	1,400,916
Costs	(778,248)	(180,755)	(959,003)
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	193,369	-	193,369
Changes in the net realizable value of agricultural produce after harvest	(8,933)	-	(8,933)
<b>Gross profit</b>	<b>86,088</b>	<b>540,261</b>	<b>626,349</b>
Gain from disposal of investment properties	-	383,585	383,585
General and administrative expenses	(63,955)	(132,354)	(196,309)
Selling expenses	(92,252)	(55,439)	(147,691)
Other operating results, net	23,357	(12,932)	10,425
<b>(Loss) / Profit from operations</b>	<b>(46,762)</b>	<b>723,121</b>	<b>676,359</b>
Share of loss of associates and joint ventures	(554)	(493,105)	(493,659)
<b>Segment (Loss) / Profit</b>	<b>(47,316)</b>	<b>230,016</b>	<b>182,700</b>
Investment properties	442,007	3,499,167	3,941,174

Edgar Filing: CRESUD INC - Form 6-K

Property, plant and equipment	1,569,225	255,982	1,825,207
Trading properties	-	130,212	130,212
Goodwill	6,916	24,440	31,356
Rights to receive future units under barter agreements	-	90,486	90,486
Biological assets	539,668	-	539,668
Inventories	453,936	23,041	476,977
Investments in associates and joint ventures	30,185	2,600,437	2,630,622
<b>Total segment assets</b>	<b>3,041,937</b>	<b>6,623,765</b>	<b>9,665,702</b>

**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

**6. Segment information** (Continued)

Below is a summarized analysis of the lines of business of the Group for the three-month period ended September 30, 2014:

	<b>Agricultural business</b>	<b>Urban properties and investments business</b>	<b>Total</b>
	<b>(I)</b>	<b>(II)</b>	
Revenues	780,235	596,258	1,376,493
Costs	(927,451)	(154,972)	(1,082,423)
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	274,650	-	274,650
Changes in the net realizable value of agricultural produce after harvest	(22,021)	-	(22,021)
<b>Gross Profit</b>	<b>105,413</b>	<b>441,286</b>	<b>546,699</b>
Gain from disposal of investment properties	-	316,767	316,767
Gain from disposal of farmlands	20,957	-	20,957
General and administrative expenses	(60,836)	(80,287)	(141,123)
Selling expenses	(87,461)	(38,052)	(125,513)
Other operating results, net	(2,239)	2,948	709
<b>(Loss) Profit from operations</b>	<b>(24,166)</b>	<b>642,662</b>	<b>618,496</b>
Share of profit of associates and joint ventures	(1,160)	(117,236)	(118,396)
<b>Segment (Loss) Profit</b>	<b>(25,326)</b>	<b>525,426</b>	<b>500,100</b>
Investment properties	213,881	3,558,491	3,772,372
Property, plant and equipment	2,112,418	243,605	2,356,023

Edgar Filing: CRESUD INC - Form 6-K

Trading properties	-	137,276	137,276
Goodwill	9,792	24,784	34,576
Rights to receive future units under barter agreements	-	85,077	85,077
Biological assets	554,047	-	554,047
Inventories	411,015	18,429	429,444
Investments in associates	31,352	2,166,887	2,198,239
<b>Total segment assets</b>	<b>3,332,505</b>	<b>6,234,549</b>	<b>9,567,054</b>

**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

**6. Segment information** (Continued)

(1) *Agriculture line of business:*

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

	September 30, 2015								
	Agriculture					Land			
	Crops	Cattle	Dairy	Sugarcane	Rental and services	Subtotal	Agricultural transformation and Sales	Agro-industrial	
Revenues	270,455	58,023	17,503	101,649	11,621	459,251	-	189,910	
Costs	(308,020)	(78,670)	(33,610)	(143,166)	(4,782)	(568,248)	(2,392)	(180,859)	
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	97,669	28,243	16,006	51,451	-	193,369	-	-	

Changes in  
the net  
realizable  
value of  
agricultural  
produce

after harvest	(8,933)	-	-	-	-	(8,933)	-	-
<b>Gross Profit / (Loss)</b>	<b>51,171</b>	<b>7,596</b>	<b>(101)</b>	<b>9,934</b>	<b>6,839</b>	<b>75,439</b>	<b>(2,392)</b>	<b>9,051</b>
General and administrative expenses	(36,682)	(8,964)	(1,710)	(6,578)	(926)	(54,860)	(337)	(6,206)
Selling expenses	(62,829)	(6,070)	(841)	(2,746)	(287)	(72,773)	(31)	(15,312)
Other operating results, net	21,680	(414)	(108)	(74)	(32)	21,052	(21)	349
<b>(Loss) / Profit from Operations</b>	<b>(26,660)</b>	<b>(7,852)</b>	<b>(2,760)</b>	<b>536</b>	<b>5,594</b>	<b>(31,142)</b>	<b>(2,781)</b>	<b>(12,118)</b>
Share of profit / (loss) of associates	(95)	-	-	-	-	(95)	-	-
<b>Segment (Loss) / Profit</b>	<b>(26,755)</b>	<b>(7,852)</b>	<b>(2,760)</b>	<b>536</b>	<b>5,594</b>	<b>(31,237)</b>	<b>(2,781)</b>	<b>(12,118)</b>
Investment properties	355,552	22,695	-	-	63,760	442,007	-	-
Property, plant and equipment	934,349	156,336	21,856	330,416	780	1,443,737	52,892	17,796
Goodwill	3,837	-	-	2,436	-	6,273	-	-
Biological assets	82,102	358,714	39,030	59,822	-	539,668	-	-
Inventories	259,545	57,228	965	3,622	-	321,360	-	23,701
Investments in associates	28,012	19	-	-	-	28,031	-	-
<b>Total segment assets</b>	<b>1,663,397</b>	<b>594,992</b>	<b>61,851</b>	<b>396,296</b>	<b>64,540</b>	<b>2,781,076</b>	<b>52,892</b>	<b>41,497</b>



**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

**6. Segment information** (Continued)

	September 30, 2014								
	Agricultural					Land			
	Crops	Cattle	Dairy	Sugarcane	Rental and services	Subtotal	Agricultural transformation and Sales	Agro-industrial	Sales
Revenues	330,404	62,348	17,467	100,181	14,136	524,536	-	215,927	-
Costs	(437,918)	(82,743)	(32,836)	(151,158)	(5,210)	(709,865)	(2,666)	(188,820)	-
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	161,055	29,177	17,211	67,207	-	274,650	-	-	-
Changes in the net realizable value of agricultural produce after harvest	(22,022)	1	-	-	-	(22,021)	-	-	-

<b>Gross Profit / (Loss)</b>	<b>31,519</b>	<b>8,783</b>	<b>1,842</b>	<b>16,230</b>	<b>8,926</b>	<b>67,300</b>	<b>(2,666)</b>	<b>27,107</b>
Gain from disposal of farmlands	-	-	-	-	-	-	20,957	-
General and administrative expenses	(38,854)	(5,906)	(1,121)	(5,347)	(487)	(51,715)	(522)	(5,846)
Selling expenses	(50,620)	(7,216)	(692)	(4,879)	(194)	(63,601)	(1,353)	(19,368)
Other operating results, net	2,608	(2,087)	(420)	35	(182)	(46)	(4,393)	73
<b>(Loss) / Profit from Operations</b>	<b>(55,347)</b>	<b>(6,426)</b>	<b>(391)</b>	<b>6,039</b>	<b>8,063</b>	<b>(48,062)</b>	<b>12,023</b>	<b>1,966</b>
Share of loss of associates	(1,018)	(1)	-	-	-	(1,019)	-	-
<b>Segment (Loss) / Profit</b>	<b>(56,365)</b>	<b>(6,427)</b>	<b>(391)</b>	<b>6,039</b>	<b>8,063</b>	<b>(49,081)</b>	<b>12,023</b>	<b>1,966</b>
Investment properties	164,417	10,495	-	-	38,969	213,881	-	-
Property, plant and equipment	1,454,877	140,130	20,404	377,382	1,064	1,993,857	54,893	17,158
Goodwill	6,317	-	-	2,832	-	9,149	-	-
Biological assets	110,240	293,066	37,567	113,174	-	554,047	-	-
Inventories	224,474	62,008	705	2,182	-	289,369	-	29,084
Investments in associates	28,666	19	-	-	-	28,685	-	-
<b>Total segment assets</b>	<b>1,988,991</b>	<b>505,718</b>	<b>58,676</b>	<b>495,570</b>	<b>40,033</b>	<b>3,088,988</b>	<b>54,893</b>	<b>46,242</b>

**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

**6. Segment information** (Continued)

(II) *Urban properties line of business and investments*

The following tables present the reportable segments of the Urban Properties and Investments line of business of the Group:

**September 30, 2015**

	<b>Shopping Center Properties</b>	<b>Offices</b>	<b>Sales and developments</b>	<b>Hotels</b>	<b>International</b>	<b>Financial operations and others</b>	<b>Total Urban Properties and Investment business</b>
Revenues	532,779	75,149	2,291	110,769	-	28	721,016
Costs	(79,250)	(14,154)	(5,406)	(81,760)	-	(185)	(180,755)
<b>Gross Profit / (Loss)</b>	<b>453,529</b>	<b>60,995</b>	<b>(3,115)</b>	<b>29,009</b>	<b>-</b>	<b>(157)</b>	<b>540,261</b>
Gain from disposal of investment properties	-	-	383,585	-	-	-	383,585
General and administrative expenses	(37,399)	(12,000)	(28,503)	(21,603)	(32,849)	-	(132,354)
Selling expenses	(31,813)	(4,542)	(4,855)	(14,106)	-	(123)	(55,439)

Other operating results, net	(6,554)	(1,275)	(3,581)	(358)	(644)	(520)	(12,932)
<b>Profit / (Loss) from Operations</b>	<b>377,763</b>	<b>43,178</b>	<b>343,531</b>	<b>(7,058)</b>	<b>(33,493)</b>	<b>(800)</b>	<b>723,121</b>
Share of (loss) / profit of associates and joint ventures	-	(1,395)	3,126	-	(562,760)	67,924	(493,105)
<b>Segment Profit / (Loss)</b>	<b>377,763</b>	<b>41,783</b>	<b>346,657</b>	<b>(7,058)</b>	<b>(596,253)</b>	<b>67,124</b>	<b>230,016</b>
Investment properties	2,353,183	955,014	184,271	-	-	6,699	3,499,167
Property, plant and equipment	48,570	30,556	1,384	174,205	1,267	-	255,982
Trading properties	1,484	-	128,728	-	-	-	130,212
Goodwill	13,719	6,180	4,541	-	-	-	24,440
Rights to receive future units under barter agreements	-	-	90,486	-	-	-	90,486
Inventories	15,537	-	493	7,011	-	-	23,041
Investments in associates and joint ventures	-	19,353	59,680	-	1,038,502	1,482,902	2,600,437
<b>Total segment assets</b>	<b>2,432,493</b>	<b>1,011,103</b>	<b>469,583</b>	<b>181,216</b>	<b>1,039,769</b>	<b>1,489,601</b>	<b>6,623,765</b>

**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

**6. Segment information (Continued)**

**September 30, 2014**

	<b>Shopping Center Properties</b>	<b>Offices</b>	<b>Sales and developments</b>	<b>Hotels</b>	<b>International</b>	<b>Financial operations and others</b>	<b>Total Urban Properties and Investment business</b>
Revenues	387,675	81,024	4,804	96,827	25,873	55	596,258
Costs	(66,592)	(10,968)	(3,576)	(66,488)	(7,121)	(227)	(154,972)
<b>Gross Profit / (Loss)</b>	<b>321,083</b>	<b>70,056</b>	<b>1,228</b>	<b>30,339</b>	<b>18,752</b>	<b>(172)</b>	<b>441,286</b>
Gain from disposal of investment properties	-	-	316,767	-	-	-	316,767
General and administrative expenses	(25,938)	(11,289)	(10,070)	(17,289)	(15,701)	-	(80,287)
Selling expenses	(18,939)	(3,981)	(1,922)	(13,092)	-	(118)	(38,052)
Other operating results, net	(2,874)	(1,397)	(756)	(335)	(249)	8,559	2,948
<b>Profit / (Loss) from Operations</b>	<b>273,332</b>	<b>53,389</b>	<b>305,247</b>	<b>(377)</b>	<b>2,802</b>	<b>8,269</b>	<b>642,662</b>
Share of profit / (loss) of associates and joint ventures..	-	4,619	1,296	345	(183,674)	60,178	(117,236)

<b>Segment Profit / (Loss)</b>	<b>273,332</b>	<b>58,008</b>	<b>306,543</b>	<b>(32)</b>	<b>(180,872)</b>	<b>68,447</b>	<b>525,426</b>
Investment properties	2,270,452	847,481	433,249	-	-	7,309	3,558,491
Property, plant and equipment	26,836	36,327	3,840	175,149	1,453	-	243,605
Trading properties	1,484	-	135,792	-	-	-	137,276
Goodwill	8,582	11,661	4,541	-	-	-	24,784
Rights to receive future units under barter agreements	9,264	-	75,813	-	-	-	85,077
Inventories	12,100	-	618	5,711	-	-	18,429
Investments in associates and joint ventures	-	27,868	39,585	22,474	763,443	1,313,517	2,166,887
<b>Total segment assets</b>	<b>2,328,718</b>	<b>923,337</b>	<b>693,438</b>	<b>203,334</b>	<b>764,896</b>	<b>1,320,826</b>	<b>6,234,549</b>

**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

**6. Segment information** (Continued)

The following tables present a reconciliation between the profit / (loss) from operations as per the segment information and the results of operations as per the income statements. The adjustments relate to the presentation of the results of operations of joint ventures accounted for under the equity method under IFRS.

	<b>September 30, 2015</b>				
		<b>Adjustment to</b>			
	<b>Total segment information</b>	<b>Adjustment for share of profit / (loss) of joint ventures</b>	<b>income for elimination of inter-segment transactions</b>	<b>Expenses and collective promotion funds</b>	<b>Total Income statements</b>
Revenues	1,400,916	(11,443)	(20,286)	255,174	1,624,361
Costs	(959,003)	11,960	11,559	(259,107)	(1,194,591)
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	193,369	(4,461)	7,717	-	196,625
Changes in the net realizable value of agricultural produce after	(8,933)	-	-	-	(8,933)

harvest					
<b>Gross Profit / (Loss)</b>	<b>626,349</b>	<b>(3,944)</b>	<b>(1,010)</b>	<b>(3,933)</b>	<b>617,462</b>
Gain from disposal of investment properties	383,585	-	-	-	383,585
General and administrative expenses	(196,309)	874	977	-	(194,458)
Selling expenses	(147,691)	909	266	-	(146,516)
Other operating results, net	10,425	517	(233)	-	10,709
<b>Profit / (Loss) from operations before share of profit / (loss) of associates and joint ventures</b>	<b>676,359</b>	<b>(1,644)</b>	<b>-</b>	<b>(3,933)</b>	<b>670,782</b>
Share of loss of associates and joint ventures	(493,659)	(3,010)	-	-	(496,669)
<b>Profit / (Loss) from Operations before Financing and Taxation</b>	<b>182,700</b>	<b>(4,654)</b>	<b>-</b>	<b>(3,933)</b>	<b>174,113</b>



**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

**6. Segment information (Continued)**

	<b>September 30, 2014</b>				
		<b>Adjustment for share of profit / (loss) of</b>	<b>Adjustment to income for elimination of</b>	<b>Expenses and collective promotion funds</b>	<b>Total Income statements</b>
	<b>Total segment information</b>	<b>joint ventures</b>	<b>inter-segment transactions</b>		
Revenues	1,376,493	(10,557)	(43,874)	201,422	1,523,484
Costs	(1,082,423)	9,870	33,630	(204,300)	(1,243,223)
Initial recognition and changes in the fair value of biological assets and agricultural produce at the point of harvest	274,650	(1,765)	9,342	-	282,227
Changes in net realizable value of agricultural produce after harvest	(22,021)	-	-	-	(22,021)
<b>Gross Profit / (Loss)</b>	<b>546,699</b>	<b>(2,452)</b>	<b>(902)</b>	<b>(2,878)</b>	<b>540,467</b>
Gain from disposal of investment properties	316,767	-	-	-	316,767
Gain from disposal of farmlands	20,957	(20,957)	-	-	-
General and administrative expenses	(141,123)	1,102	670	-	(139,351)
Selling expenses	(125,513)	2,521	438	-	(122,554)
Other operating results, net	709	461	(206)	-	964

<b>Profit / (Loss) from operations before share of profit / (loss) of associates and joint ventures</b>	<b>618,496</b>	<b>(19,325)</b>	<b>-</b>	<b>(2,878)</b>	<b>596,293</b>
Share of (loss) / profit of associates and joint ventures	(118,396)	15,668	-	-	(102,728)
<b>Profit / (Loss) from Operations before Financing and Taxation</b>	<b>500,100</b>	<b>(3,657)</b>	<b>-</b>	<b>(2,878)</b>	<b>493,565</b>

The following tables present a reconciliation between total segment assets as per segment information and total assets as per the statement of financial position. Adjustments are mainly related to the filing of certain classes of assets in segment information and to the proportional consolidation of joint ventures mentioned previously.

	<b>September 30,</b>	<b>September 30,</b>
	<b>2015</b>	<b>2014</b>
<b>Total Assets per segment based on Segment Information</b>	<b>9,665,702</b>	<b>9,567,054</b>
<u>Less:</u>		
Proportionate share in reportable assets per segment of joint ventures (*)	(530,276)	(325,559)
<u>Plus:</u>		
Investments in joint ventures (**)	361,521	335,711
Other non-reportable assets	6,240,121	5,569,190
<b>Total Consolidated Assets as per Statement of financial position</b>	<b>15,737,068</b>	<b>15,146,396</b>

**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

**6. Segment information** (Continued)

(\*) Below is a detail of the proportionate share in assets by segment of joint ventures included in the information reported by segment.

	<b>September 30,</b>	<b>September 30,</b>
	<b>2015</b>	<b>2014</b>
Investment properties	505,475	299,421
Property, plant and equipment	(1,608)	1,994
Trading properties	2,500	5,889
Goodwill	5,223	5,221
Biological assets	9,214	6,726
Inventories	9,472	6,308
<b>Total proportionate share in assets per segment of joint ventures.</b>	<b>530,276</b>	<b>325,559</b>

(\*\*) Represents the equity-accounted amount of those joint ventures, which were proportionate-consolidated for segment information purposes

**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, 2015 and 2014.

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	
	09.30.15	06.30.15	09.30.15	06.30.15
<b>Assets</b>				
Non-current assets	7,955,390	8,346,656	1,371,783	1,667,179
Current assets	2,694,316	1,896,817	1,004,321	1,315,092
<b>Total Assets</b>	<b>10,649,706</b>	<b>10,243,473</b>	<b>2,376,104</b>	<b>2,982,271</b>
<b>Liabilities</b>				
Non-current liabilities	5,374,655	4,682,406	135,689	195,469
Current liabilities	2,693,721	2,689,901	300,315	583,132
<b>Total Liabilities</b>	<b>8,068,376</b>	<b>7,372,307</b>	<b>436,004</b>	<b>778,601</b>
<b>Net assets</b>	<b>2,581,330</b>	<b>2,871,166</b>	<b>1,940,100</b>	<b>2,203,670</b>

**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

**7. Information about principal subsidiaries** (Continued)

**Summarized income statements and statements of comprehensive income**

	<b>IRSA</b>		<b>Brasilagro</b>	
	<b>09.30.15</b>	<b>09.30.14</b>	<b>09.30.15</b>	<b>09.30.14</b>
Revenues	968,490	790,069	161,511	185,037
(Loss) / Profit before income tax	(203,698)	312,130	174,393	12,863
Income tax expense	(112,269)	(176,331)	(57,730)	(7,090)
Profit for the period	(315,967)	135,799	116,663	5,773
Other comprehensive income	35,873	45,063	65,833	26,853
<b>Total other comprehensive (loss) / income</b>	<b>(280,094)</b>	<b>180,862</b>	<b>182,496</b>	<b>32,626</b>
Profit / (Loss) attributable to non-controlling interest	(39,612)	140,948	-	-

**Summarized cash flows**

	<b>IRSA</b>		<b>Brasilagro</b>	
	<b>09.30.15</b>	<b>09.30.14</b>	<b>09.30.15</b>	<b>09.30.14</b>
<b>Cash flow from operating activities</b>				
Net cash generated from operating activities	368,664	252,094	6,279	3,692
<b>Cash flow from investing activities</b>				
Net cash (used in) generated from investing activities	(282,278)	1,068,630	329,546	(104,814)
<b>Cash flow from financing activities</b>				

Net cash generated from (used in) financing activities	219,604	(711,352)	(210,810)	(111,210)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>305,990</b>	<b>609,372</b>	<b>125,015</b>	<b>(212,332)</b>
Cash and cash equivalents at beginning of period	375,180	609,907	221,567	320,349
Foreign exchange gain / (loss) on cash and cash equivalents	17,046	26,217	(51,786)	(9,270)
<b>Cash and cash equivalents at end of period</b>	<b>698,216</b>	<b>1,245,496</b>	<b>294,796</b>	<b>98,747</b>

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

## 8. Interests in joint ventures

As of September 30, 2015 and June 30, 2015 the joint ventures of the Group are Cresca S.A., Cyrsa S.A., Puerto Retiro S.A., Baicom Networks S.A., Quality Invest S.A., Nuevo Puerto Santa Fe S.A. ("NPSF"), Entretenimiento Universal S.A. and Entertainment Holdings S.A. ("EHSA"). The shares in these joint ventures are not publicly traded.

**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

**8. Interests in joint ventures (Continued)**

Changes in the Group's investments in joint ventures for the three-month period ended September 30, 2015 and for the year ended June 30, 2015 were as follows:

	<b>September 30,</b>	<b>June 30,</b>
	<b>2015</b>	<b>2015</b>
<b>Beginning of the year</b>	<b>378,419</b>	<b>395,243</b>
Capital contribution	-	95,449
Capital reduction (ii)	-	(110,860)
Cash dividends (i)	-	(33,614)
Share of (loss) / profit	(4,179)	5,356
Currency translation adjustment	6,228	26,845
<b>End of the period / year</b>	<b>380,468</b>	<b>378,419</b>

(i) During the fiscal year ended June 30, 2015, the Group cashed dividends from Nuevo Puerto Santa Fe in the amount of Ps. 2.6 million and from Cyrsa in the amount of Ps. 31.0 million.

(ii) During the fiscal year ended June 30, 2015, Cyrsa S.A. carried out a distribution to IRSA due to capital reduction in the amount of Ps. 110.9 million.

**Restrictions, commitments and other matters in respect of joint ventures**

According to Argentine law, 5% of the profit of the year is separated to constitute a legal reserve until they reach legal capped amounts (20% of total capital). This legal reserve is not available for dividend distribution and can only be released to absorb losses. The Group's joint ventures have not reached the legal capped amounts.

There are no contingent liabilities relating to the Group's interest in joint ventures, and there are no contingent liabilities of the joint ventures themselves.

Quality Invest S.A.

In March 2011, Quality purchased an industrial plant owned by Nobleza Piccardo S.A.I.C.y F. ("Nobleza"), a major tobacco company in Argentina. The industrial plant is located in San Martin, Province of Buenos Aires, and is suitable for redevelopment into multiple uses. The purchase price was US\$ 33.0 million. As part of the agreement, Nobleza requested the plant to be leased back to it for a maximum period of three years thus allowing it enough time to gradually moving its operations to the new site. On March 2, 2015, an Agreement Letter has been signed for the completion of lease agreement and restitution of San Martín plant. In April 2011, Quality requested the CNDC, to issue an advisory opinion on the obligation to notify the operation or not. Subsequently, the Court of Appeals confirmed the CNDC's decision regarding the obligation to notify and, therefore, on February 23, 2012, form F1 was filed, which is being processed as of the date of these financial statements are issued.



**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

**8. Interests in joint ventures** (Continued)

As authorized by the relevant Ordinance, on January 20, 2015 Quality Invest S.A. entered into an Urbanization Agreement with the Municipality of San Martín which governs several regulatory aspects and sets forth a binding assignment of meters in exchange for cash contributions subject to formalization of certain administrative milestones included in the rezoning process. The Agreement contemplates a monetary compensation to the City Council totaling Ps. 40.0 million, payable in two installments of Ps. 20.0 million each. The first of such installments was actually paid on June 30, 2015.

Entertainment Holdings S.A.

During November 2012, IRSA Commercial Properties acquired shares of common stock, representing 50% of EHSA's capital stock and votes and as a consequence IRSA Propiedades Comerciales holds a jointly indirect interest in LRSA of 25% which operates the fairground Predio Ferial de Buenos Aires.

In connection with the Fairground, as publicly known, in December 2012 the Executive Branch issued Executive Order 2552/12 that annulled an executive order dated 1991 which approved the sale of the Fairground to the SRA; the effect of this new order was to revoke the sale transaction. Subsequent to December 21, 2012, the Executive Branch notified the SRA of said executive order and further ordered that the property be returned to the Federal Government within 30 subsequent days. Then, the SRA issued a press release publicly disclosing the initiation of legal actions. Furthermore, as it has become publicly known, on August 21, 2013, the Supreme Court of Justice rejected the appeal filed by the National State against the interim measure timely requested by the SRA.

Neither has IRSA Commercial Properties been served notice formally nor is it a party involved in the legal actions brought by the SRA.

Given the potential dimension of the dispute, as it has been known to the public, we estimate that if Executive Order 2552/2012 was found to be unconstitutional, such order shall have no legal effects either in EHSA or in the acquisition by IRSA Commercial Properties of equity interest in EHSA. However, if the opposite happen, that is, a court order declaring the nullity of Executive Order 2699/91 could have a real impact on acquired assets. In this scenario, the judicial decision may render the purchase of the Plot of Land by SRA null and void , and all acts executed by SRA in relation to the Plot of Land, including the right of use currently held by the entity where EHSA has an indirect equity interest, through vehicle entities, would also become null and void.

On June 1, 2015, a ruling was issued in case 4573/2012 SOCIEDAD RURAL ARGENTINA vs. NATIONAL STATE – EXECUTIVE POWER ON DECLARATORY ACTION, whereby the injunction staying the effects of Executive Order 2552/12 was lifted.

**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

**8. Interests in joint ventures** (Continued)

On June 2, 2015 the Sociedad Rural Argentina filed a writ of appeals against the ruling indicated above and on that same date the appeal was admitted with staying effects. While a decision on the appeal filed with the Court is pending, the motion to lift the injunction filed by the National State will have no effect.

On September 17, 2015 DIVISION II rejected the motion to lift the injunction, which decision was challenged by the National State by way of an Extraordinary Resource.

Notwithstanding the above, to the date we are not aware of any judicial measure petitioned by the owner of the Plot of Land and/or the National Government, or the corresponding appeals or rulings, may have affected the actual use of the Plot of Land.

There are no contingent liabilities relating to the Group's interest in joint ventures, and there are no contingent liabilities of the joint ventures themselves, different to the mentioned above.

Puerto Retiro S.A. ("Puerto Retiro")

On April 18, 2000, Puerto Retiro S.A. was notified of a filing made by the National Government, through the Ministry of Defense, to extend the petition in bankruptcy of Inversora Dársena Norte S.A. (Indarsa) to

Puerto Retiro. At the request of plaintiff, the bankruptcy court for the Buenos Aires District issued an order restraining the ability of Puerto Retiro to sell or dispose in any manner the land.

Indarsa had acquired 90% of the capital stock of Tandanor to a formerly estate owned company in 1991. Tandanor is mainly engaged in ship repairs, which activity was carried out in premises with a surface of 19 hectares located near La Boca and where Syncrolift is currently installed.

Indarsa did not comply with the payment of the outstanding price for the acquisition of the stock of Tandanor, and therefore the Ministry of Defense requested the bankruptcy of Indarsa, pursuing to extend the bankruptcy to Puerto Retiro.

The evidence steps of the legal procedures have been completed Puerto Retiro appealed the precautionary measure, being the same confirmed by the Court on December 14, 2000. The parties have submitted their claims in due time. The file was passed for the judge to issue a pronouncement, the judge issued a decree adjourning the summoning of decisions to pronouncement in the understanding that there exists pre-judgment in respect of the penal cause filed against ex-officers of the Ministry of Defense and ex-directors of the Company. Consequently, the matter will not be solved until there is final judgment in penal jurisdiction.

**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

**8. Interests in joint ventures** (Continued)

Notice has been served upon the commercial court that the criminal cause of action was declared extinguished by operation of the statutes of limitation and that the accused were acquitted. However, this ruling was revoked by the Criminal Cassation Court; an extraordinary remedy was filed, which was denied. Then a grievance remedy was filed with the Argentine Supreme Court, which has not yet decided on the dispute.

The Management and legal advisors of Puerto Retiro estimate that there are legal and technical arguments sufficient to consider that the request for bankruptcy will be denied by the court. However, given the current status of the case, we cannot predict its outcome.

In addition, Tandanor filed a civil action against Puerto Retiro and other accused parties in the criminal case for violation of section 174 subsection 5, under section 173 subsection 7 of Criminal Code. The claim expects that upon invalidation of executive order that approved the bid of Dársena Norte plot of land, Tandanor be reimbursed any other sum of money that it claims to have lost due to the alleged fraudulent purchase-sale transaction of the real property disputed in the case.

Puerto Retiro filed an answer to the complaint in due course in relation to the civil action, and filed some affirmative defenses. Tandanor requested the intervention of the National State as third party in the proceedings, which was admitted by the Court. In March 2015 both the National State and the plaintiffs answered the motion for affirmative defenses filed by the defendant. To date, no decision has been made regarding such defenses. Until the court rules on the admissibility of such affirmative defenses, we cannot predict the outcome; yet, there are some technical legal arguments that support the company's position.

**9. Interests in associates**

As of June 30, 2015, the associates of the Group were Agro-Uranga S.A., Agromanagers S.A., New Lipstick LLC, BHSA, IDBD, Tarshop S.A., Manibil S.A., Lipstick Management LLC and Banco de Crédito y Securitización S.A. ("BACS").

As of September 30, 2015, the associates of the Group were Agro-Uranga S.A., Agromanagers S.A., Agrofy S.A., New Lipstick LLC, BHSA, IDBD, Tarshop S.A., Manibil S.A., Lipstick Management LLC and Banco de Crédito y Securitización S.A. ("BACS").

**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

**9. Interests in associates** (Continued)

The evolution of the Group's investments in associates for the three-month period ended September 30, 2015 and for the year ended June 30, 2015 were as follows:

	<b>September 30,</b>	<b>June 30,</b>
	<b>2015</b>	<b>2015</b>
<b>Beginning of the year</b>	<b>2,652,938</b>	<b>1,803,114</b>
Acquisition of associates	-	1,254,306
Capital contribution	34,374	30,937
Share of profit / (loss)	65,433	(29,329)
Currency translation adjustment	34,788	87,476
Cash dividends (i)	(2,422)	(17,597)
Disposal of associates	-	(33,768)
Reclassification to financial instruments (Note 4)	-	(30,089)
Unrealized gain from investments at fair value	(557,923)	(412,112)
<b>End of the period / year (ii)</b>	<b>2,227,188</b>	<b>2,652,938</b>

(i) During the three-month period ended September 30, 2015, the Group cashed dividends from Agro-Uranga S.A. in the amount of Ps. 0.5 million. During the year 2015, the Group cash dividends from Agro-Uranga S.A. and BHSA in the amount of Ps. 4.7 million and Ps. 12.9 million, respectively.

(ii) Includes a balance of Ps. (384,488) and Ps. (362,931) reflecting interests in companies with negative equity as of September 30, 2015 and June 30, 2015, respectively, which are reclassified to "Provisions" (see note 24).

### **Restrictions, commitments and other matters related to associates**

According to Argentine law, 5% of the profit of the year is separated to constitute a legal reserve until they reach legal capped amounts (20% of total capital). This legal reserve is not available for dividend distribution and can only be released to absorb losses. The Group's associates under this law have not reached the legal limits of this reserve.

There are no contingent liabilities relating to the Group's interest in associates, and there are no contingent liabilities of the associates themselves.

Tarshop S.A.

Over the past two fiscal years, the BCRA modified certain aspects of the regulatory framework carried out by Tarshop S.A. Based on these changes, our Associate is going through a business reformulation process.

In addition, during October 2014 Banco Hipotecario S.A and IRSA CP approved a gradual capitalization plan to be carried out by shareholders pro rata their holdings; the first tranche of such capitalization has already been made for a total amount of Ps. 110.0 million.



**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

**9. Interests in associates** (Continued)

Non-competition agreement for the sale of the equity interest

Due to the sale assignment and transfer of the 80% of the equity interest in Tarshop to BHSA, made during the fiscal year ended June 30, 2011, the Group committed itself to not competing for 5 years in the credit card and/or consumer loan business in which Tarshop has a presence.

New Lipstick

New Lipstick has a pledge over the shares of its operating subsidiary Metropolitan 885 Third Avenue Leasehold LLC ("Metropolitan"). Metropolitan owns the building known as Lipstick Building in Manhattan.

Rigby 183 LLC

During fiscal year 2015 Rigby has received notification from the State of New York in relation to the tax on the transfer of real property associated to the sale of shareholdings between shareholders in 2012. The amount claimed amounted to US\$ 0.5 million. In September 2015, the State of New York notified the ruling in favor of Rigby, thereby dismissing the claim made.

IDBD

Under the Agreement, Dolphin and ETH promised to participate on a joint and several basis in the capital increases resolved by IDBD's Board of Directors in order to carry out its business plan for 2014 and 2015, for at least NIS 300 million in 2014 and NIS 500 million in 2015. As of September 30, 2015, Dolphin has contributed NIS 668.6 million in aggregate (NIS 400 million of which are creditable against its commitment) and ETH has contributed NIS 203.5 million in IDBD. In this way, Dolphin has completed its committed contributions, while IDBD is claiming from ETH, and Dolphin, under its joint and several liability, to pay the balance committed by ETH for an aggregate of NIS 196.5 million (equivalent to approximately US\$ 50.1 million at the exchange rate prevailing as of September 30, 2015).

**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

**9. Interests in associates (Continued)**

Moreover, as part of the Arrangement, Dolphin and ETH promised jointly and severally to make Tender Offers for the purchase of IDBD's shares for a total amount of NIS 512.09 million (equivalent to approximately US\$ 128 million at the exchange rate prevailing as of September 30, 2015), as follows: (i) by December 31, 2015 at least NIS 249.8 million for a price per share of NIS 7.798 (value as of September 30, 2015, subject to adjustment) and (ii) by December 31, 2016, for at least NIS 512.09 million, less the offer made in 2015, for a price per share of NIS 8.188 (value as of September 30, 2015, subject to adjustment). As security for the performance of the tender offers, a total of 34,130,119 shares in IDBD were pledged as of September 30, 2015. In addition, as of September 30, 2015, 49,695,135 shares, 23,950,072 Series 4 warrants, 22,752,569 Series 5 warrants and 20,357,561 Series 6 warrants of IDBD held by Dolphin were deposited in escrow as pledge collateral, and are expected to be soon transferred to an account not subject to pledge. As of the date of issuance of these financial statements, the Tender Offer has not been consummated.

On May 12, 2014, IDBD's shares became listed on the TASE. Consequently, all the shares acquired to date (including the pledged shares) were deposited in escrow with Bank Leumi Le-Israel as security in compliance with the lock-up provisions set forth in Chapter D of the TASE Regulations, which provide that initially listed shares may not be disposed of for a term of 18 months and allow the release of 2.5% per month beginning on the fourth month since the initial listing date. Hence, in accordance with TASE Rules applicable to September 30, 2015, 5,240,822 shares and 335,715 warrants of Series 3 were still deposited under the terms described above. The lock-up provisions will be effective up to November 12, 2015.

Furthermore, Dolphin promised to inject funds in IDBD, directly or through an affiliated company, for at least NIS 256 million and up to NIS 400 million, as follows: (i) NIS 256 million through the exercise of the New Rights arising from the Rights Offering by Dolphin; (ii) an additional investment (the "Additional Investment")

for an amount equivalent to (a) the Maximum Immediate Payment (as such term is defined in Note 3 to the Consolidated Financial Statements for the fiscal year ended June 30, 2015), less (b) the amount received by IDBD under the Rights Offering, excluding the exercise of the new warrants, but in no case for an amount higher than NIS 144 million. The Additional Investment will be made by Dolphin or a vehicle controlled by Eduardo Sergio Elsztain exercising additional rights to be acquired by them or, if such rights are not acquired, by participating in another rights offering to be made by IDBD. On February 10, 2015, Dolphin subscribed a total of NIS 391.5 million, with a remaining contribution commitment of NIS 8.5 million.

**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

**9. Interests in associates (Continued)**

Furthermore, as established in Note 3, Dolphin agreed to (i) exercise Series 4 of Warrants for a total amount of NIS 150 million, provided it is so requested by the Board of IDBD within 6 to 12 months of the Rights Offering date, and (ii) exercise the remaining warrants of Series 4, and Series 5 and 6 received as part of the Rights Offering, if two conditions are simultaneously met, to wit: (a) that IDBD and its lenders reach an agreement to amend some covenants, and (b) that the Commissioner of Capital Markets, Insurance and Savings of Israel approves control over Clal.

On May 6, 2015, Dolphin submitted to IDBD's Board of Directors the following binding and irrevocable proposal, which provided, among others, that Dolphin (directly or through any vehicle controlled by Eduardo Sergio Elsztein), promises to make a capital injection for up to NIS 100 million in IDBD, subject to the following conditions, among others:

(a) That IDBD make a public offering of its shares, under terms acceptable to the market and approved by IDBD's Board of Directors, for an amount of at least NIS 100 million and not to exceed NIS 125 million, and that the offering is made between October 1, 2015 and November 15, 2015.

(b) The commitment assumed by Dolphin would automatically expire upon the occurrence of any of the following events before the day of the public auction under the public offering: (i) if any of IDBD's creditors or any of the representatives of IDBD's bondholders files legal actions against IDBD, including a complaint seeking the early or immediate repayment or acceleration of any portion of IDBD's debt; (ii) if a meeting of any of IDBD's bondholders is called including in its agenda any of the matters set forth in paragraph (ii); (iii) if IDBD receives capital contributions for a total amount of NIS 100 million in any manner, whether through a rights offering, the exercise of warrants, a private or public placement, and if such contributions are made by Dolphin directly or through any vehicle controlled by Eduardo Sergio Elsztein (apart from the capital

contributions creditable against the NIS 158.5 million obligation under Dolphin's irrevocable proposal dated December 29, 2014), or by any other individual or legal entity, or the investor public, and at any event when the aggregate amount of such capital contributions under paragraph 5 (d) (iii) of the proposal so submitted is lower than NIS 100 million, Dolphin's commitment under Section 5 (c) above would be reduced accordingly; or (iv) if an adverse event or change occurs in IDBD or its control structure or in any of its material affiliates.

On May 7, IDBD's Board of Directors approved the proposal.

**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

**9. Interests in associates** (Continued)

On June 29, 2015, Dolphin submitted an irrevocable proposal to IDBD and DIC (the "Proposal Sent to IDBD and DIC") which offered that, subject to its approval by the Boards of Directors of both companies, DIC would start as soon as possible a rights offering for up to approximately NIS 500 million ("DIC's Rights Offering") (equivalent to US\$ 127.4 million at the exchange rate prevailing as of September 30, 2015). Under DIC's Rights Offering, each shareholder of the company would receive, for no consideration, DIC's right units consisting of 4 series of warrants issued by DIC (which would be registered for trading in the TASE), each of which would be exercisable for one common share of DIC ("DIC's Warrants"), with the following features:

- DIC's Warrants would be divided into 4 series, and the exercise price of each of such series would be approximately NIS 125 million, as follows:
  - The first series of warrants would be exercisable until December 21, 2015, for a price to be determined based on acceptable market conditions and after consultation with capital market experts, but in no case for a higher price than NIS 6.53 ("DIC's 1 Warrants").
  - The second series of warrants would be exercisable until December 21, 2016, for an exercise price equivalent to 110% of DIC's 1 Warrants' exercise price.
  - The third series of warrants would be exercisable until December 21, 2017, for an exercise price of: (i) 110% of DIC's 1 Warrants' exercise price, in the event they are exercised before December 21, 2016; or (ii) 120 % of DIC's 1 Warrants' exercise price if they are exercised between December 21, 2016 and December 21, 2017.

- The fourth series of warrants would be exercisable until December 21, 2018, for an exercise price of: (i) 110 % of DIC's 1 Warrants' exercise price, in the event they are exercised before December 21, 2016; or (ii) 130 % of DIC's 1 Warrants' exercise price if they are exercised between December 21, 2016 and December 21, 2018.

- As part of DIC's Rights Offering, IDBD would promise to exercise all DIC's 1 Warrants issued in favor of IDBD, for a total amount of approximately NIS 92.5 million ("IDBD's Investment Amount") by December 21, 2015, provided that the following conditions have been satisfied as of such date:

- IDBD should have the written consent of IDBD's main lenders for IDBD to exercise DIC's 1 Warrants issued in its favor under DIC's Rights Offering.

- IDBD should have conducted and completed a Rights Public Offering (as such term is defined below), under which it should have raised an amount of at least NIS 200 million.



**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

**9. Interests in associates** (Continued)

○ IDBD should have received the written consent of its main lenders in order for any amount injected as capital in IDBD after the date of such proposal in excess of NIS 100 million and up to NIS 350 million, to be used at any time for injection from IDBD into DIC, through any capital injection method.

- In turn, Dolphin proposes the following to IDBD:

○ IDBD's public offering amount under Dolphin's proposal dated May 6 would be increased by at least NIS 100 million and up to NIS 125 million (the "Rights Public Offering under the Proposal to IDBD and DIC"). In other words, the total amount would be increased from a minimum of NIS 100 million to a maximum of NIS 200 million, and the maximum amount would be increased from a maximum of NIS 125 million to a maximum of NIS 250 million (the "Total Increased Amount").

○ Therefore, Dolphin's obligation to participate in the Rights Public Offering under the Proposal to IDBD and DIC would be increased (compared to the proposal dated May 6, 2015) by an amount equal to the difference between the Total Increased Amount and the total amount of commitments received, always provided that such amount were not higher than NIS 200 million (the "Capital Contribution Amount").

○ The approval of this proposal would constitute IDBD's confirmation and approval that all of Dolphin's commitments under this proposal would imply the full and complete settlement of its remaining obligations to inject NIS 8.5 million in IDBD, pursuant to Dolphin's irrevocable proposal dated December 29, 2014.

○ Dolphin's commitment would automatically expire upon the occurrence of any of the following events: (i) if any of DIC's creditors or any of the trustees of DIC's bonds filed any legal action against DIC, including a complaint seeking the early repayment or acceleration of any portion of DIC's debt; and/or (ii) if any meeting

of DIC's bondholders included in its agenda any one or more of the following matters: (a) appointment of advisers (financial, legal or otherwise); (b) appointment of a committee of representatives of DIC's bondholders; (c) filing of any legal action against DIC; and/or (d) complaints for early or immediate repayment of any portion of DIC's debt, or any similar discussion.

- The Proposal to IDBD and DIC was binding and irrevocable, and it was valid up to July 13, 2015 and expired on such date if the Boards of Directors of IDBD and DIC did not accept it and approve it unconditionally. The Proposal to IDBD and DIC was approved by IDBD's Board of Directors on July 16, 2015.

**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

**9. Interests in associates (Continued)**

On July 9 and 16, 2015, Dolphin submitted explanations on the Proposal to IDBD and DIC. On July 9, 2015, the main explanations were as follows:

- The termination or expiration of the Proposal to IDBD and DIC would not repeal the commitments undertaken by Dolphin under the proposal submitted by Dolphin to IDBD on May 6, 2015, always provided that such commitments continued in full force and effect subject to the proposed terms, or Dolphin's remaining commitment to inject NIS 8.5 million in IDBD pursuant to its irrevocable proposal dated December 29, 2014.

- A further condition would be added to the Proposal to IDBD and DIC whereby if Dolphin's interest in the rights public offering were lower than NIS 8.5 million, Dolphin would remain obliged vis-à-vis IDBD to inject the remaining amount arising from subtracting NIS 8.5 million and the amount effectively injected at this instance by Dolphin.

- IDBD would replace its commitment to exercise DIC's Series 1 warrants for NIS 92.5 million with the commitment to exercise the Series 1 warrants for at least the amount that results from subtracting: (a) the Capital Contribution Amount and (b) NIS 100 million; always provided that such amount does not exceed NIS 92.5 million.

On July 13, 2015, Dolphin extended the maturity of the Proposal to IDBD and DIC until July 16, 2015.

In addition, on July 16, 2015, Dolphin submitted additional explanations on the Proposal to IDBD and DIC dated June 29, 2015 and July 9, 2015, which provided as follows:

- Dolphin agrees that the new shares to be acquired by Dolphin or any entity controlled by Eduardo Sergio Elsztain under the public offering of shares to be made by IDBD during October 2015 would not grant to it the right to participate in the Tender Offer (as such term is defined in Note 3 to Consolidated Financial Statements for the fiscal year ended June 30, 2015) always provided that such new shares are still held by Dolphin or an entity controlled by Eduardo Sergio Elsztain. Notwithstanding, nothing will prevent Dolphin and/or the entity controlled by Eduardo Sergio Elsztain that holds such new shares to be acquired under the public offering to be made in October 2015 by IDBD from freely disposing of them.

**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

**9. Interests in associates** (Continued)

On July 16, 2015, IDBD's Board of Directors approved a capital increase by means of a public offering pursuant to the terms proposed by Dolphin in the Proposal to IDBD and DIC, and to exercise DIC's warrants, all based on Dolphin's irrevocable commitment to participate in the referred capital increase. IDBD plans to carry out the public offering between October and November 2015, subject to the company's corporate approvals, other statutory consents required and the fact that the exercise of DIC's warrants can be made pursuant to the terms and conditions set forth in Dolphin's proposal. Additionally, on July 16, 2015, DIC's Board of Directors accepted the Proposal to IDBD and DIC and instructed its management to take such steps as necessary in order to make a rights offering pursuant to Dolphin's proposal. On August 27, 2015 DIC published the rights offering prospectus and on September 6, 2014 DIC issued 4 series of warrants to its shareholders. As of the date of submittal of these financial statements, IDBD had not completed the capital injection in DIC.

On August 16, 2015 and amended on September 9, 2015, the Arrangement Trustees submitted a petition to the competent court (the "Petition of the Arrangement Trustees"), including Dolphin and IFISA among other stakeholders, for it to determine whether: (a) IFISA would be subject to the commitments related to the Tender Offer under identical terms as Dolphin; (b) the shares held by any other company controlled by Eduardo Sergio Elsztain (including Dolphin) would not be eligible to take part in the Tender Offer; and (c) the shares held by any company controlled by Eduardo Sergio Elsztain (including Dolphin) and transferred to other entities would not be eligible to take part in the Tender Offer.

On September 29, 2015 the Arrangement Trustees submitted a petition to the competent court for it to issue a temporary order prohibiting Dolphin, IFISA and others to carry out any transactions with IDBD's shares until the court decided on the petition made by the Arrangement Trustees. See Note 41 for further information.



**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

**10. Investment properties**

Changes in the Group's investment properties for the three-month period ended September 30, 2015 and for the year ended June 30, 2015 were as follows:

	<b>Shopping Center Properties</b>	<b>Office buildings and other rental properties portfolio</b>	<b>Undeveloped parcels of land</b>	<b>Leased out farmland</b>	<b>Properties under development (ii)</b>	<b>Total</b>
<b>Year ended June 30, 2015</b>						
Opening net book amount	1,791,947	825,858	421,520	51,434	363,857	3,454,616
Additions	60,361	5,893	1,569	8,354	173,500	249,677
Reclassification to available for sale	(3,107)	-	-	-	-	(3,107)
Reclassification to property, plant and equipment	(140)	(8,305)	-	(11,732)	(8,779)	(28,956)
Reclassification of property, plant and equipment	-	20,224	-	40,521	-	60,745
Capitalized borrowing costs	-	-	-	-	12,957	12,957
Disposals	(114)	(102,599)	(3,251)	(192)	(2,077)	(108,233)
Depreciation charge (i)	(124,790)	(26,769)	-	(5,237)	-	(156,796)
Currency translation adjustment	-	-	-	(5,944)	-	(5,944)
Transfers	491,047	23,080	25,331	-	(539,458)	-
<b>Closing net book amount At June 30, 2015</b>	<b>2,215,204</b>	<b>737,382</b>	<b>445,169</b>	<b>77,204</b>	<b>-</b>	<b>3,474,959</b>

## Edgar Filing: CRESUD INC - Form 6-K

Cost	3,736,761	1,028,507	445,169	77,204	-	5,287,641
Accumulated depreciation	(1,521,557)	(291,125)	-	-	-	(1,812,682)
Net book amount	<b>2,215,204</b>	<b>737,382</b>	<b>445,169</b>	<b>77,204</b>	-	<b>3,474,959</b>
<b>Period ended September 30, 2015</b>						
Opening net book amount	2,215,204	737,382	445,169	77,204	-	3,474,959
Additions	45,968	811	-	147	-	46,926
Reclassification of property, plant and equipment	-	4,317	-	(238)	-	4,079
Disposals	-	(26,439)	(3,558)	(849)	-	(30,846)
Depreciation charge (i)	(36,621)	(10,296)	-	(136)	-	(47,053)
Currency translation adjustment	-	-	-	(12,366)	-	(12,366)
<b>Closing net book amount At September 30, 2015</b>	<b>2,224,551</b>	<b>705,775</b>	<b>441,611</b>	<b>63,762</b>	-	<b>3,435,699</b>
Cost	3,754,784	989,022	441,611	63,762	-	5,249,179
Accumulated depreciation	(1,530,233)	(283,247)	-	-	-	(1,813,480)
Net book amount	<b>2,224,551</b>	<b>705,775</b>	<b>441,611</b>	<b>63,762</b>	-	<b>3,435,699</b>

(i) Depreciation charge of investment property has been charged in "Costs" in the income statements (Note 30).

(ii) Includes transfers due to the inauguration of Alto Comahue and Distrito Arcos Shopping Centers.



**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

**10. Investment properties** (Continued)

The following amounts have been recognized in the income statements:

	<b>September 30,</b>	<b>September 30,</b>
	<b>2015</b>	<b>2014</b>
Rental and service income	856,374	689,599
Direct operating expenses	348,896	286,255
Development expenses	1,910	563
Gain from disposal of investment properties	383,585	316,767

Borrowing costs incurred during the three-month period ended September 30, 2014 of Ps. 2,034, were capitalized at the rate of the Company's general borrowings, which amounts to 15%. Those costs correspond to Alto Comahue. Capitalization of financial costs has ceased since the completion of the shopping mall, therefore, financial costs have not been capitalized as of September 30, 2015.

*Arcos del Gourmet*

**Injunction order:**

In December 2013, the Judicial Branch confirmed an injunction order that suspended the opening of the shopping center on the grounds that it did not have certain governmental permits in the context of two legal proceedings, where a final decision has been rendered for the company.

The plaintiff filed a petition for the continuation of the preliminary injunction by means of an extraordinary appeal of unconstitutionality which was by the lower and appellate courts; consequently, it filed an appeal with the Supreme Court of Justice of the Autonomous City of Buenos Aires, which so far has not rendered a decision.

Nowadays, the Shopping Center Distrito Arcos is open to the public and operating normally.

**Concession Status:**

The National State issued Executive Order 1723/2012 whereby several plots of land located in prior rail yards of Palermo, Liniers and Caballito rail stations ceased to be used for rail purposes, in order to be used for development of integral urbanization projects.

**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

**10. Investment properties** (Continued)

In this respect and as part of several measures related to other licensed persons and/or concessionaires, we have notified in the file of proceedings of the corresponding Resolution 170/2014 revoking the Contract for Reformulation of the Concession of Rights of use and Development N° AF000261 issued by the Agencia de Administración de Bienes del Estado (State Assets Administration Office, or AABE as per its Spanish acronym).

It should further be pointed out that such measure:

- (i) has not been adopted due to non-compliance of our controlled company;
- (ii) to the date has not involved the interruption of the commercial development or operation of the shopping center, which continues to operate under normal conditions;

Notwithstanding the foregoing, Arcos del Gourmet S.A. has filed the relevant administrative remedies (appeal) and has also filed a judicial action requesting that the revocation of such concession be overruled.

Furthermore, it has started a so-called “juicio de consignación”, that is an action where the plaintiff deposits with the court sums of money that the defendant refuses to accept. Under this legal action, the company has deposited in due time and form all rental payments under the Contract for Reformulation of the Concession of Rights of Use and Development, which the Company considers to have been unduly

revoked.

**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

**11. Property, plant and equipment**

Changes in the Group's property, plant and equipment for the three-month period ended September 30, 2015 and for the year ended June 30, 2015 were as follows:

	<b>Owner occupied farmland</b>	<b>Hotel buildings and facilities</b>	<b>Other buildings and facilities</b>	<b>Furniture and fixtures</b>	<b>Machinery and equipment</b>	<b>Vehicles</b>	<b>Total</b>
<b>Year ended June 30, 2015</b>							
Opening net book amount	2,057,194	175,745	66,744	10,838	65,185	6,250	2,381,956
Currency translation adjustment	(223,146)	-	(6,364)	(449)	(7,082)	80	(236,961)
Additions	153,336	14,737	14,892	3,442	28,980	7,572	222,959
Reclassifications of investment properties	11,732	-	8,305	3,618	5,301	-	28,956
Reclassifications to investment properties	(50,341)	-	(10,404)	-	-	-	(60,745)
Disposals	(255,345)	(3,508)	(2,125)	(775)	(2,779)	(407)	(264,939)
Depreciation charge (i)	(53,606)	(15,097)	(3,751)	(2,220)	(16,596)	(2,761)	(94,031)
<b>Closing net book amount</b>	<b>1,639,824</b>	<b>171,877</b>	<b>67,297</b>	<b>14,454</b>	<b>73,009</b>	<b>10,734</b>	<b>1,977,195</b>
<b>At June 30, 2015</b>							
Cost	1,832,645	414,310	146,297	30,753	213,231	19,563	2,656,799
Accumulated depreciation	(192,821)	(242,433)	(79,000)	(16,299)	(140,222)	(8,829)	(679,604)
Net book amount	<b>1,639,824</b>	<b>171,877</b>	<b>67,297</b>	<b>14,454</b>	<b>73,009</b>	<b>10,734</b>	<b>1,977,195</b>
<b>Period ended September 30, 2015</b>							
Opening net book amount	1,639,824	171,877	67,297	14,454	73,009	10,734	1,977,195

Currency translation adjustment	(139,102)	-	(1,231)	(264)	(4,327)	335	(144,589)
Additions	10,689	2,456	92	556	6,537	-	20,330
Reclassifications to investment properties	238	-	(4,317)	-	-	-	(4,079)
Disposals	(47)	-	(8)	-	(31)	(110)	(196)
Depreciation charge (i)	(10,817)	(3,636)	(959)	(611)	(5,027)	(796)	(21,846)
<b>Closing net book amount</b>	<b>1,500,785</b>	<b>170,697</b>	<b>60,874</b>	<b>14,135</b>	<b>70,161</b>	<b>10,163</b>	<b>1,826,815</b>
<b>As of September 30, 2015</b>							
Cost	1,911,187	414,755	131,968	29,681	188,446	19,623	2,695,660
Accumulated depreciation	(410,402)	(244,058)	(71,094)	(15,546)	(118,285)	(9,460)	(868,845)
Net book amount	<b>1,500,785</b>	<b>170,697</b>	<b>60,874</b>	<b>14,135</b>	<b>70,161</b>	<b>10,163</b>	<b>1,826,815</b>

(i) For the three-month period ended as of September 30, 2015, the depreciation charges of property, plant and equipment were included as follows: Ps. 1,681 under the line item "General and administrative expenses", Ps. 152 under the line item "Selling expenses" and Ps. 21,264 under the line item "Cost" in the income statements. For the fiscal year ended June 30, 2015, depreciation charges were included under the line item "Costs" for an amount of Ps. 87,139, "General and administrative expenses" for an amount of Ps. 5,663 and "Selling expenses" for an amount of Ps. 1,229, in the income statements.

**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

**12. Trading properties**

Changes in the Group's trading property for the three-month period ended September 30, 2015 and for the year ended June 30, 2015 were as follows:

	<b>Completed properties</b>	<b>Properties under development</b>	<b>Undeveloped sites</b>	<b>Total</b>
<b>At June 30, 2014</b>	<b>6,731</b>	<b>119,188</b>	<b>11,232</b>	<b>137,151</b>
Additions	-	1,066	-	1,066
Currency translation adjustments	-	(6,124)	-	(6,124)
Reclassifications investment properties	-	-	3,107	3,107
Disposals	(2,246)	-	-	(2,246)
<b>At June 30, 2015</b>	<b>4,485</b>	<b>114,130</b>	<b>14,339</b>	<b>132,954</b>
Additions	-	103	-	103
Currency translation adjustments	-	(3,945)	-	(3,945)
Disposals	(1,400)	-	-	(1,400)
<b>At September 30, 2015</b>	<b>3,085</b>	<b>110,288</b>	<b>14,339</b>	<b>127,712</b>

**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

**13. Intangible assets**

Changes in the Group's intangible assets for the three-month period ended as of September 30, 2015 and for the year ended June 30, 2015 were as follows:

	<b>Goodwill</b>	<b>Computer software</b>	<b>Rights of use</b>	<b>Units to be received (ii)</b>	<b>Others</b>	<b>Total</b>
<b>Year ended June 30, 2015</b>						
Opening net book amount	29,977	9,760	39,187	85,077	11,006	175,007
Currency translation adjustment	(2,022)	(1,565)	-	-	-	(3,587)
Additions	-	6,391	-	5,409	-	11,800
Disposals	(343)	(119)	-	-	-	(462)
Amortization charge (i)	-	(4,625)	(1,224)	-	(1,146)	(6,995)
<b>Closing net book amount</b>	<b>27,612</b>	<b>9,842</b>	<b>37,963</b>	<b>90,486</b>	<b>9,860</b>	<b>175,763</b>
<b>At June 30, 2015</b>						
Cost	27,612	41,387	40,692	90,486	11,862	212,039
Accumulated amortization	-	(31,545)	(2,729)	-	(2,002)	(36,276)
Net book amount	<b>27,612</b>	<b>9,842</b>	<b>37,963</b>	<b>90,486</b>	<b>9,860</b>	<b>175,763</b>
<b>Period ended September 30, 2015</b>						
Opening net book amount	27,612	9,842	37,963	90,486	9,860	175,763
Currency translation adjustments	(1,479)	(1,086)	-	-	-	(2,565)
Additions	-	1,172	-	-	-	1,172
Disposals	-	(1,233)	-	-	-	(1,233)
Amortization charge (i)	-	(635)	(423)	-	(549)	(1,607)
<b>Closing net book amount</b>	<b>26,133</b>	<b>8,060</b>	<b>37,540</b>	<b>90,486</b>	<b>9,311</b>	<b>171,530</b>



**At September 30, 2015**

Cost	26,133	27,512	40,692	90,486	11,861	196,684
Accumulated amortization	-	(19,452)	(3,152)	-	(2,550)	(25,154)
Net book amount	<b>26,133</b>	<b>8,060</b>	<b>37,540</b>	<b>90,486</b>	<b>9,311</b>	<b>171,530</b>

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

(ii) Correspond to receivables in kind representing the right to receive residential apartments in the future by way of barter agreements.

**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

**14. Biological assets**

Changes in the Group's biological assets for the three-month period ended September 30, 2015 and for the year ended June 30, 2015 were as follows:

	<b>September 30,</b>	<b>June 30,</b>
	<b>2015</b>	<b>2015</b>
<b>Beginning of the year</b>	<b>578,877</b>	<b>640,683</b>
Purchases	838	14,970
Initial recognition and changes in the fair value of biological assets	193,724	1,235,377
Decrease due to harvest	(178,747)	(1,157,598)
Decrease due to sales	(49,181)	(128,164)
Addition from lease agreement	-	22,474
Consume	(569)	(1,838)
Currency translation adjustment	(14,488)	(47,027)
<b>End of the period / year</b>	<b>530,454</b>	<b>578,877</b>

Biological assets as of September 30, 2015 and June 30, 2015 were as follows:

	<b>September 30,</b>	<b>June 30,</b>
<b>Classification</b>	<b>2015</b>	<b>2015</b>
<b>Non-current</b>		

Cattle for dairy production	Production	39,024	40,478
Breeding cattle	Production	306,482	293,709
Sugarcane fields	Production	59,822	113,122
Other cattle	Production	6,130	6,175
Others biological assets	Production	5,187	5,395
<b>Non-current biological assets</b>		<b>416,645</b>	<b>458,879</b>
<b>Current</b>			
Cattle for dairy production	Consumable	6	77
Cattle for sale	Consumable	34,435	64,845
Crops fields	Consumable	78,274	53,828
Other cattle	Consumable	1,094	1,248
<b>Current biological assets</b>		<b>113,809</b>	<b>119,998</b>
<b>Total biological assets</b>		<b>530,454</b>	<b>578,877</b>

The fair value less estimated point of sale costs of agricultural produce at the point of harvest amount to Ps. 193,008 and Ps. 1,218,242 for the period ended September 30, 2015 and for the year ended June 30, 2015, respectively.

**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

**14. Biological assets (Continued)**

The following tables present the Group's biological assets measured at fair value as of September 30, 2015 and June 30, 2015 and their allocation to the fair value hierarchy:

	<b>September 30, 2015</b>			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Cattle for dairy production	-	39,030	-	39,030
Breeding cattle and cattle for sale	-	340,917	-	340,917
Sugarcane fields	-	-	59,822	59,822
Other cattle	-	7,224	-	7,224
Others biological assets	5,187	(i) -	-	5,187
Crops fields	72,582	(i) -	5,692	78,274
<b>Total</b>	<b>77,769</b>	<b>387,171</b>	<b>65,514</b>	<b>530,454</b>

	<b>June 30, 2015</b>			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Cattle for dairy production	-	40,555	-	40,555
Breeding cattle and cattle for sale	-	358,554	-	358,554
Sugarcane fields	-	-	113,122	113,122
Other cattle	-	7,423	-	7,423
Others biological assets	5,395	(i) -	-	5,395
Crops fields	13,477	(i) -	40,351	53,828

<b>Total</b>	<b>18,872</b>	<b>406,532</b>	<b>153,473</b>	<b>578,877</b>
--------------	---------------	----------------	----------------	----------------

(i) Biological assets that has no significant growth, valued at cost, since it is considered that this value is similar to fair value.

The following table presents the changes in Level 3 instruments for the three-month period ended September 30, 2015 and the year ended June 30, 2015:

	<b>Crops fields with significant biological growth</b>	<b>Sugarcane</b>
<b>At June 30, 2014</b>	<b>136,620</b>	<b>142,873</b>
Initial recognition and changes in the fair value of biological assets	462,116	162,352
Harvest	(557,591)	(198,026)
Addition from lease agreement	-	22,474
Currency translation adjustment	(794)	(16,551)
<b>At June 30, 2015</b>	<b>40,351</b>	<b>113,122</b>
Initial recognition and changes in the fair value of biological assets	30,605	65,826
Harvest	(66,911)	(106,360)
Currency translation adjustment	1,647	(12,766)
<b>At September 30, 2015</b>	<b>5,692</b>	<b>59,822</b>

**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

**14. Biological assets** (Continued)

When no quoted prices in an active market are available, values are based on recognized valuation methods. The company uses a range of valuation models for the measurement of Level 2 and Level 3 biological assets. The following table presents models and main parameters:

**Level 2**

Description	Pricing model	Parameters
Cattle	Comparable market	Price per livestock head/kg and per category

**Level 3**

Description	Pricing model	Pricing method	Parameters	Range
Crops	Discounted cash flows	-	Yields – Operating cost –Selling expenses – Future of sale prices	<b>Argentina:</b> Yields: 2 - 7.8 tn/ha Future sale prices: 1,081 - 1,109 Ps./tn Selling expenses: 448 - 699 Ps./tn Operating cost: 1,069 - 2,015 Ps./ha

				<p><b>Bolivia:</b>                  Yields: 2.27 - 5 tn/ha                  Future of sale prices: 135 - 302 US\$/tn                  Selling expenses: 24.3 US\$/tn                  Operating cost: 135 – 137 US\$/tn</p>
Sugarcane	Discounted cash flows	-	<p>Yields –                  Operating cost                  –Selling expenses –                  Future of sale prices</p> <p>Discount rate</p>	<p><b>Brazil:</b>                  Yields: 80.74 tn/ha                  Future of sale prices: 71.31 Rs./tn                  Operating cost: 57.37 Rs./tn</p> <p><b>Bolivia:</b>                  Yields: 56 - 115 tn/ha                  Future of sale prices: 23.03 – 19.76 US\$/tn                  Selling expenses: 4.5 US\$/tn                  Operating cost: 275 – 500 US\$/tn                  Discount rate: 11.47%</p>

During the three-month period ended September 30, 2015 and the year ended June 30, 2015 there have been no transfers between the several tiers used in estimating the fair value of the Group's biological assets, or reclassifications among their respective categories.

**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

**14. Biological assets** (Continued)

See information on valuation processes used by the entity and on the sensitivity of fair value valuation to changes in material non-observable input data in Note 5.c. to the consolidated financial statements as of June 30, 2015 and 2014.

As of September 30, 2015 and June 30, 2015, the better and maximum use of biological assets shall not significantly differ from the current use.

**15. Inventories**

Breakdown of Group's inventories as of September 30, 2015 and June 30, 2015 were as follows:

	<b>September 30,</b>	<b>June 30,</b>
	<b>2015</b>	<b>2015</b>
Crops	185,872	269,861
Materials and inputs	197,307	154,492
Seeds and fodders	58,476	60,839
Hotel supplies	7,011	6,926
Beef	18,736	19,232
Others	103	-



<b>Total inventories</b>	<b>467,505</b>	<b>511,350</b>
--------------------------	----------------	----------------

As of September 30, 2015 and June 30, 2015 the cost of inventories recognized as expense amounted to Ps. 214,625 and Ps. 950,354, respectively and they have been included in "Costs" in the income statements.

## **16. Financial instruments by category**

### ***Determining fair values***

IFRS 9 defines the fair value of a financial instrument as the amount for which an 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.

**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

**16. Financial instruments by category** (Continued)

In the case of Level 1, valuation is based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can refer to at the date of valuation. A market is deemed active if transactions of assets or liabilities take place with sufficient frequency and in sufficient quantity. 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, derivatives, securities and convertibles notes for which quoted prices in active markets are available. In the case of shares, the Group allocates them to this level when either a stock market price is available or prices are provided by a price quotation on the basis of actual market transactions.

In the case of Level 2, fair value is determined by using valuation methods based on inputs directly or indirectly observable in the market. If the financial instrument concerned has a fixed contract period, the inputs for valuation must be observable for the whole of this period. The financial instruments the Group has allocated to this level mainly comprise interest rate swaps and foreign currency 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 that information is not available. The inputs used reflect the Group's assumptions regarding the factors which any market player would consider in their pricing. The Group uses the best available information for this, including internal company data. The Group has allocated to this level preferred shares and warrants of Condor, commitment to tender offer of shares in IDBD, the investment in the associate IDBD and other borrowings.

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.

**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

**16. Financial instruments by category** (Continued)

As described in Note 3 to the Annual Consolidated Financial Statements as of June 30, 2015, the Group has priced its investment in IDBD at market value using the exception provided in IAS 28 (see Note 2 for further details). The investment in IDBD consists of 324 million of common stocks representing 49% of IDBD's share capital, and 248 million warrants to purchase common stocks.

Until June 30, 2015 the Group considered that the listing value of IDBD's share in the Tel Aviv Stock Exchange was representative of the market value of its investment and, therefore, priced its holdings in accordance with such value, and categorized it as Level 1.

As mentioned in Note 9 to these Financial Consolidated Statements, as part of the Arrangement, Dolphin promised to make one or more Tender Offers for the purchase of IDBD's shares at a fixed price for a total amount of NIS 512.09 million.

On October 20, 2015, a first instance judge of the Tel Aviv-Jaffo Court approved a petition made by the representatives of the Creditors subject to the Arrangement and resolved that the shares held by Dolphin or any company controlled by Eduardo S. Elsztain could not be offered in the Tender Offers committed for December 2015 and December 2016. Dolphin decided to challenge the ruling by filing an appeal with Israel's Supreme Court of Justice.

Even though IDBD's capital is composed of only one class of common shares holding the same rights, the cited ruling could be construed as creating "de facto" two classes of stocks with different rights, one that may be included in the Tender Offers and another class – which belongs to any company controlled by

Eduardo S. Elsztain – which may not. This would imply that the stock's listed price (which has an embedded value component for the commitment of future Tender Offers) is not representative as such for pricing Dolphin's holding of stocks.

According to the Company's policy, transfers to and from different levels of category of market value of IFRS 13 as of the date of the event or change in the circumstances that lead to the transfer. Based on the above described circumstances, the Company believes that it should cease to consider the listed price (Level 1 valuation) and make use of a valuation model with unobservable variables (Level 3 valuation) to estimate the market value of its investment in IDBD.

To that end, the Company has developed an in-house pricing model based on a Black-Scholes model, which fixes the Tender Offer component value embedded in the share's listed price, and subtracts it to determine a market value for the investment. Furthermore, the model weights occurrence probabilities for different scenarios. The pricing of its investment in IDBD has been categorized as Level 3 because it uses significant unobservable variables, including, but not limited to, probability, interest rate and volatility, to determine the market value.

**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

**16. Financial instruments by category** (Continued)

Based upon its legal advisors' opinion, Dolphin believes it has chances to revert the first instance ruling at the Supreme Court of Justice. Dolphin has assigned equal probabilities of success or failure in the appeal. Should Dolphin fails in the appeal, the company believes the Supreme Court's ruling could open up a range of possibilities as to the amounts that stocks could be offered in the Tender Offers.

Thus, the pricing model used to determine the investment market value considers the following scenarios:

Scenario 1:

The company has a 50% chance of a favorable outcome in the appeal filed with the Supreme Court of Justice and, therefore, all the shares held by Dolphin and any other company controlled by Eduardo S. Elsztain can be included in the Tender Offers. This implies a status quo with regard to the pricing methodology as of June 30, 2015 and, hence, the listing value of IDBD's stocks would only be affected for the pricing of the Company's holding regarding the valuation difference between June 30, 2015 and September 30, 2015.

Scenario 2:

The company has a 50% chance of an unfavorable ruling by the Supreme Court of Justice. This scenario is in turn divided into secondary scenarios in accordance with the amounts of the stocks held by Dolphin or other companies controlled by Eduardo S. Elsztain, which could be included in the Tender Offers. The ruling could prohibit all of the stocks in the hands of Dolphin or any other company controlled by Eduardo S. Elsztain from being included in the Tender Offers or and could set different amounts of eligible shares to be part in the Tender Offer. Therefore, the Company has assigned different probabilities of occurrence to the secondary scenarios under scenario 2, according to the number of IDBD shares in its hands that could be included in the Tender Offers.

The relevant variables used in calculating the market value of the investment in IDBD are as follows:

Rate in NIS	8.09 %
IDBD Spot Price	NIS 2.16
Exchange rate US\$ NIS	3.92
Exchange rate US\$ Ps	9.42
Stock volatility	70.6 %
Risk free rate in ILS as of 12/31/2015	0.02 %
Risk free rate in ILS as of 12/31/2016	0.10 %

**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

**16. Financial instruments by category** (Continued)

The probability scenarios of secondary scenario 2 are sensitive to the amount of the stocks that may be included in the Tender Offers and, therefore, influence on the calculation of the stock's market value.

The warrants for purchasing IDBD's common shares have been priced at their listing value upon considering it representative of their market value.

The following tables present the Group's financial assets and financial liabilities that are measured at fair value as of September 30, 2015 and June 30, 2015 and their allocation to the fair value hierarchy:

	<b>September 30, 2015</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets</b>				
Financial assets at fair value through profit or loss:				
- Investment in equity securities in TGLT	73,580	-	-	73,580
- Investment in equity securities in Avenida Inc. S.A.	106,118	-	-	106,118
- Other equity securities in public shares	15,859	-	-	15,859
- Corporate bonds	1,827	-	-	1,827
- Government bonds	293,397	-	-	293,397



## Edgar Filing: CRESUD INC - Form 6-K

- Mutual funds	690,274	-	-	690,274
- Shares of Condor Hospitality Trust Inc.	-	-	225,616	225,616
- Derivative financial instruments:				
- Crops futures	7,955	-	-	7,955
- Commodities options	2,402	-	-	2,402
- Warrants of IDBD	358,485	-	-	358,485
- Warrants of DISI	1,107	-	-	1,107
Cash and cash equivalents	156,066	-	-	156,066
Investment in associates:				
- IDBD	-	-	1,016,664	1,016,664
<b>Total Assets</b>	<b>1,707,070</b>	<b>-</b>	<b>1,242,280</b>	<b>2,949,350</b>
<b>Liabilities</b>				
Derivative financial instruments:				
- Commitment to tender offer shares in IDBD	-	-	499,779	499,779
- Foreign-currency contracts	15,459	4,140	-	19,599
- Crops futures	5,255	-	-	5,255
- Commodities options	617	-	-	617
Borrowings:				
- Other borrowings	-	-	16,939	16,939
<b>Total Liabilities</b>	<b>21,331</b>	<b>4,140</b>	<b>516,718</b>	<b>542,189</b>

**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

**16. Financial instruments by category (Continued)**

	<b>June 30, 2015</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets</b>				
Financial assets at fair value through profit or loss:				
- Investment in equity securities in TGLT	71,573	-	-	71,573
- Investment in equity securities in Avenida Inc. S.A.	102,316	-	-	102,316
- Corporate bonds	1,789	-	-	1,789
- Government bonds	101,649	-	-	101,649
- Mutual funds	383,572	-	-	383,572
- Other equity securities in public companies	16,742	-	-	16,742
- Investment in equity securities of Condor Hospitality Trust Inc. (formerly Supertel Hospitality Inc. due to change of corporate name)	-	-	348,854	348,854
Derivative financial instruments:				
- Warrants of Condor Hospitality Trust Inc. (formerly Supertel Hospitality Inc. due to change of corporate name)	-	-	7,151	7,151
- Crops futures	396	-	-	396
- Commodities options	1,195	-	-	1,195
- IDBD Warrants	228,414	-	-	228,414
Investment in associates:				
- IDBD	1,528,687	-	-	1,528,687

Cash and cash equivalents	112,340	-	-	112,340
<b>Total Assets</b>	<b>2,548,673</b>	<b>-</b>	<b>356,005</b>	<b>2,904,678</b>
<b>Liabilities</b>				
Derivative financial instruments:				
- Foreign-currency contracts	-	10,065	-	10,065
- Crops futures	11,477	-	-	11,477
- Commodities options	8,500	-	-	8,500
- Commitment to tender offer shares in IDBD	-	-	500,580	500,580
Borrowings				
- Other borrowings	-	25,945	-	25,945
<b>Total Liabilities</b>	<b>19,977</b>	<b>36,010</b>	<b>500,580</b>	<b>556,567</b>

**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

**16. Financial instruments by category** (Continued)

The following table presents the changes in Level 3 instruments for the three-month period ended September 30, 2015:

	Shares				Commitment to tender offer shares	
	Warrants of Condor Hospitality Trust Inc.	of Condor Hospitality Trust Inc.	Shares of IDBD	Other borrowings	in IDBD	Total
<b>Total at June 30, 2014</b>	-	211,170	-	-	(320,847)	(109,677)
Currency translation adjustment	-	-	-	-	(45,151)	(45,151)
Total gain and losses for the year	7,151	137,684	-	-	(134,582)	10,253
<b>Balance at June 30, 2015</b>	<b>7,151</b>	<b>348,854</b>	-	-	<b>(500,580)</b>	<b>(144,575)</b>
Transfer to level 3	-	-	1,528,687	(25,945)		1,502,742
Currency translation adjustment	-	-	45,900	(773)	(18,049)	27,078
Total gain and losses for the period (i)	(7,151)	(123,238)	(557,923)	9,779	18,850	(659,683)
<b>Balance at September 30, 2015</b>	<b>-</b>	<b>225,616</b>	<b>1,016,664</b>	<b>(16,939)</b>	<b>(499,779)</b>	<b>725,562</b>

(i) The gain / (loss) is not realized as of September 30, 2015 and is accounted for under "Other financial results" in the income statements (Note 33).

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

According to Group estimates, all factors being constant, a 10% decline in the price of the underlying assets of Level 3 Shares and Warrants of Condor Hospitality Trust Inc. (data observed in the market) as of September 30, 2015, would reduce pre-tax income by Ps. 26.19 million.

According to Group estimates, all factors being constant, a 10% decrease in the credit spread (data which is not observable in the market) of shares and warrants of Condor Hospitality Trust Inc. used in the valuation model applied to Level 3 financial instruments as of September 30, 2015, would increase pre-tax income by Ps. 1.25 million. The rate used as of September 30, 2015 was 14.42%.

**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

**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	Range
Derivative on tender offer of IDBD	Black-Scholes	Theoretical price	Underlying asset price; share price volatility (historical) and interest-rate curve (NIS rate curve).	Underlying asset price 1.75 to 2.55 Share price volatility 60% to 80% Market interest-rate 0.02% to 0.9%
Warrants of Condor	Black-Scholes	Theoretical price	Underlying asset price (market price) and share price volatility (historical) and market interest rate (Libor curve).	Underlying asset price 1.35 to 1.7 Share price volatility 55% to 75%

				Money market interest-rate
				0.5% to 0.7%
Interest-rate swaps	Cash flows	Theoretical price	Interest rate futures and flows of funds.	-
Preferred shares of Condor	Binomial tree	Theoretical price	Underlying asset price (market price) and share price volatility (historical) and market interest rate (Libor curve).	Underlying asset price
				1.35 to 1.7
				Share price volatility
				55% to 75%
				Market interest-rate
				0.5% to 0.7%
Call option for the shares of Arcos	Discounted cash flows	-	Projected income and discount rate.	-
Foreign-currency contracts	Present value method	Theoretical price	Money market curve, interest curve, foreign exchange curve	

## 17. Restricted assets

The table below shows the Group's restricted assets as of September 30, 2015 and June 30, 2015:

	September 30,	June 30,
	2015	2015
<b>Non-current</b>		
Mutual funds	3,621	4,301
<b>Total non-current</b>	<b>3,621</b>	<b>4,301</b>
<b>Current</b>		
Guarantee deposits	119,238	607,021
<b>Total current</b>	<b>119,238</b>	<b>607,021</b>
<b>Total restricted assets</b>	<b>122,859</b>	<b>611,322</b>

**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

**18. Trade and other receivables**

The table below shows trade and other receivables of the Group as of September 30, 2015 and June 30, 2015:

	<b>September 30,</b>	<b>June 30,</b>
	<b>2015</b>	<b>2015</b>
<b>Non-current</b>		
Leases and services receivable	85,622	62,080
Receivables from sale of agricultural products and farmlands leases	903	1,154
Property sales receivable (i)	71,389	104,064
Less: allowance for doubtful accounts	(2,208)	(2,208)
<b>Non-current trade receivables</b>	<b>155,706</b>	<b>165,090</b>
Trade receivables from disposal of joint ventures	3,729	3,595
Prepayments	12,329	11,274
VAT receivables	29,671	26,745
Other tax receivables	66,882	73,131
Guarantee deposits	14,333	17,027
Advances for shares purchases	12,585	12,134
Others	1,652	2,060
<b>Non-current other receivables</b>	<b>141,181</b>	<b>145,966</b>
Related parties (Note 35)	122,730	115,721
<b>Non-current trade and other receivables</b>	<b>419,617</b>	<b>426,777</b>
<b>Current</b>		
Consumer financing receivables	14,584	14,620
Leases and services receivable	371,787	356,217



Receivables from sale of agricultural products and farmlands leases	203,576	253,355
Receivables from hotel operations	32,544	21,144
Deferred checks received	252,699	247,030
Debtors under legal proceedings	79,984	71,343
Property sales receivable (i)	98,527	88,032
Less: allowance for doubtful accounts	(122,153)	(117,514)
<b>Trade receivables current</b>	<b>931,548</b>	<b>934,227</b>
Advance payments	1,190	-
Prepayments	143,927	144,982
VAT receivables	54,634	51,593
Gross sales tax credit	7,095	6,594
Other tax receivables	34,268	36,316
Loans	17,270	22,977
Expenses and services to recover	2,953	3,125
Suppliers advances	88,056	105,105
Guarantee deposits	114,196	39,154
Others	37,956	37,505
Less: allowance for doubtful accounts	(185)	(185)
<b>Current other receivables</b>	<b>501,360</b>	<b>447,166</b>
Related parties (Note 35)	417,964	390,980
<b>Current trade and other receivables</b>	<b>1,850,872</b>	<b>1,772,373</b>
<b>Total trade and other receivables</b>	<b>2,270,489</b>	<b>2,199,150</b>

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

**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

**18. Trade and other receivables (Continued)**

The fair value of current trade and other receivables approximate their respective carrying amounts due to their short-term nature, as the impact of discounting is not considered significant. Fair values are based on discounted cash flows (Level 2 of fair value hierarchy).

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

	<b>September 30,</b>	<b>June 30,</b>
	<b>2015</b>	<b>2015</b>
<b>Beginning of the period / year</b>	<b>119,907</b>	<b>90,491</b>
Creation	9,518	45,968
Recovery	(2,692)	(16,800)
Used during the period / year	(26)	(1,924)
Currency translation adjustment	(2,161)	2,172
<b>End of the period / year</b>	<b>124,546</b>	<b>119,907</b>

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

**19. Investment in financial assets**

Group's investment in financial assets as of September 30, 2015 and June 30, 2015 were as follows:

	<b>September 30,</b>	<b>June 30,</b>
	<b>2015</b>	<b>2015</b>
<b>Non-current</b>		
<b>Financial assets at fair value</b>		
Investment in equity securities in TGLT	73,580	71,573
Investments in equity securities in Avenida Inc. S.A.	106,118	102,316
Investment in equity securities in Condor Hospitality Trust Inc. (formerly Supertel Hospitality Inc. due to change of corporate name)	225,616	348,854
Non-convertible notes related parties (Note 35)	100,000	100,000
Other investment in equity securities	102	102
<b>Total Investment in financial assets non-current</b>	<b>505,416</b>	<b>622,845</b>
<b>Current</b>		
<b>Financial assets at fair value</b>		
Mutual funds	690,274	383,572
Non-convertible notes related parties (Note 35)	5,671	452
Other investment in equity securities	15,757	16,640
Corporate bonds	1,827	1,789
Government bonds	293,397	101,649
<b>Total Investment in financial assets current</b>	<b>1,006,926</b>	<b>504,102</b>
<b>Total Investment in financial assets</b>	<b>1,512,342</b>	<b>1,126,947</b>

**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

**20. Derivative financial instruments**

Group's derivative financial instruments as of September 30, 2015 and June 30, 2015 were as follows:

	<b>September 30,</b>	<b>June 30,</b>
	<b>2015</b>	<b>2015</b>
<b>Assets</b>		
<b>Non-current</b>		
Commodities options	-	1,195
Warrants IDBD (Note 4)	322,704	199,256
Warrants DISI	933	-
Warrant Condor Hospitality Trust Inc.	-	7,151
<b>Total non-current</b>	<b>323,637</b>	<b>207,602</b>
<b>Current</b>		
Crops futures	-	396
Commodities options	2,402	-
Commodities futures	7,955	-
Warrants DISI	174	-
Warrants IDBD (Note 4)	35,781	29,158
<b>Total current</b>	<b>46,312</b>	<b>29,554</b>
<b>Total assets</b>	<b>369,949</b>	<b>237,156</b>
<b>Liabilities</b>		
<b>Non-current</b>		
Commodities options	-	1,863
Foreign-currency contracts	-	3,030
Commitment to tender offer shares in IDBD (Note 4)	264,098	263,969

<b>Total non-current</b>	<b>264,098</b>	<b>268,862</b>
<b>Current</b>		
Commodities options	617	6,637
Commodities futures	5,255	11,477
Foreign-currency contracts	19,599	7,035
Commitment to tender offer shares in IDBD (Note 4)	235,681	236,611
<b>Total current</b>	<b>261,152</b>	<b>261,760</b>
<b>Total liabilities</b>	<b>525,250</b>	<b>530,622</b>

**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

**21. Cash flow information**

The following table shows the amounts of cash and cash equivalents as of September 30, 2015 and June 30, 2015:

	<b>September 30,</b>	<b>June 30,</b>
	<b>2015</b>	<b>2015</b>
Cash at bank and on hand	753,242	437,337
Short-term bank deposits	124,107	84,016
Financial trust	-	-
Mutual funds	156,066	112,340
<b>Total cash and cash equivalents</b>	<b>1,033,415</b>	<b>633,693</b>

Following is a detailed description of cash flows generated by the Group's operations for the three-month periods ended as of September 30, 2015 and 2014.

	<b>Note</b>	<b>September 30,</b>	<b>September 30,</b>
		<b>2015</b>	<b>2014</b>
<b>(Loss) Gain for the period</b>		<b>(361,760)</b>	<b>21,665</b>
<i>Adjustments for:</i>			
Income tax expenses		89,007	131,082
Depreciation and amortization		70,506	63,265
Gain from disposal of investment property		(383,585)	(316,767)

Gain (Loss) on the revaluation of receivables arising from the sale of farmland	(14,260)	7,326
Gain from disposal of property, plant and equipment	5,841	577
Release of investment property and property, plant and equipment	8	1,496
Dividends income	(4,370)	(4,195)
Equity settled compensation	9,423	15,464
Unrealized Gain (Loss) on derivative financial instruments	(123,045)	58,343
Changes in fair value of financial assets	234,482	(149,400)
Interest expense, net	223,666	212,100
Unrealized initial recognition and changes in fair value of biological assets and agricultural produce at the point of harvest	(106,863)	(104,578)
Changes in the net realizable value of agricultural produce after harvest	8,933	22,021
Provisions	50,319	39,307
Share of profit of associates and joint ventures	496,669	102,728
Unrealized foreign exchange loss, net	182,871	161,875
Loss from disposal of subsidiaries and joint ventures	-	(8,758)
Result from purchase of joint venture	-	-
Loss from repurchase of Non-convertible Notes	297	-
<b>Changes in operating assets and liabilities:</b>		
Decrease in biological assets	135,709	190,723
Decrease (Increase) in inventories	25,350	(55,218)
Decrease in trading properties	1,297	977
(Increase) Decrease in trade and other receivables	(29,091)	49,089
Decrease (Increase) in derivative financial instruments	(85,095)	16,649
Increase in trade and other payables	104,947	7,185
Decrease in payroll and social security liabilities	(120,635)	(77,821)
Increase (Decrease) in provisions	1,639	(3,897)
<b>Net cash generated from operating activities before income tax paid</b>	<b>412,260</b>	<b>381,238</b>

**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

**21. Cash flow information** (Continued)

The following table shows a detail of non-cash transactions occurred for the three-month periods ended as of September 30, 2015 and 2014:

	<b>September 30, 2015</b>	<b>September 30, 2014</b>
Increase of investment in associates and joint ventures through an increase in trade and other payables	(34)	-
Decrease in investment in associates and joint venture through an increase in trade and other receivables	-	111,181
Decrease in borrowings trough a decrease in investment in associates and joint ventures	-	4,154
Increase in property, plant and equipment through an increase in trade and other payables	333	343
Dividends not collected	(1,960)	(4,199)
Increase in property, plant and equipment through an increase in borrowings	1,026	458
Increase in trade and other receivables through a decrease in property, plant and equipment	-	485
Stock plan granted	(2,938)	-
Increase in investments in financial assets through a decrease in property, plant and equipment	-	48,217
Increase in restricted assets through an increase in borrowings	-	8,742





**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

**22. Trade and other payables**

Group's trade and other payables as of September 30, 2015 and June 30, 2015 were as follows:

	September 30,	June 30,
	2015	2015
<b>Non-current</b>		
Admission rights	154,412	146,036
Sales, rent and services payments received in advance	62,061	63,986
Guarantee deposits	3,608	6,236
<b>Total non-current trade payables</b>	<b>220,081</b>	<b>216,258</b>
Other tax payables	4,732	6,404
Deferred income	7,296	7,420
Shareholders' personal tax payable	789	865
Tax amnesty plan for payable taxes	22,594	24,268
Others	9,977	8,793
<b>Total non-current other payables</b>	<b>45,388</b>	<b>47,750</b>
Related parties (Note 35)	4,322	46
<b>Total non-current trade and other payables</b>	<b>269,791</b>	<b>264,054</b>
<b>Current</b>		
Trade payables	288,294	301,719
Accrued invoices	246,144	222,831
Admission rights	149,118	142,709
Sales, rent and services payments received in advance	249,292	226,237
Guarantee deposits	17,427	14,302
<b>Total current trade payables</b>	<b>950,275</b>	<b>907,798</b>
Withholdings tax	14,895	6,048

VAT payables	59,696	43,953
Gross sales tax payable	1,053	2,004
Other tax payables	63,257	110,257
Deferred incomes	8,611	24,366
Dividends payable	63,367	123,888
Tax amnesty plan for payable taxes	318	280
Shareholders' personal tax payable	6,970	4,666
Others	32,956	30,174
<b>Total current other payables</b>	<b>251,123</b>	<b>345,636</b>
Related parties (Note 35)	91,436	53,401
<b>Total current trade and other payables</b>	<b>1,292,834</b>	<b>1,306,835</b>
<b>Total trade and other payables</b>	<b>1,562,625</b>	<b>1,570,889</b>

The fair values of current trade and other payables approximate their respective carrying amounts due to their short-term nature, as the impact of discounting is considered as not significant. Fair values are based on discounted cash flows (Level 2 of fair value hierarchy).

**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

**23. Payroll and social security liabilities**

Group's Salaries and social security liabilities as of September 30, 2015 and June 30, 2015 were as follows:

	<b>September 30,</b>	<b>June 30,</b>
	<b>2015</b>	<b>2015</b>
<b>Non-current</b>		
Provision for vacations and bonuses	1,653	1,594
Social security payable	2,306	2,323
Others	1,415	1,622
<b>Non-current payroll and social security liabilities</b>	<b>5,374</b>	<b>5,539</b>
<b>Current</b>		
Provision for vacation and bonuses	114,394	184,316
Social security payable	43,250	38,619
Salaries payable	1,334	3,066
Share-based payments	58	852
Others	1,697	3,547
<b>Current payroll and social security liabilities</b>	<b>160,733</b>	<b>230,400</b>
<b>Total payroll and social security liabilities</b>	<b>166,107</b>	<b>235,939</b>

**24. Provisions**

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

	<b>Labor and legal claims</b>	<b>Tax and social security</b>	<b>Investments in associates and joint ventures (i)</b>	<b>Total</b>
<b>At June 30, 2015</b>	<b>77,510</b>	<b>1,478</b>	<b>362,931</b>	<b>441,919</b>
Additions	7,806	164	40,539	48,509
Used during period	(3,481)	-	(18,304)	(21,785)
Contributions	-	-	(13,828)	(13,828)
Currency translation adjustment	(2,064)	-	13,150	11,086
<b>At September 30, 2015</b>	<b>79,771</b>	<b>1,642</b>	<b>384,488</b>	<b>465,901</b>

(i) Corresponds to equity interests in associates with negative equity, mainly New Lipstick LLC. Additions and recoveries are included in "Share of profit / (loss) of associates and joint ventures".

The analysis of total provisions is as follows:

	<b>September 30, 2015</b>	<b>June 30, 2015</b>
Non-current	410,483	386,948
Current	55,418	54,971
	<b>465,901</b>	<b>441,919</b>

**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

**25. Borrowings**

Group's borrowings as of September 30, 2015 and June 30, 2015 were as follows:

						<b>Book value</b>	
	<b>Secured/ unsecured</b>	<b>Currency</b>	<b>Fixed/ Floating</b>	<b>Effective interest rate %</b>	<b>Nominal value (in million)</b>	<b>September 30, 2015</b>	<b>June 30, 2015</b>
<b>Non-current</b>							
CRESUD NCN							
Class XIV due 2018	Unsecured	US\$	Fixed	1.50%	32	300,986	290,205
CRESUD NCN							
Class XVI due 2018	Unsecured	US\$	Fixed	1.50%	109	1,034,555	998,594
CRESUD NCN							
Class XVIII due 2019	Unsecured	US\$	Fixed	4.00% Badlar + 350	34	319,286	308,022
CRESUD NCN							
Class XIX due 2016	Unsecured	Ps.	Floating	bps	187	-	185,684
CRESUD NCN							
Class XX due 2017	Unsecured	US\$	Fixed	2.50% Badlar + 375	18.2	89,668	56,278
CRESUD NCN							
Class XXI due 2017	Unsecured	Ps.	Floating	bps	192	190,318	-
CRESUD NCN							
Class XXII due 2019	Unsecured	US\$	Fixed	4.00%	22	207,833	-

## Edgar Filing: CRESUD INC - Form 6-K

IRSA NCN Class II due 2017	Unsecured	Ps.	Floating	Badlar + 450 bps	10.8	10,739	10,730
IRSA NCN Class I due 2017	Unsecured	US\$	Fixed	8.50%	150	1,412,064	1,352,655
IRSA NCN Class II due 2020	Unsecured	US\$	Fixed	11.50%	139.5	1,247,876	1,202,130
IRSA Propiedades Comerciales S.A. due 2017	Unsecured	US\$	Fixed	7.87%	114.3	1,061,011	1,021,782
IRSA Propiedades Comerciales S.A. NCN Class I due 2017 (i)	Unsecured	Ps.	Fixed/ Floating	(i) Libor + 300 bps or 6% (the higher)	407.3	393,370	-
Long term loans	Unsecured	US\$	Floating	Rate Survey PF 30-59	15	121,905	117,574
Long term loans	Unsecured	Ps.	Floating	days 4.00 to 7.23 and TJLP + 3.45 to 4.45	20	6,622	9,911
Long term loans	Secured	Rs.	Floating	Selic	-	110,151	155,727
Seller financing (ii) (iii)	Secured	US\$	Fixed	3.50% - 10.75% - 7.14%	6.8	73,877	70,959
Finance lease obligations	Secured	US\$	Fixed	to 13.28%	0.5	2,462	1,389
Finance lease obligations	Unsecured	Rs.	Fixed	6.92%		7,167	12,308
Long term loans (iv)	Unsecured	Ps.	Fixed	(iv)	13.6	6,386	8,158
Long term loans	Secured	Bol.	Floating	7% to 10.19% TJLP + 3.00	13.5	3,576	3,396
Long term loans	Secured	Rs.	Floating	to 3.10	-	4,058	5,028
Long term loans	Secured	Rs.	Floating/ Fixed/	5.50 to 8.70	-	38	331
Related parties (Note 35)	Unsecured	Ps.	Floating			22,758	22,112
<b>Non-current borrowings</b>						<b>6,626,706</b>	<b>5,832,973</b>

**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

**25. Borrowings (Continued)**

						<b>Nominal value (in million)</b>	<b>Book value September 30, 2015</b>	<b>June 30, 2015</b>
	<b>Secured/ unsecured</b>	<b>Currency</b>	<b>Fixed/ Floating</b>	<b>Effective interest rate %</b>				
CRESUD NCN Class XIV due 2018	Unsecured	US\$	Fixed	1.50%	32	93	102	
CRESUD NCN Class XV due 2015	Unsecured	Ps.	Floating	Badlar + 400 bps	176	60,420	120,760	
CRESUD NCN Class XVI due 2018	Unsecured	US\$	Fixed	1.50% Badlar + 250	109	5,236	4,986	
CRESUD NCN Class XVII due 2016	Unsecured	Ps.	Floating	bps	176	172,772	172,602	
CRESUD NCN Class XVIII due 2019	Unsecured	US\$	Fixed	4.00%	34	1,149	1,141	
CRESUD NCN Class XIX due 2016	Unsecured	Ps.	Fixed	27.50%	187	186,478	803	
CRESUD NCN Class XX due 2017	Unsecured	US\$	Fixed	2.50% Badlar + 375	18.2	1,521	812	
CRESUD NCN Class XXI due 2017	Unsecured	Ps.	Fixed	bps	192	5,932	-	
CRESUD NCN Class XXII due 2019	Unsecured	US\$	Floating	4.00%	22	(802)	-	
IRSA NCN Class I due 2017	Unsecured	US\$	Fixed	8.50	149	19,351	47,318	



## Edgar Filing: CRESUD INC - Form 6-K

IRSA NCN Class I due 2015	Unsecured	Ps.	Floating	Badlar + 395 bps	209.4	-	214,084
IRSA NCN Class II due 2017	Unsecured	Ps.	Floating	Badlar + 450 bps	10.8	265	258
IRSA NCN Class II due 2020	Unsecured	US\$	Fixed	11.50%	139.5	28,483	62,798
IRSA Propiedades Comerciales S.A. due 2017	Unsecured	US\$	Fixed	7.88%	114.3	32,285	10,677
IRSA Propiedades Comerciales S.A. NCN Class I due 2017 (i)	Unsecured	Ps.	Fixed/ Floating	(i)	407.3	68	-
Bank overdrafts	Unsecured	Ps.	Fixed	22.54%	19,430	327,687	609,152
Bank overdrafts (v)	Unsecured	Ps.	Floating	-	-	836,983	681,553
Short term loans (iv)	Unsecured	Ps.	Fixed	(iv)	13.6	7,008	106,469
Short term loans (viii)	Unsecured	Ps.	Fixed	(vii)	106.4	246,064	5,854
Repurchase agreement with haircut (viii)	Secured	Ps.	Fixed	(viii)	37.44	38,170	-
Short term loans	Unsecured	US\$	Floating	Libor + 300 bps or 6% (the higher) Rate	15	8,666	10,204
Short term loans	Unsecured	Ps.	Floating	Survey PF 30-59 days	20	6,892	7,576
Short term loans	Unsecured	Rs.	Floating	TJLP + 3.00 to 4.40	-	17	4,750
Short term loans	Unsecured	Rs.	Floating	7.51 to 15.12%%	-	-	74,990
Short term loans	Unsecured	Ps.	Fixed	15.01%	24	90,583	6,875
Short term loans	Secured	Rs.	Floating	4.00 to 7.23 and TJLP + 3.45 to 4.45 Selic	-	27,470	27,744
Other short term loans	Unsecured	-	-	-	-	17,541	25,945
Short term loans	Secured	Rs.	Floating	5.5 to 8.70	-	1,581	2,763
Syndicated loans (vi)	Unsecured	Ps.	Fixed	(vi)	50.13	50,058	75,485
Seller financing	Secured	Rs.	Floating	-	-	-	85,037
Seller financing	Secured	Rs.	Floating	IGP-M	-	47,901	58,064
Short term loans	Secured	Rs.	Floating	1.6905 + Exchange rate	-	-	29,001

Finance lease obligations	Secured	US\$	Fixed	variation 10.75% and 7.5%	0.5	2,050	1,880
Finance lease obligations	Unsecured	Rs.	Fixed	6.92%	-	6,632	9,890
Other short term loans	Secured	Bol.	Floating	7% and 10.19%	13.5	3,286	3,115
Related parties (Note 35)						15,568	14,198
<b>Current borrowings</b>						<b>2,247,408</b>	<b>2,476,886</b>
<b>Total borrowings</b>						<b>8,874,114</b>	<b>8,309,859</b>

(i) On September 18, 2015, IRSA Commercial Properties S.A. issued non-convertible notes Class I at a mixed rate with maturity of 18 months for an amount of Ps. 407.3 million. The first three months the interest rate will be fixed at 26.5% and from the fourth month until maturity pricing will be Badlar plus four basis points. Interest will be paid quarterly and principal will be repaid in full at maturity.

(ii) Seller financing of plot of land - Vista al Muelle S.A. in Canelones, Uruguay (trading properties).

(iii) Debt incurred to the purchase of Zetol S.A.'s shares (trading properties): Mortgage financing of US\$ 7 million with a fixed 3.5% interest rate. The balance is payable, by choice of the seller, in money or with the delivery of units in buildings to be built representative of 12% of the total marketable square meters built.

(iv) On December 23, 2013 the Company subscribed a new loan with Banco Citibank N.A. for an amount of Ps. 5.9 million and shall accrue interest at a rate of 15.25%. Principal will be repaid in 9 consecutive quarterly installments beginning in December 2014. Additionally, on December 30, 2014 the Company subscribed a new loan with Banco Citibank N.A. for an amount of Ps. 10 million and shall accrue interest at a rate of 26.50%. Principal will be repaid in 9 consecutive quarterly installments beginning in December 2015.

(v) As of September 30, 2015 and June 30, 2015, bank overdrafts were drawn on several domestic financial institutions. The Company has bank overdrafts of less than three months bearing floating interest rates ranging from 15% to 55% per annum.

(vi) On November 16, 2012 the Company subscribed a syndicated loan for Ps. 118,000. Principal will be payable in 9 quarterly consecutive installments and shall accrue interest at rate of 15.01%. On June 12, 2013 the Company subscribed a new syndicated loan for Ps. 111,000. Principal will be payable in 9 quarterly consecutive installments and shall accrue interest at rate of 15.25%. Both loans have been entered into with various banking institutions, one of which is Banco Hipotecario (Note 34).

(vii) On December 12, 2012, a loan has been entered into with Banco Provincia de Buenos Aires in the amount of Ps. 29 million. Principal will be repaid in 9 consecutive quarterly installments beginning in December 2013. Additionally, on February 3, 2014 a new loan has been subscribed for Ps. 20 million. As of the date of these financial statements, the mentioned capital is fully canceled. On December 23, 2014, the Group subscribed a new loan with Banco Provincia de Buenos Aires for Ps. 120 million. Principal will be payable in only one installment due on June 19, 2015.

(viii) During the quarter ended September 30, 2015, loans were taken in the stock market for terms ranging between seven and thirty days at rates ranging between 20.38% and 24% collateralized by securities.

**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

**25. Borrowings** (Continued)

***Notes issued by Cresud***

Classes XXI and XXII NCN

On August 12, 2015, Cresud issued Class XI Non-Convertible Notes for an aggregate principal amount of up to Ps. 150 million, which may be extended for up to Ps. 700 million in two classes:

Class XXI Non-Convertible Notes, for a face value of Ps. 192.2 million and falling due 18 months after the issuance date, will accrue interest at mixed rate. Fixed rate of 27.5% during the first 9 months and floating rate (Badlar plus 375 basis points). Interest will be payable quarterly in arrears whereas the principal will be amortized in one payment at due date. The issuance price was 100.0% of the nominal value.

Class XXII Non-Convertible Notes, for a face value of US\$ 22.7 million, with an issuance price of 97.65% of the nominal value resulting US\$ 22.2 equivalent to Ps. 204.3 million and falling due 48 months after the issuance date, will accrue interest at fixed annual rate of 4%. Interest will be payable quarterly in arrears whereas the principal will be amortized in two payments.

***Notes issued by subsidiary undertakings***

Class I NCN IRSA CP

On September 18, 2015, it was approved the issuance of Corporate Notes Class I of its global corporate notes program of IRSA CP in a nominal amount of up to US\$ 500.0 million, for an amount of Ps. 407.3 million (equivalents to US\$ 43.4 million). Corporate Notes Class I expire on the 18th month since the issue date and accrue interest rate: for the first three month the interest rate will be fixed at 26.5% and from the fourth month until maturity pricing will be Badlar plus 4 basis points. Interest will be paid quarterly and principal will be repaid in full at maturity.

**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

**26. Taxation**

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

	<b>September 30,</b>	<b>September 30,</b>
	<b>2015</b>	<b>2014</b>
Current income tax	(109,736)	(266,470)
Deferred income tax	21,088	136,592
Minimum Presumed Income Tax	(359)	(1,204)
<b>Income tax expense</b>	<b>(89,007)</b>	<b>(131,082)</b>

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

	<b>September 30,</b>	<b>June 30,</b>
	<b>2015</b>	<b>2015</b>
<b>Beginning of the period / year</b>	<b>501,495</b>	<b>382,597</b>
Currency translation adjustment	(20,738)	(30,951)
Reserve for changes in non-controlling interest	-	(50,359)
Reclassification to assets held for sale	-	(33,346)
Use of tax loss carryforwards	(9,239)	(157,367)
Charged / (Credited) to the income	21,088	390,921
<b>End of the period / year</b>	<b>492,606</b>	<b>501,495</b>

The Group did not recognize deferred income tax assets of Ps. 43.0 million and Ps. 43.3 million as of September 30, 2015 and June 30, 2015, 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.

**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

**26. Taxation** (Continued)

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

	September 30, 2015	September 30, 2014
Tax calculated at the tax rates applicable to profits in the respective countries	160,416	(65,177)
Permanent differences:		
Share of loss of associates and joint ventures	(230,177)	(59,402)
Unrecognized tax losses	(2,191)	(4,121)
Non-taxable income	703	-
Non-deductible expenses	(11,649)	(9,422)
Others	(6,109)	7,040
Income tax	<b>(89,007)</b>	<b>(131,082)</b>

Entities in Argentina are subject to the Minimum Presumed Income Tax ("MPIT"). Pursuant to this tax regime, an entity is required to pay the greater of the income tax or the MPIT. Tax is calculated on an individual entity basis at the statutory asset tax rate of 1% and is based upon the taxable assets of each company as of the end of the year, as defined by Argentine law. Any excess of the MPIT over the income tax may be carried forward and recognized as a tax credit against future income taxes payable over a 10-year period.



The Company does not set up an allowance for Minimum Presumed Income Tax and is considering filing a declaratory action under the terms of section 322 of the Civil and Commercial Procedural Code against the AFIP seeking certainty as to the application of the MPIT for the fiscal year 2014, 2015 and advance payments from 7 through 11 corresponding to fiscal year 2014, in relation to the decision by the Argentine Supreme Court in the case “Hermitage” on September 15, 2010 and “Perfil” on February 11, 2014. In such judicial precedents, the Court had declared such tax to be unconstitutional given that, under certain circumstances, it proves to be unreasonable and inconsistent with the ability-to-pay principle.

## **27. Shareholders' Equity**

### *Share capital and premium*

The share capital of the Group is represented by common shares with a nominal value of Ps. 1 per share and one vote each. During the three-month period ended September 30, 2015, there was a capital increase resulting from the Company's Incentive Plan.

**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

**27. Shareholders' Equity**(Continued)

*Legal reserve*

According to Argentine law, 5% of the profit of the year is separated to constitute a legal reserve until they reach legal capped amounts (20% of total capital). This legal reserve is not available for dividend distribution and can only be released to absorb losses. The Company shall have to fully replenish such reserve before any distribution of accumulated earnings.

*Treasury stock*

Given that the repurchase of shares for subsequent sale is to be funded out of net cash income or free reserves, pursuant to section 220.2. of Act 19,550, insofar as the Company maintains Treasury shares there is a restriction on the distribution of retained earnings or free reserves, equal to the acquisition cost.

*Dividends*

During the three-month period ended as of September 30, 2015, there were no distributions of dividends.



**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

**28. Revenues**

	September 30, 2015				September 30, 2014			
	Urban properties and investments	Agricultural	Agroindustrial	Total	Urban properties and investments	Agricultural	Agroindustrial	Total
Trading								
properties	1,158	-	-	1,158	4,748	-	-	4,748
shops	-	262,949	-	262,949	-	325,820	-	325,820
retail	-	45,332	-	45,332	-	29,975	-	29,975
air	-	17,503	-	17,503	-	17,467	-	17,467
sugarcane	-	101,649	-	101,649	-	100,181	-	100,181
supplies	-	14,507	-	14,507	-	18,426	-	18,426
beef	-	-	189,910	189,910	-	-	215,241	215,241
<b>sales</b>								
<b>income</b>	<b>1,158</b>	<b>441,940</b>	<b>189,910</b>	<b>633,008</b>	<b>4,748</b>	<b>491,869</b>	<b>215,241</b>	<b>711,858</b>
base rent	349,104	-	-	349,104	304,460	1,160	-	305,620
contingent								
rent	137,936	-	-	137,936	86,610	-	-	86,610
admission								
rights	45,015	-	-	45,015	34,600	-	-	34,600
marketing fees	36,965	-	-	36,965	24,844	-	-	24,844
commissions	15,745	431	-	16,176	14,135	448	-	14,583
consignment								
revenues	-	6,743	-	6,743	-	4,625	-	4,625
property								
management								
fees	8,717	-	-	8,717	7,483	-	-	7,483
expenses	254,941	-	-	254,941	201,422	-	-	201,422
and								
collective								

Promotion								
Funds								
Flattening of								
Leased lease								
Payments	3,836	-	-	3,836	9,663	-	-	9,663
Leases and								
Agricultural								
Services	-	3,781	-	3,781	-	3,634	686	4,322
Advertising								
and								
Brokerage								
Fees	-	11,463	-	11,463	-	11,773	-	11,773
Others	4,115	1,838	-	5,953	5,222	3,979	-	9,202
<b>Leases and</b>								
<b>Service</b>								
<b>Income</b>	<b>856,374</b>	<b>24,256</b>	<b>-</b>	<b>880,630</b>	<b>688,439</b>	<b>25,619</b>	<b>686</b>	<b>714,744</b>
Consumer								
Financing	28	-	-	28	55	-	-	55
Hotel								
Operations	110,695	-	-	110,695	96,827	-	-	96,827
<b>Other</b>								
<b>Revenues</b>	<b>110,723</b>	<b>-</b>	<b>-</b>	<b>110,723</b>	<b>96,882</b>	<b>-</b>	<b>-</b>	<b>96,882</b>
<b>Total Group</b>								
<b>Revenue</b>	<b>968,255</b>	<b>466,196</b>	<b>189,910</b>	<b>1,624,361</b>	<b>790,069</b>	<b>517,488</b>	<b>215,927</b>	<b>1,523,488</b>

**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

**29. Costs**

	September 30, 2015				September 30, 2014			
	Urban properties and investments	Agricultural	Agroindustrial	Total	Urban properties and investments	Agricultural	Agroindustrial	
Cost of leases and services	-	2,169	-	2,169	-	3,339	-	-
Other operative costs	-	2,392	-	2,392	-	2,666	-	-
<b>Cost of property operations</b>	-	<b>4,561</b>	-	<b>4,561</b>	-	<b>6,005</b>	-	-
Crops	-	302,273	-	302,273	-	431,084	-	-
Cattle	-	76,029	-	76,029	-	82,240	-	-
Dairy	-	33,610	-	33,610	-	32,836	-	-
Sugarcane	-	143,166	-	143,166	-	151,158	-	-
Supplies	-	11,936	-	11,936	-	14,006	-	-
Beef	-	-	170,145	170,145	-	-	156,616	-
Others	-	2,447	-	2,447	-	777	-	-
Leases and agricultural services	-	2,612	-	2,612	-	1,871	-	-
Consignment costs	-	1,219	-	1,219	-	474	-	-
Commissions	-	1,819	-	1,819	-	3,103	-	-
Brokerage operations	-	8,621	-	8,621	-	7,683	-	-
	-	<b>583,732</b>	<b>170,145</b>	<b>753,877</b>	-	<b>725,232</b>	<b>156,616</b>	-

**Cost of agricultural sales and services**

Cost of sale

of trading

properties

4,559

-

-

4,559

2,907

-

-

Cost from

hotel

operations

81,563

-

-

81,563

66,291

-

-

Cost of

leases and

services

349,999

-

-

349,999

286,098

-

-

Costs from

Consumer

Financing

32

-

-

32

74

-

-

**Total Group****costs****436,153****588,293****170,145****1,194,591****355,370****731,237****156,616**

**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

**30. Expenses by nature**

For the three-month period ended as of September 30, 2015:

	<b>Group costs</b>								
	<b>Cost of</b>		<b>Cost of</b>						
	<b>property</b>	<b>agricultural</b>	<b>agriculture</b>	<b>sale of</b>	<b>Cost from</b>	<b>Cost from</b>	<b>Other</b>	<b>General and</b>	<b>Selling</b>
	<b>operations</b>	<b>sales and</b>	<b>production</b>	<b>trading</b>	<b>Consumer</b>	<b>hotel</b>	<b>operative</b>	<b>administrative</b>	<b>expenses</b>
		<b>services</b>		<b>properties</b>	<b>Financing</b>	<b>operations</b>	<b>costs</b>	<b>expenses</b>	<b>expenses</b>
and	4,709	807	121	215	-	280	4	2,286	577
tion	50,244	10,099	3,043	18	-	2,891	771	3,288	152
ion e for	-	-	-	-	-	-	-	-	6,826
ng, and ing s tes	52,610	-	-	-	-	1,683	-	-	10,304
ons	27,244	679	2,735	750	-	90	13	4,775	45,561
	97,669	4,082	4,877	2,049	-	9,657	247	10,910	395



Edgar Filing: CRESUD INC - Form 6-K

nce									
rs									
s for	678	47,711	832	124	32	197	17	40,818	2,413
s	-	-	-	-	-	-	-	46,287	-
nd									
s	110,317	31,977	19,857	-	-	48,972	1,009	70,898	12,467
ale									
ties	-	-	-	1,400	-	-	-	-	-
s in	-	-	-	-	-	17,654	-	2,165	1,072
nd									
al	-	433,601	-	-	-	-	-	58	-
and	-	6,634	173,607	-	-	-	-	-	511
	667	449	3,593	-	-				