CRESUD INC
Form 6-K
June 22, 2012

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 June, 2012

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 x Form 40-F o

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 o No x

CRESUD S.A.C.I.F. and A.
(THE "COMPANY")

REPORT ON FORM 6-K

Attached is a copy of the English translation of the Financial Statements for the six-month period ended on December 31, 2011 and on December 31, 2010 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

Free Translation of the Unaudited Financial Statements
Corresponding to the six-month periods
ended December 31, 2011 and 2010

Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Financial Statements

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Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera
y Agropecuaria

Free translation from the original prepared in Spanish for
the publication in Argentina
Unaudited Consolidated Financial Statements
corresponding to the six-month periods
ended December 31, 2011 and 2010

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

Fiscal year No. 79 started on July 1, 2011

Unaudited Financial Statements for the period ended December 31, 2011
In comparative format with previous fiscal year (Note 1- Consolidated Statements)
(In thousands of pesos)

Legal Address:	Moreno 877, 23rd Floor – Ciudad Autónoma de Buenos Aires
Principal Activity:	Agricultural, livestock, and real-state.
Section I.	DATES OF REGISTRATION AT THE PUBLIC REGISTRY OF COMMERCE
Of the by-laws:	February 19th, 1937
Of the latest amendment:	July 28th, 2008
Section II.	Due date:
Duration of the Company:	June 6th, 2082

Information on controlled companies in Note 2 to the Consolidated Financial Statements

CAPITAL STATUS (Note 3 of basic financial statements)
SHARES

Type of stock	Authorized to be offered publicly	Subscribed	Paid-in
Ordinary certified shares of Ps. 1 face value and 1 vote each	501,562,534	501,562,534	501,562,534

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Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria and Subsidiaries
Unaudited Consolidated Balance Sheet as of December 31, 2011 and 2010 and June 30, 2011
(in thousands of pesos)
Free translation from the original prepared in Spanish for the publication in Argentina

	December 31, 2011 (Notes 1 and 2)	June 30, 2011 (Notes 1 and 2)	December 31, 2010 (Notes 1 and 2)		December 31, 2011 (Notes 1 and 2)	June 30, 2011 (Notes 1 and 2)	December 31, 2010 (Notes 1 and 2)
ASSETS				LIABILITIES			
CURRENT ASSETS				CURRENT LIABILITIES			
Cash and banks (Note 4.a.)	242,086	193,949	138,860	Trade accounts payable (Note 4.i.)	438,463	473,229	348,457
Investments (Note 4.b.)	367,158	575,061	293,044	Short-term debt (Note 4.j.)	1,496,986	1,316,232	1,209,351
Trade accounts receivable, net (Note 4.c.)	487,060	452,771	365,147	Salaries and social security payable (Note 4.k.)	61,152	82,877	41,910
Other receivables (Note 4.d.)	230,319	291,846	200,494	Taxes payable (Note 4.l.)	156,733	135,804	95,151
Inventories (Note 4.e.)	755,405	751,961	548,107	Customers advances (Note 4.m.)	253,870	269,555	256,082
Total Current Assets	2,082,028	2,265,588	1,545,652	Other liabilities (Note 4.n.)	52,857	81,880	245,223
				Provisions for lawsuits and contingencies (Note 4.o.)	6,895	4,615	2,668
				Total Current Liabilities	2,466,956	2,364,192	2,198,842
				NON-CURRENT LIABILITIES			
NON-CURRENT ASSETS				Trade accounts payable (Note 4.i.)	2,498	12,145	9,835
Trade accounts receivable (Note 4.c.)	63,771	32,699	10,746	Customers advances (Note 4.m.)	105,302	94,244	93,829
Other receivables (Note 4.d.)	403,130	326,625	222,353	Long-term debt (Note 4.j.)	2,212,440	2,086,305	1,777,108
Inventories (Note 4.e.)	325,453	357,607	242,039	Salaries and social security payable (Note 4.k.)	778	635	741
Permanent investments (Note 4.b.)	2,140,491	2,077,219	2,632,076	Taxes payable (Note 4.l.)	535,508	579,336	263,278
	1,588	1,682	1,031		47,379	21,624	33,759

Other Investments (Note 4.b.)				Other liabilities (Note 4.n.)			
Property and Equipment, net (Note 4.f.)	5,212,002	5,333,109	3,340,641	Provisions for lawsuits and contingencies (Note 4.o.)	17,729	14,952	11,629
Intangible assets, net (Note 4.g.)	85,751	79,945	75,524	Total Non-Current Liabilities	2,921,634	2,809,241	2,190,179
Subtotal Non-Current Assets	8,232,186	8,208,886	6,524,410	Total Liabilities	5,388,590	5,173,433	4,389,021
Goodwill, net (Note 4.h.)	(699,469)	(741,056)	(225,267)	Minority interest	2,092,876	2,346,448	1,413,009
Total Non-Current Assets	7,532,717	7,467,830	6,299,143	SHAREHOLDERS' EQUITY	2,133,279	2,213,537	2,042,765
Total Assets	9,614,745	9,733,418	7,844,795	Total Liabilities and Shareholders' Equity	9,614,745	9,733,418	7,844,795

The accompanying notes are an integral part of the consolidated financial statements

Alejandro G Elsztain
II Vicepresident
acting as President

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

Unaudited Consolidated Statements of Income
Corresponding to the six-month periods beginning on July 1, 2011 and 2010
and ended December 31, 2011 and 2010
(in thousands of pesos)
Free translation from the original prepared in Spanish for the publication in Argentina

	December 31, 2011	December 31, 2010
Agricultural production income (Note 5)	238,690	89,852
Cost of agricultural production (Note 5)	(177,212)	(75,037)
Production gain – Agricultural business	61,478	14,815
Sales - crops, beef cattle, milk and others (Note 5)	449,813	186,778
Sales of farms (Note 5)	59,898	71,096
Cost of sales - crops, beef cattle, milk and others (Note 5)	(397,161)	(165,476)
Costs of sales of farms (Note 5)	(32,136)	(21,652)
Sales profit - Agricultural business	80,414	70,746
Sales of slaughtering and feed lot (Note 5)	93,981	-
Cost of slaughtering and feed lot (Note 5)	(97,298)	-
Sales (loss) – Slaughtering and feed lot business	(3,317)	-
Sales and development of properties (Note 5)	124,166	117,329
Income from lease and service of offices, shopping centers, hotels, consumer financing and others (Note 5)	615,062	580,668
Cost of sales and development of properties (Note 5)	(95,240)	(88,864)
Costs of lease and service of offices, shopping centers, hotels, consumer financing and others (Note 5)	(168,212)	(188,760)
Sales profit - Real estate business	475,776	420,373
Gross profit - Agricultural business	141,892	85,561
Gross loss - Slaughtering and Feed lot Business	(3,317)	-
Gross profit - Real estate business	475,776	420,373
Gross profit	614,351	505,934
Selling expenses (Note 5)	(97,301)	(88,659)
Administrative expenses (Note 5)	(170,750)	(129,560)
Gain from recognition of inventories at net realizable value (Note 5)	35,248	35,930
Unrealized gain (Note 4.p.)	22,872	30,758
Net gain from retained interest in consumer finance trusts (Note 5)	-	5,042
Operating gain	404,420	359,445
Amortization of goodwill	28,624	19,025
Financial results:		
Generated by assets:		
Exchange gain	29,007	5,211
Interest income (Note 4.q.)	28,836	12,789
Other unrealized (loss) gain (Note 4.q.)	(22,612)	8,255
Subtotal	35,231	26,255
Generated by liabilities:		
Exchange loss	(129,327)	(19,105)
Loans and convertible notes	(197,605)	(129,947)
Other unrealized (loss) gain (Note 4.q.)	(9,055)	1,676

Subtotal	(335,987)	(147,376)
Total Financial results	(300,756)	(121,121)
Gain on participation in equity investees	47,552	57,729
Other income and expenses, net (Note 4.r.)	(16,575)	(19,296)
Management fee	(4,612)	(11,886)
Net income before income tax and minority interest	158,653	283,896
Income tax and minimum presumed income tax	(47,624)	(58,000)
Minority interest	(69,521)	(118,925)
Net income for the period	41,508	106,971
Earnings per share:		
Basic net gain per share (Note 9 to the basic financial statements)	0.08	0.22
Diluted net gain per share (Note 9 to the basic financial statements)	0.07	0.19

The accompanying notes are an integral part of the consolidated financial statements

Alejandro G Elsztain
II Vicepresident
acting as President

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

Unaudited Consolidated Statement of Cash Flow
Corresponding to the six-month periods beginning on July 1, 2011 and 2010
and ended December 31, 2011 and 2010
(in thousands of pesos)
Free translation from the original prepared in Spanish for the publication in Argentina

	December 31, 2011	December 31, 2010
Changes in cash and cash equivalents		
Cash and cash equivalents at the beginning of the year	705,544	175,653
Cash and cash equivalents at the end of the period	561,935	335,385
(Decrease) Increase net in cash and cash equivalents	(143,609)	159,732
Causes of changes in cash and cash equivalents		
Operating activities		
Income for the period	41,508	106,971
Income tax	47,624	58,000
Accrued interest	144,931	120,338
Adjustments made to reach net cash flow from operating activities		
Gain on equity investees	(47,552)	(57,729)
Minority interest	69,521	118,925
Increase in allowances and provisions	24,416	38,719
Depreciation and amortization	114,431	89,424
Unrealized gain on Inventories	(22,872)	(30,758)
Financial results	164,568	(1,224)
Loss from sales of fixed assets	28,920	17,090
Adjustment valuation to net realizable value in other assets	(35,248)	(35,930)
Amortization of goodwill	(28,624)	(19,025)
Gain from exchange of inventories	-	(19,332)
Reserve long-term incentive program	3,211	-
Gain from sales of intangible assets	(1,974)	-
Changes in operating assets and liabilities		
Increase in trade accounts receivable, leases and services	(52,267)	(129,105)
Increase in other receivables	(15,511)	(31,552)
Decrease (Increase) in inventories	52,746	(27,513)
Increase in intangible assets	(3)	(2,082)
Decrease in social security payables, taxes payable and customers advances	(145,209)	(42,133)
Increase in trade accounts payable	34,485	67,500
(Decrease) Increase in other liabilities	(21,564)	10,297
Cash flows provided by operating activities	355,537	230,881
Investing activities		
Dividends collected	5,265	4,775
Increase in investments	(2,207)	(5,278)
Increase in interest on equity investees	(161,523)	(954,969)
(Outflows) Inflows for the acquisition/sale of shares, net	(6,651)	33,688
Collection of receivables from companies Law No. 19,550 Section 33 and related parties	47	16,379
Advances for purchase of shares of Arcos del Gourmet S.A.	-	(1,185)

Acquisition and upgrading of fixed assets	(149,385)	(64,135)
Acquisition of undeveloped parcels of lands	(200)	(115)
Loans granted to related companies Law No. 19,550 Section 33 and related parties	(12,812)	(31,460)
Increase in intangible assets	-	(21)
Cash flows applied to investing activities	(327,466)	(1,002,321)

Alejandro G Elsztain
II Vicepresident
acting as President

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

Unaudited Consolidated Statements of Cash Flows (continued)
Corresponding to the six-month periods beginning on July 1, 2011 and 2010
and ended December 31, 2011 and 2010
(in thousands of pesos)
Free translation from the original prepared in Spanish for the publication in Argentina

	December 31, 2011	December 31, 2010
Financing activities		
Exercise of warrants and options	-	3
Issuance of non-convertible notes	246,912	712,335
Increase in loans	282,544	338,412
Cash dividends paid	(149,100)	(58,094)
Decrease in loans	(298,617)	(216,782)
Payment of interests	(152,798)	(69,465)
Payment of convertible notes	(50,963)	(35,251)
Proceeds from sale of Negotiable Obligations, net of expenses	-	283,167
Contributions from minority shareholders	6,808	2,262
Canceling financed purchases	(77,033)	(25,415)
Canceling loans from Subsidiaries	(2,821)	-
Advance for future capital increase	16,451	-
Reimbursement of dividends	6,937	-
Cash flows (applied to) provided by financing activities	(171,680)	931,172
Net (Decrease) Increase in cash and cash equivalents	(143,609)	159,732

The accompanying notes are an integral part of the consolidated financial statements

	December 31, 2011	December 31, 2010
Items not involving changes in cash and cash equivalents		
Inventory transferred to property and equipment	244	9,954
Increase in non-current investments through an increase in long-term debts	-	16,004
Increase in property and equipment through an increase in trade accounts payable	8,462	-
Transitory convertion differences subsidiaries	221,906	40,572
Undeveloped parcels of land transferred to inventory	-	3,030
Issuance of certificates of participation	-	18,786
Decrease in inventories through a decrease in customers advances	-	1,920
Increase in related parties interest through a decrease in other receivables	-	39,770
Increase in related parties interest through an increase in other liabilities	-	123,132
Decrease in inventories through a decrease in trade accounts payable	10,925	-
Decrease intangible assets through a decrease in trade accounts payable	1,153	-
Decrease in other investments through an increase in inventories	-	64,150
Decrease in financial debts through an increase in shareholders´ minority	38	61,240
Increase in dividends payable through a decrease in minority interest	-	2,055
Increase in inventories through a decrease of permanent investments	-	14,541
Decrease in other liabilities through an increase in minority interest	-	20,557

Increase in fixed assets through an increase in long term debts	-	53,896
Property and equipment transferred to inventories	10,471	-
Increase in inventories through an increase in customers advances	2,602	-
Increase in other receivables through an increase in fiscal charges	4,795	-
Increase in receivables through a decrease in property and equipment	51,761	-
Long-term incentive program reserve and non-capitalized contributions	2,018	-
Decrease in receivables	646	-
Decrease in permanent investments	16,004	-
Decrease in trade accounts payable	(7,345)	-
Decrease in other liabilities	(17,330)	-
Decrease in other receivables	8,025	-
Complementary information		
Income tax paid	84,053	18,509

Alejandro G Elsztain
II Vicepresident
acting as President

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

Unaudited Consolidated Statements of Cash Flows (continued)
Corresponding to the six-month periods beginning on July 1, 2011 and 2010
and ended December 31, 2011 and 2010
(in thousands of pesos)
Free translation from the original prepared in Spanish for the publication in Argentina

	December 31, 2011	December 31, 2010
Acquisition of subsidiaries companies/Sale of subsidiaries		
Current investments	-	97,287
Trade accounts receivables, net	1,307	261,078
Other receivables	1,436	54,443
Inventories	-	(17,454)
Property and equipment, net	11,885	(20,070)
Intangible assets	9,434	-
Trade accounts payable	(1,684)	(163,648)
Customer advances	(571)	-
Financial Loans	-	(68,003)
Salaries and social security payables	(49)	(6,713)
Tax payable	(418)	(12,922)
Other liabilities	(64)	9,902
Provisions for lawsuits and contingencies	-	1,288
Minority interest	-	2
Acquired/sold assets that do not affect cash, net value	21,276	135,190
Acquired funds	-	(4,366)
Net value of assets acquired/sold	21,276	130,824
Minority interest	1,434	(28,965)
Equity method before consolidation	-	(10,307)
Goodwill generated by the purchase	12,468	3,316
Purchase value/sale value of subsidiaries companies	35,178	94,868
Impairment and sale of investment	-	(12,119)
Remaining investment	-	(32,175)
Acquired funds	-	4,366
Advance funds	(1,538)	(21,252)
Amount founded by sellers	(26,989)	-
Income from sale of companies, net of cash transferred	6,651	33,688

Alejandro G Elsztain
II Vicepresident
acting as President

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

Notes to the Unaudited Consolidated Financial Statements
Corresponding to the six-month periods
beginning on July 1, 2011 and 2010
and ended December 31, 2011 and 2010
(In thousands of pesos)

NOTE 1: BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

a. Basis of consolidation

Cresud Sociedad Anónima, Comercial, Inmobiliaria, Financiera y Agropecuaria ("Cresud" or "the Company") consolidated on a line by line basis the Balance Sheet as of December 31, 2011 and 2010, the Statements of Income and the Statements of Cash Flows for the periods ended as of December 31, 2011 and 2010 with the financial statements of subsidiaries, following procedures established by Technical Resolution No. 21 of the Federación Argentina de Consejos Profesionales de Ciencias Económicas (FACPCE), approved by Consejo Profesional de Ciencias Económicas de la Ciudad Autónoma de Buenos Aires and Comisión Nacional de Valores.

Significant transactions and balances with subsidiaries have been eliminated from the consolidation.

The financial statements as of December 31, 2011 and 2010 of the subsidiary companies Northagro S.A. (“Northagro”), Futuros y Opciones.Com S.A. (“FyO.Com”), Agrotech S.A. (“Agrotech”), Pluriagro S.A. (“Pluriagro”), FyO Trading S.A. (“FyO Trading”), Agropecuaria Acres del Sur S.A. (“Acres”), Ombú Agropecuaria S.A. (“Ombú”), Yatay Agropecuaria S.A. (“Yatay”), Yuchan Agropecuaria S.A. (“Yuchan”), Helmir S.A. (“Helmir”), Cactus Argentina S.A. ("Cactus") and IRSA Inversiones y Representaciones Sociedad Anónima (“IRSA”) and the financial statements as of December 31, 2011 of BrasilAgro-Companhía Brasileira de Propiedades Agrícolas (“BrasilAgro”) have been used in order to determine line by line consolidation.

These Financial Statements and the corresponding notes are presented in thousand of Argentine Pesos.

On December 23, 2010, Cresud made a capital contribution in the amount of Ps. 16 million to Cactus, including additional paid-in capital. As a result of such capital contribution, our shareholdering interest increased to 80% as of December 31, 2010.

As from December 31, 2010, Cresud consolidates its financial statements with those of Cactus, pursuant to the provisions of Accounting Standard Technical Resolution No. 21. Consequently, the consolidated Income Statement of the company as of December 31, 2010 does not include information consolidated with Cactus.

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

Notes to the Unaudited Consolidated Financial Statements (Continued)
(In thousands of pesos)
Free translation from the original prepared in Spanish for publication in Argentina

NOTE 1: (Continued)

During the previous fiscal year, the Company has increased its share in BrasilAgro-Companhía Brasileira de Propiedades Agrícolas to 35.75%. Therefore, as from June 30, 2011, Cresud consolidates its financial statements with those of BrasilAgro, pursuant to the provisions of Accounting Standard Technical Resolution No. 21. Consequently, the consolidated financial statements of the company as of December 31, 2010 do not include information consolidated with BrasilAgro.

On September 13, 2010, Alto Palermo S.A. ("APSA") sold its 80% interest in Tarshop S.A.. Consequently, the consolidated balance sheet as of its comparative balances does not include Tarshop S.A.. However, the statements of income and the statement of cash flows presented comparatively include such company for the two-month period when APSA held control over it. Therefore, the compatibility of consolidated financial statements is affected.

The totals relevant of the Company's consolidated financial statements, assuming the consolidation with BrasilAgro had taken place as of July 1, 2010, are presented for comparative purposes in the following charts. Additionally, below is a summary of the effect the deconsolidation of Tarshop would have had on the statement of income and the statement of cash flows as of that date.

Balance Sheet as of December 31, 2010

Item	Published Financial Statements of Cresud as of December 31, 2010 (in pesos)	BrasilAgro as of December 31, 2010	Financial Statements in the event of consolidation as of December 31, 2010 (in pesos)
Current Assets	1,545,652	612,928	2,158,580
Non-Current Assets	6,299,143	581,193	6,880,336
Total Assets	7,844,795	1,194,121	9,038,916
Current Liabilities	2,198,842	111,257	2,310,099
Non-Current Liabilities	2,190,179	234,219	2,424,398
Total Liabilities	4,389,021	345,476	4,734,497
Minority Interest	1,413,009	848,645	2,261,654
Shareholders' Equity	2,042,765	-	2,042,765

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

Notes to the Unaudited Consolidated Financial Statements (Continued)
(In thousands of pesos)
Free translation from the original prepared in Spanish for publication in Argentina

NOTE 1: (Continued)

Consolidated Income Statement

As of December 31, 2010:

Item	Published Financial Statements of Cresud as of December 31, 2010 (in pesos)	Tarshop S.A. as of December 31, 2010	BrasilAgro as of December 31, 2010	Financial Statements in the event of consolidation as of December 31, 2010 (in pesos)
Production (loss) gain – Agricultural business	14,815	-	19,109	33,924
Sales profit - Agricultural business	70,746	-	2,338	73,084
Sales profit - Real estate business	420,373	(35,855)	-	384,518
Gross profit	505,934	(35,855)	21,447	491,526
Operating result	359,445	(17,644)	2,292	344,093
Net income for the period	106,971	-	-	106,971

Statement of Cash Flow

As of December 31, 2010:

Item	Published Financial Statements of Cresud as of December 31, 2010 (in pesos)	Tarshop S.A. as of December 31, 2010	BrasilAgro as of December 31, 2010	Financial Statements in the event of consolidation as of December 31, 2010 (in pesos)
Net Cash flows provided by operating activities	230,881	22,002	41,206	294,089
Net Cash flows used in investing activities	(1,002,321)	101	(112,122)	(1,114,342)
Net Cash flows provided by financing activities	931,172	(28,553)	(20,281)	882,338

Comparative information

Certain reclassifications have been made on the Financial Statements as of June 30, 2011 and December 31, 2010 and originally issued for the purpose of your presentation with comparative figures as of December 31, 2011.

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

Notes to the Unaudited Consolidated Financial Statements (Continued)
(In thousands of pesos)
Free translation from the original prepared in Spanish for publication in Argentina

NOTE 2: CORPORATE CONTROL

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

Company	Consolidated direct and indirect percentage of voting shares owned		
	12.31.2011	06.30.2011	12.31.2010
IRSA	63.22	(3) 57.70	(5) 57.49
FyO.Com	65.85	65.85	65.85
FyO Trading	(1) 67.09	(1) 67.09	(1) 67.09
Agrology (6)	-	100.00	100.00
Agrotech	100.00	(4) 100.00	(4) 100.00
Pluriagro	100.00	(4) 100.00	(4) 100.00
Northagro	100.00	(4) 100.00	(4) 100.00
Cactus	100.00	80.00	80.00
Exportaciones Agroindustriales Argentinas S.A. ("EAASA")	(2) 100.00	79.98	79.98
Helmir S.A.	100.00	100.00	100.00
Agropecuaria Acres del Sud S.A.	100.00	100.00	100.00
Ombú Agropecuaria S.A.	100.00	100.00	100.00
Yatay Agropecuaria S.A.	100.00	100.00	100.00
Yuchán Agropecuaria S.A.	100.00	100.00	100.00
BrasilAgro	35.75	35.75	35.75

(1) Includes interests of 63.46% of FyO Com
(2) Includes interests of 99.98% of Cactus.
(3) Includes interests of 7.10% of Agrology.
(4) Includes interests of 3% of Agrology.
(5) Includes interests of 6.89% of Agrology.
(6) Merged with Cresud as of 07/01/2011. See Note 14 of the Basic Financial Statements.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES

The Financial Statements of the Subsidiaries mentioned in Note 2 have been prepared based on accounting principles consistent with those followed by the Company for the preparation of its financial statements (See Note 2 of the basic financial statements).

High relevant valuation and disclosure criteria applied in preparing the financial statements of consolidated companies and not explained in the valuation criteria note of the holding company are as follows:

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NOTE 3: (Continued)

a. Inventories

- Slaughtering business

Slaughtering and meat processing in cold chambers

They are stated at their net realizable value, net of any additional selling costs.

- Real Estate Business

A property is classified as inventories upon determination by the Board of Directors that the property is to be marketed for sale in the normal course of business over the next several years.

Properties classified as inventories have been valued at acquisition or construction cost restated as mentioned in Note 1.b. to the basic financial statements or estimated market value, whichever is lower. Costs include land and land improvements, direct construction costs, construction overhead costs, financial costs and real estate taxes.

Inventories on which advance payments that establish price have been received, and the operation's contract terms and conditions assure that the sale will be effectively accomplished and that the income will be realized, are valued at net realizable value. Profits arising from such valuation are shown in the "Gain from valuation of assets at net realizable value" caption of the Statements of Income.

Properties held for sale are classified as current or non-current based on the estimated date of sale and the time at which the related receivable is expected to be collected by the Company.

The amount recorded in inventories, net of allowances set up, does not exceed their estimated recoverable value at the end of the period/fiscal year.

Property units to receive

IRSA has rights to receive certain property units to be built. The units have been valued according to the accounting measuring standards corresponding to inventories receivables (the price established in the deed or net realizable value, as applicable) and there have been disclosed under "Inventories".

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NOTE 3: (Continued)

b. Non-current investments

- Real Estate Business

Investments on controlled and related companies and other non-current investment

In those interests held in entities over which the Company does not exert control, joint control or significant influence have been measured for accounting purposes at cost plus any declared dividends

Given the sale of 80% of Tarshop S.A.'s shares described in Note 8 B.2.a, as of the date of issuance of these unaudited financial statements, APSA maintains a 20% investment in Tarshop S.A. that is valued by the equity method due to the existence of influence by the group of companies on Tarshop S.A.´s decision and the intention to keep it as a long-term investment.

The equity investments in TGLT S.A. and Hersha Hospitality Trust were valued at their acquisition cost.

Banco Hipotecario S.A. and Banco de Crédito & Securitización S.A.

The Financial Statements of Banco Hipotecario S.A. and Banco de Credito & Securitización S.A. are prepared in accordance with the Central Bank of the Argentine Republic ("BCRA") standards. For the purpose of the valuation of the investment in IRSA, adjustments necessary to adequate the financial statements to the professional accounting standards have been considered.

In accordance with the regulations of the BCRA, there are certain restrictions on the distribution of profits by Banco Hipotecario S.A. to IRSA.

Tyrus S.A.:

Foreign permanent investments held by IRSA through Tyrus S.A. in the Oriental Republic of Uruguay have been classified as "integrated" and "non-integrated" with IRSA's transactions, considering the features of the mentioned investments and their transactions. Investment in Torodur S.A. has been classified as "integrated" considering the features of its investments and transactions.

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NOTE 3: (Continued)

Undeveloped parcels of lands:

IRSA acquires undeveloped land in order to provide an adequate and well-located supply for its residential and office building operations. IRSA's strategy for land acquisition and development is dictated by specific market conditions where conducts its operations.

Land held for development and sale and improvements are stated at acquisition cost, restated as mentioned in Note 1.b. to the basic financial statements or market value, whichever is lower.

Land and land improvements are transferred to inventories or fixed assets when their trade is decided or commences its construction.

The obtained values do not exceed their respective estimated recoverable values at the end of the period / year.

c. Property and equipment, net

- Real Estate Business

Property and equipment comprise primarily of rental properties and other properties and equipment held for use by IRSA.

Property and equipment value, net of allowances set up, does not exceed estimated recoverable value at the end of the period / year.

Rental properties:

Rental properties are carried at acquisition and/or construction cost, restated as mentioned in Note 1.b. to the basic financial statements, less accumulated depreciation and allowance for impairment at the end of the period / year. IRSA capitalizes the financial accrued costs associated with long-term construction projects.

NOTE 3: (Continued)

Accumulated depreciation had been computed under the straight-line method over the estimated useful lives of each asset, applying annual rates in order to extinguish their values at the end of its useful life.

IRSA has allowances for impairment of certain rental properties.

Significant renewals and improvements, which improve or extend the useful life of the asset, are capitalized and depreciated over its estimated remaining useful life. At the time depreciable assets are retired or otherwise disposed of, the cost and the accumulated depreciation of the assets are eliminated from the accounts and the resulting gain or loss is disclosed in the Statement of Income.

d. Intangible assets

• Real Estate Business

Intangible assets are carried at restated cost as mentioned in Note 1.b. to the basic financial statements, less accumulated amortization and corresponding allowances for impairment in value, if it applicable. Included in the Intangible assets caption are the following:

Concession

Intangible assets include Arcos del Gourmet S.A.´s concession right, which will be amortized over the life of the concession agreement once it opens to the public.

Trademarks

Trademarks include the expenses and fees related to their registration.

Pre-operating expenses and organizational

Those expenses were amortized by the straight-line method in 3 years, beginning as from the date of opening.

The value of the intangible assets does not exceed their estimated recoverable value at the end of the period / year.

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NOTE 3: (Continued)

e. Customer advance payments

• Real Estate Business

Customer advance payments represent payments received in connection with the sale and rent of properties and has been valued according to the amount of money received.

f. Allowances

• Real Estate Business

Allowance for doubtful accounts: See Note 2 n. to the basic financial statements.

For impairment of assets: IRSA regularly asses its non-current assets for recoverability at the end of every period / year.

IRSA has estimated the recoverable value of rental properties based on their economic use value, which is determined based on estimated future cash flows discounted. For the rest of the assets (inventories and undeveloped parcels of land) IRSA makes a comparison with market values based on values of comparable properties. If the recoverable value of assets, which had been impaired in prior years, increases, IRSA records the corresponding reversals of impairment loss as required by accounting standards.

For lawsuits: See Note 2 n. to the basic financial statements.

As the scope of the liabilities becomes better defined, there may be changes in the estimates of future costs, which could have an effect on IRSA's future results of operations and financial condition or liquidity.

At the date of issuance of these financial statements, IRSA’s Management understands that there are no elements to foresee other potential contingencies having a negative impact on these financial statements.

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NOTE 3: (Continued)

g. Liabilities in kind related to barter transactions

• Real Estate Business

Liabilities in kind corresponding to obligations to deliver units to be built are valued considering the value of the assets received or the cost of construction of the units to deliver plus necessary additional costs to transfer the assets to the creditor, the largest, thus reducing its value pro rata the units that are granted notarial titled deed. Liabilities in kind have been shown in the "Trade account payables".

h. Revenue recognition

• Real Estate Business

1) Revenue recognition of IRSA

Sales of properties

IRSA records revenue from the sale of properties when all of the following criteria are met:

- The sale has been consummated.
- There is sufficient evidence that demonstrate the buyer's ability and commitment to pay for the property.
- The Company's receivable is not subject to future subordination.
- The Company has transferred the property to the buyer.

The Company uses the percentage-of-completion method of accounting with respect to sales of development properties under construction. Under this method, revenue is recognized based on the ratio of costs incurred to total estimated costs according to budgeted costs. The Company does not recognize results until construction activities have begun. The percentage-of-completion method of accounting requires the Company's Management to prepare budgeted costs in connection with sales of properties/units. All changes to estimated costs of completion are incorporated into revised estimates during the contract period.

NOTE 3: (Continued)

Revenues from leases

Revenues from leases are recognized considering its term and conditions and over the life of the related lease contracts.

Hotel operations

IRSA recognizes revenues from its rooms services, catering and restaurant facilities as accrued on the close of each business day.

2) Revenue recognition of Alto Palermo S.A. ("APSA")

Revenues for admission rights and rental of stores and stands

Leases with tenants are accounted for as operating leases. Tenants are generally charged a rent, which consists of the higher of: (i) a monthly base rent (the "Base Rent") and (ii) a specified percentage of the tenant's monthly revenues (the "Percentage Rent") (which generally ranges between 4% and 10% of tenant's gross revenues).

Furthermore, pursuant to the rent escalation clause in most leases, a tenant's Base Rent generally increases between 7% and 12% each year during the term of the lease. Minimum rental income is recognized following on the accrued criteria.

Certain lease agreements contain provisions, which provide for rents based on a percentage of revenues or based on a percentage of revenues volume above a specified threshold. APSA determines the compliance with specific targets and calculates the additional rent on a monthly basis as provided in the contracts. Thus, these contingent rents are not recognized until the required thresholds are exceeded.

Generally, APSA's lease agreements vary from 36 to 120 months. Law No. 24,808 provides that tenants may rescind commercial lease agreements after the initial six months, upon not less than 60 days' written notice, subject to penalties which vary from one to one and a half months rent if the tenant rescinds after the first year of its lease, and one month of rent if the tenant rescinds after the first year of its lease.

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Additionally, APSA charges its tenants monthly administration fees related to the administration and maintenance of the common area and the administration of contributions made by tenants to finance promotional efforts for the overall shopping centers operations. The administration fees are prorated among the tenants according to their leases which vary from shopping center to shopping center. Administration fees are recognized monthly when earned.

In addition to rent, tenants are generally charged "admission rights", a non-refundable admission fee that tenants may be required to pay upon entering into a lease or upon lease renewal. Admission right is normally paid in one installment or in a small number of monthly installments. Admission rights are recognized in earnings using the straight-line method over the life of the respective lease agreements.

Credit card operations "Consumer Financing"

Revenues derived from credit card transactions consist of commissions, financing income, charges to clients for life and disability insurance and for accounts statements, among other. Commissions are recognized at the time the merchants' transactions are processed, while the rest financial income is recognized when accrued. Income generated from granting consumer loans mainly includes financial interests, which are recognized by the accrued method during the fiscal period/year whether collection has or has not been made.

Lease agent operations

Fibesa S.A., company in which APSA has an interest of 99.9996%, acts as the leasing agent for APSA bringing together the Company and potential lessees for the retail space available in certain of APSA's shopping centers. Fibesa S.A.'s revenues are derived primarily from collected commissions calculated as a percentage of the final rental income value, admission´s rights and commissions for rental of advertising space. Revenues are recognized at the time that the transaction is successfully concluded.

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NOTE 3: (Continued)

i. Employee Benefits

- Agricultural business

1. Share-based payments award plan

The Company has a share-based payments award plan, settled in shares for certain employees as part of its remuneration package. The value of the equity instruments to be liquidated was measured at its fair value at the grant date. The Company determined the fair value through the Blacksholes method.

The share-based compensation plan is booked as expense lineally in the Income Statement during the plan vesting period.

The Company records the effect of the revision of the original estimates, if any, under the statement of income, with the corresponding adjustment to Equity.

Consideration received, net of any directly attributable transaction cost, are credited from the capital stock (nominal value) and the share premium, if applicable, when the options are exercised.

Social contributions to be paid, related to the concession of the award options are considerated as part of the concession, and the corresponding collection will be treated as a transaction liquidated in cash.

2. Employee benefits. Profit-sharing in BrasilAgro

Profit-sharing is usually booked as of fiscal period / year-end, since BrasilAgro can measure them in a reliable way.

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NOTE 4: Details of consolidated balance sheet and consolidated statement of income accounts

As of December 31, 2011 and 2010 and June 30, 2011, the principal items of the financial statements are as follows:

a. Cash and banks

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Cash	3,055	2,101	2,473
Foreign currency	63	35	75
Banks in local currency	220,634	177,322	118,526
Banks in foreign currency	18,334	14,341	13,547
Checks to be deposited	-	150	4,239
	242,086	193,949	138,860

b. Investments

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
Temporary investments			
Mutual Funds (2)	171,208	337,963	270,241
Time deposits	178,328	233,697	-
-Certificates of participation - Tarshop S.A. Trust Funds (1)	-	-	1,697
-Mortgage Bonds (1)	481	477	479
Public shares (1)	17,128	2,912	20,611
Other investments (1)	13	12	16
	367,158	575,061	293,044

(1) Not considered as cash equivalents in Cash Flow Statements.
(2) As of December 31, 2011 and 2010 and June 30, 2011 includes Ps. 29,687, Ps. 73,716 and Ps. 60,065 respectively, related to mutual funds not considered as cash equivalents in Cash Flow Statement.

Non-current

Investments on equity investees:			
Agro – Uranga S.A.			
Shares	11,185	11,924	9,754
Higher property value	11,179	11,179	11,179
	22,364	23,103	20,933

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NOTE 4: (Continued)

	December 31, 2011	June 30, 2011	December 31, 2010
BrasilAgro			
Shares	-	-	546,916
Higher values	-	-	49,645
Goodwill	-	-	6,965
Negative Goodwill	-	-	(11,592)
Warrants	27,199	27,199	27,199
	27,199	27,199	619,133
Banco Hipotecario S.A.			
Shares	993,573	939,553	867,240
Higher values (1)	2,747	6,658	8,095
Goodwill	(27,082)	(27,762)	10,686
	969,238	918,449	886,021
Banco Crédito & Securitización S.A.			
Shares	6,633	6,117	6,308
	6,633	6,117	6,308
Manibil S.A.			
Shares	28,519	27,671	27,252
Goodwill	10	10	10
	28,529	27,681	27,262

(1) Corresponds to Ps. 216 of higher value intangible assets, Ps. 8,667 of lower value trade account payables and Ps. (10,949) of higher value trade account receivable which belongs to the business combinations of Cresud and Agrology S.A. (currently merged into Cresud), and Ps. 4,813 of IRSA.

	December 31, 2011	June 30, 2011	December 31, 2010
Hersha Hospitality Trust			
Shares/Options	274,107	277,248	298,310
	274,107	277,248	298,310
Tarshop S.A.			
Shares	44,181	49,779	49,952
Higher/Lower values	(4,212)	-	-
	39,969	49,779	49,952

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NOTE 4: (Continued)

	December 31, 2011	June 30, 2011	December 31, 2010
RIGBY 183 LLC			
Shares	87,950	91,136	108,707
	87,950	91,136	108,707
Bitania 26			
Shares	21,390	-	-
	21,390	-	-
TGLT S.A.			
Shares	59,031	56,382	47,582
	59,031	56,382	47,582
New Lipstick			
Shares	120,854	115,946	105,365
	120,854	115,946	105,365
Advances for shares purchases	272	1,797	1,574
	272	1,797	1,574
Undeveloped parcels of lands:			
- Santa María del Plata	222,586	222,578	222,419
- Soleil Factory construction right	6,676	6,676	-
- Puerto Retiro (1)	66,226	66,321	66,424
- Plot of land Caballito	49,699	49,699	40,670
- Patio Olmos (2)	33,654	33,744	33,218
- Torres Rosario	-	-	2,809
- Coto air space (4)	17,594	17,594	14,672
- Zetol plot of land (3)	33,289	32,207	40,010
- Canteras Natal Crespo	6,727	6,539	6,479
- Pilar	4,066	4,066	4,066
- Torres Jardín IV	-	-	8
- Vista al Muelle plot of land (3)	23,231	21,654	11,378
- Other undeveloped parcels of lands	19,207	21,304	18,776
	482,955	482,382	460,929
	2,140,491	2,077,219	2,632,076

(1) Note 7 B.1.a. to the consolidated financial statements.

(2) Note 9 B.2.a. to the consolidated financial statements.
(3) Note 8 B.1.e. to the consolidated financial statements.
(4) Note 9 B.2.d. to the consolidated financial statements.

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Other investments

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
MAT	90	90	90
Coprolán	21	21	21
Other investments	1,477	1,571	920
	1,588	1,682	1,031

c. Trade account Receivable

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
Debtors from consumer financing	14,314	70,248	51,512
Leases, services and real estate receivables	116,598	97,025	101,321
Receivables under legal proceedings	-	595	-
Checks to be deposited	124,079	104,083	91,670
Debtors from expenses and collective promotion fund	36,096	18,953	24,284
Leases, services and real estate receivables under legal proceedings	50,691	48,954	44,423
Trade accounts receivable – agricultural business	143,632	184,088	101,455
Trade accounts receivable – real estate agricultural business	26,909	11,859	4,853
Trade accounts receivable – real estate business	-	4,034	-
Debtors from hotel activities	15,647	9,954	15,385
Documents receivable	12,537	5,987	5,446
Debtors from consumer financing – collection agents	4,616	4,869	2,515
Credit cards receivable	523	497	110
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties (Note 4.s.)	11,787	9,189	7,432
Less:			
Allowance for doubtful accounts	(70,369)	(117,564)	(85,259)

	487,060	452,771	365,147

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	December 31, 2011	June 30, 2011	December 31, 2010
Non-current			
Leases, services and real estate receivables	18,586	14,300	10,002
Documents receivable	-	-	744
Trade accounts receivable – agricultural business	-	3,519	-
Trade accounts receivable – real estate agricultural business	45,185	14,880	-
	63,771	32,699	10,746

d. Other receivables

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
VAT receivables, net	61,450	56,566	73,502
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties (Note 4.s.)	20,252	29,151	43,968
Prepaid expenses	43,260	49,300	37,159
Income tax advances and tax credit (net of provision for income tax)	19,101	15,133	8,496
Guarantee deposits re. securitization programs	-	-	193
Loans granted	684	644	1,055
Gross sales tax credit and others	10,514	10,895	8,396
Interests to be accrued	-	-	34
Guarantee deposits	1,846	633	1,526
Minimum presumed income tax	2,565	1,824	4,737
Premiums collected	114	2,919	73
Financial operations to liquidate	17,714	14,180	394
Other tax credits	9,332	59,323	176
Guarantee deposits for investment purchase	-	-	507
Prepaid leases	199	11,044	23
VAT withholdings	1,719	1,709	580
Transfer VAT debtors	19	61	1,132
Withholding income tax	6,749	7,764	134
Gross sales tax withholdings	-	-	258
Financial derivates instruments	3,323	1,867	-

VAT export refunds	1,912	424	461
Expenses to be recovered	277	7,707	125
Allowance for doubtful accounts	(92)	(92)	-
Others	29,381	20,794	17,565
	230,319	291,846	200,494

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	December 31, 2011	June 30, 2011	December 31, 2010
Non-current			
Deferred tax	59,241	32,452	39,995
Minimum presumed income tax	140,201	129,958	102,373
VAT receivables, net	51,068	55,914	61,751
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties (Note 4.s.)	31,034	29,772	14,111
Prepaid expenses	4,018	3,114	1,354
Mortgages receivables under legal proceeding	2,208	2,208	2,208
Guarantee deposits	51,616	55,975	-
Allowance for doubtful accounts	(2,208)	(2,208)	(2,208)
Other tax credits	59,830	12,131	-
Gross sales tax credit and others	1,225	1,067	1,611
Loans granted	-	-	96
Tax on bank account operations	-	-	120
Others	4,897	6,242	942
	403,130	326,625	222,353

e. Inventories

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
Agricultural business			
Crops	86,769	232,009	18,060
Materials and others	122,490	115,140	59,399
Beef cattle	63,879	45,131	27,112
Unharvested crops	228,407	69,724	98,440
Seeds and fodder	6,054	8,009	1,667
Slaughtered stock	4,779	5,898	12,621
Allowances for obsolescence	-	-	(60)
Suppliers advances	8,597	8,697	-
Other Inventories	77	-	-
Real Estate Business			
Museo Renault	21,154	-	-
Credit from barter of Terreno Caballito (Koad)	2,848	5,860	11,197
Abril	378	1,145	1,423
Inventories (hotel business)	3,938	3,575	3,347

El Encuentro	2,465	5,660	5,576
Horizons	178,535	212,211	265,969
Credit from barter transaction of Terreno Rosario	6,311	25,607	29,105
Other Inventories	4,056	3,519	3,013
San Martín de Tours	180	424	424
Torres Jardin	32	32	10,814
Torres Rosario	14,456	9,320	-
	755,405	751,961	548,107

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	December 31, 2011	June 30, 2011	December 31, 2010
Non-current			
Agricultural business			
Beef cattle	166,971	184,527	162,365
Unharvested crops	64,490	83,227	-
Real Estate Business			
Credit from barter of Caballito (Cyrsa)	-	-	30,679
Credit from barter of Terreno Caballito (Koad)	472	-	2,723
Units to receive Caballito (Note 4.s.)	52,205	51,999	-
Credit from barter transaction of Terreno Rosario	-	-	9,922
El Encuentro	2,487	1,898	4,509
Beruti	23,608	23,309	23,309
Abril	767	-	254
Lands to receive Peraiola	8,200	8,200	8,200
Torres Rosario	6,159	4,388	-
Other Inventories	94	59	78
	325,453	357,607	242,039

f. Property and equipment, net

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Agricultural business	1,715,522	1,797,953	496,117
Real Estate Business			
Shopping Center	2,110,670	2,226,543	1,600,104
Office buildings	976,470	966,320	901,384
Hotels	199,945	203,716	207,868
Other fixed assets	209,395	138,577	135,168
	5,212,002	5,333,109	3,340,641

g. Intangible assets

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Agricultural business	26,193	28,290	21,003

Real Estate Business	59,558	51,655	54,521
	85,751	79,945	75,524

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h. Goodwill

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Goodwill			
IRSA	14,895	14,330	39,642
BrasilAgro	6,965	6,965	-
APSA	9,577	12,431	170,039
Torre BankBoston	4,765	4,873	5,585
Della Paolera 265 y Museo Renault	794	2,620	3,032
Conil S.A.	343	344	506
Arcos del Gourmet S.A.	6,259	-	-
Nuevo Puerto Santa Fe S.A.	6,209	-	-
Cactus goodwill	14,927	4,978	4,978
Cactus goodwill allowance	(14,927)	(4,978)	(4,978)
Negative goodwill			
IRSA	(313,074)	(324,774)	(345,512)
BrasilAgro	(64,956)	(73,947)	-
APSA	(331,911)	(342,604)	(41,828)
Palermo Invest S.A.	(21,795)	(23,498)	(39,277)
Empalme S.A.I.C.F.A. y G	(2,497)	(2,684)	(8,131)
Mendoza Plaza Shopping S.A.	(2,084)	(2,115)	(5,498)
Emprendimiento Recoleta S.A.	(24)	(25)	(224)
Unicity S.A.	(3,601)	(3,601)	(3,601)
Soleil Factory	(9,334)	(9,371)	-
	(699,469)	(741,056)	(225,267)

i. Trade accounts payable

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
Suppliers	167,456	118,146	179,671
Provisions for inputs and other expenses	114,112	114,355	86,493
Debt related to purchase of farms	108,708	180,325	11,116

Subsidiaries, related companies Law No. 19,550			
Section 33 and related parties (Note 4.s.)	5,025	10,054	6,590
Liabilities in kind “Horizons”	25,518	36,443	50,780
Provisions for harvest expenses	3,001	4,245	1,961
Checks deferred	11,461	6,111	10,104
Others	3,182	3,550	1,742
	438,463	473,229	348,457

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NOTE 4: (Continued)

	December 31, 2011	June 30, 2011	December 31, 2010
Non-current			
Suppliers	24	47	9,835
Debt related to purchase of farms	2,474	12,098	-
	2,498	12,145	9,835

j. Short-term and long-term debts

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
Bank loans	434,563	331,779	212,151
Bank overdrafts	618,095	684,215	783,409
Foreign financial entities	-	3,473	15,766
Seller- financed debt	68,361	50,191	14,674
Non-convertible Notes - IRSA 2017	21,990	20,960	20,248
Non-convertible Notes Class III	24,380	36,314	12,852
Non-convertible Notes Class IV	59,077	55,503	18,739
Non-convertible Notes Class V	109,628	36,177	-
Non-convertible Notes Class VI	107,258	33,427	-
Non-convertible Notes Class VII	-	21	-
Non-convertible Notes - IRSA 2020	32,287	30,800	29,772
Non-convertible Notes - APSA US$ 120 M.	4,516	4,490	4,301
Convertible Notes – APSA 2014 US$ 50 M.	2	3	4
Non-convertible Notes – APSA 2011 Ps. 55 M.	-	-	44,539
Non-convertible Notes – APSA 2011 US$ 6 M.	-	-	26,237
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties (Note 4.s.)	2,504	-	-
Non-convertible Notes – APSA 2012 Ps. 154 M.	14,325	28,879	26,659
	1,496,986	1,316,232	1,209,351

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NOTE 4: (Continued)

	December 31, 2011	June 30, 2011	December 31, 2010
Non-current			
Foreign financial entities	-	10,355	-
Non-convertible Notes Class III	-	-	23,585
Non-convertible Notes Class IV	-	18,314	52,799
Non-convertible Notes Class V	-	70,927	-
Non-convertible Notes Class VI	34,685	99,286	-
Non-convertible Notes Class VII	8,939	8,509	-
Non-convertible Notes Class VIII	255,860	-	-
Non-convertible Notes - IRSA 2017	630,236	599,565	578,029
Non-convertible Notes - APSA US$ 120 M.	444,973	421,498	411,011
Bank loans	122,772	173,527	53,371
Non-convertible Notes - IRSA 2020	627,467	598,116	577,767
Convertible Notes – APSA 2014 US$ 50 M.	3,846	4,640	-
Non-convertible Notes – APSA 2012 Ps. 154 M.	-	-	12,019
Seller- financed debt	83,662	81,568	68,527
	2,212,440	2,086,305	1,777,108

k. Remunerations and social security contributions

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
Provisions for vacation and bonuses	41,684	67,011	27,070
Social security payable	13,446	12,827	11,865
Salaries payable	3,558	1,369	2,017
Facilities for payment plan social security	874	209	341
Others	1,590	1,461	617
	61,152	82,877	41,910
Non-current			
Facilities for payment plan social security	526	635	741
Others	252	-	-
	778	635	741

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NOTE 4: (Continued)

l. Taxes payable

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
VAT payable, net	18,118	21,642	13,887
Minimum presumed income tax	6,111	7,636	14,376
Income tax provision, net	72,145	72,606	38,516
Tax on shareholders´ personal assets	9,764	4,276	9,556
Provisions – Gross sales tax payable	6,235	2,325	8,064
Tax moratorium –ABL	142	1,464	142
Income tax payable moratorium	71	-	-
Tax payment facilities plan for income tax	1,923	1,879	1,659
Tax withholdings	13,254	17,826	5,833
Export withholdings	-	-	736
Gross revenue tax moratorium	1,874	564	1,217
Others	27,096	5,586	1,165
	156,733	135,804	95,151
Non-current			
Deferred tax	507,445	555,901	234,723
Income tax expense	-	-	123
Income tax payable moratorium	16,478	17,386	20,246
Tax on shareholders´ personal assets moratorium	1,934	2,086	2,239
Gross revenue tax moratorium	3,736	1,672	1,456
Minimum presumed income tax	5,907	-	4,408
Tax moratorium – ABL	-	1,927	-
Others	8	364	83
	535,508	579,336	263,278

m. Customer advances

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			

Admission rights	69,204	60,822	57,089
Advanced payments from customers	144,170	173,712	165,503
Leases and service advances	40,496	35,021	33,490
	253,870	269,555	256,082

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NOTE 4: (Continued)

	December 31, 2011	June 30, 2011	December 31, 2010
Non-current			
Admission rights	77,196	66,885	65,883
Leases and service advances	28,106	27,359	27,946
	105,302	94,244	93,829

n. Other liabilities

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
Payables to Nationals Park Administration	1,100	1,100	4,418
Debt to purchase of investments	-	316	121,816
Other debts	-	16,004	-
Advances on assignment of right	3,502	-	-
Derivative financial instruments - Swap	454	-	-
Guarantee deposits	3,900	4,128	6,618
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties (Note 4.s.)	9,258	37,326	20,995
Premiums collected	-	672	8,315
Debt former minority shareholder Tarshop S.A.	-	-	3,572
Provision for contract management (Note 4.s.)	4,372	7,868	1,628
Operations to liquidate	11,807	7,681	-
Profits to be made and improvements made by others to earn	266	332	426
Dividends payable	3,132	5	69,000
Loan with FyO.Com´s minority shareholder	-	-	47
Loan with shareholders of related parties	7,750	-	-
Others	7,316	6,448	8,388
	52,857	81,880	245,223

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NOTE 4: (Continued)

	December 31, 2011	June 30, 2011	December 31, 2010
Non-current			
Loan with shareholders of related parties	263	252	241
Contributed leasehold improvements to be accrued and unrealized gains	9,037	9,170	9,303
Guarantee deposits	8,007	6,207	2,789
Debt former minority shareholder Tarshop S.A.	-	-	1,708
Advances for future capital increase	16,451		
Advances on assignment of right	-	3,344	3,235
Deferred revenue	-	-	16,004
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties (Note 4.s.)	13,096	20	63
Others	525	2,631	416
	47,379	21,624	33,759

o. Provisions for lawsuits and contingencies

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
Lawsuits and contingencies	6,895	4,615	2,668
	6,895	4,615	2,668
Non-current			
Lawsuits and contingencies	17,729	14,952	11,629
	17,729	14,952	11,629

p. Unrealized gain

The breakdown for this item is as follow:

	December 31, 2011	December 31, 2010
Unrealized gain on inventories - Beef cattle	5,534	47,799
Unrealized loss on inventories - Crops, raw materials and MAT	17,338	(17,041)

Total unrealized gain	22,872	30,758

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NOTE 4: (Continued)

q. Financial results, net

The main financial results are the following:

	December 31, 2011	December 31, 2010
Generated by assets:		
Income Interest		
Income Interest	27,693	12,747
Interest for assets discount	1,143	42
Sub-total	28,836	12,789
Other Unrealized gain (loss)		
Conversion differences	-	754
Gain on hedging operations	872	557
Tax on bank account operations	(5,236)	(3,710)
(Loss) Gain on financial operations	(20,327)	6,886
Others	2,079	3,768
Sub-total	(22,612)	8,255
Generated by liabilities:		
Other Unrealized gain (loss)		
Others	(9,055)	1,676
Sub-total	(9,055)	1,676

r. Other income and expenses, net

The breakdown for this item is as follow:

	December 31, 2011	December 31, 2010
Other incomes:		
Recovery of allowances	1,960	9
Lawsuits and contingencies	-	94
Gains on the sales of other fixed assets	22	-
Management fee	243	389
Others	3,072	438
Sub-total Other Income	5,297	930

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NOTE 4: (Continued)

	December 31, 2011	December 31, 2010
Other Expenses:		
Tax on shareholders´ personal assets	(6,898)	(6,840)
Lawsuits and contingencies	(4,270)	(1,708)
Unrecoverable VAT receivable	(220)	(560)
Donations	(4,579)	(4,070)
Gains on the sales of other fixed assets	-	(98)
Others	(5,905)	(6,950)
Sub-total Other Expenses	(21,872)	(20,226)
Total Other income and expenses, net	(16,575)	(19,296)

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NOTE 4: (Continued)

s. Subsidiaries related companies Law No. 19,550 Section 33 and other related parties

Balances as of December 31, 2011, compared to the balances as of June 30, 2011, and December 31, 2010 held with related companies, persons and shareholders are as follows:

As of December 31, 2011

	Current Trade account receivable	Current Other receivables	Non-current Other receivables	Inventories Receivable Caballito plot of land barter	Current Trade accounts Payable	Short-term debts	Current Other liabilities	Non-current Other liabilities
Agro –Uranga S.A. (2)	3,548	749	-	-	(1)	-	-	-
Banco Hipotecario S.A. (2)	276	-	-	-	(1,082)	-	-	-
Baicom Networks S.A. (2)	1	17	434	-	(4)	-	(23)	-
Canteras Natal Crespo S.A. (4)	434	48	-	-	-	-	-	-
Consorcio Libertador S.A. (3)	32	25	-	-	(27)	-	(4)	-
Consorcio Torre Boston .S.A. (3)	38	199	-	-	(141)	-	-	-
Consultores Asset Management S.A. (3)	2,179	29	-	-	(10)	-	(4,372)	-
Consorcio Dock del Plata (3)	-	-	-	-	(76)	-	-	-
Museo de los niños S.A. (3)	1,688	-	-	-	(31)	-	-	-
Cresca S.A. (4)	220	-	13,843	-	(48)	-	(53)	-
Cyrsa S.A. (4)	145	220	-	-	(179)	-	(208)	-
Directors (3)	12	216	-	-	(49)	-	(6,502)	(20)
Estudio Zang, Bergel & Viñes (3)	-	52	-	-	(577)	-	(242)	-
Fundación IRSA (3)	41	2	-	-	(1)	-	(1,073)	-
	14	49	-	-	-	-	-	-

Inversiones Financieras del Sur S.A. (1)								
Hersha Hospitality Trust (2)	-	2,817	-	-	-	-	-	-
Miltary S.A. (2)	-	15	-	-	-	-	-	-
New Lipstick LLC (2)	-	1,527	-	-	-	-	(692)	-
Nuevo Puerto Santa Fe (4)	77	-	-	-	(54)	-	(7)	-
Lipstick Management LLC (2)	-	438	-	-	-	-	-	-
Personal loans (3)	37	7,581	-	-	(350)	-	(257)	-
Puerta de Segura S.A. (3)	-	-	-	-	-	-	-	(13,076)
Puerto Retiro S.A. (2)	59	60	-	-	(5)	-	-	-
Tarshop S.A. (2)	1,174	5,886	-	-	(1)	-	-	-
Quality Invest S.A. (4)	178	-	-	-	-	-	(56)	-
TGLT S.A. (2)	1,634	-	-	52,205	(2,389)	(2,504)	-	-
Grupo MAEDA S.A. Agroindustrial (3)	-	-	16,757	-	-	-	-	-
IRSA Developments LP (2)	-	8	-	-	-	-	(4)	-
Elsztain Reality Partners Maste (3)	-	-	-	-	-	-	(94)	-
Real Estate Strategies LP (2)	-	80	-	-	-	-	(9)	-
Elsztain Managing Partner Lim (3)	-	234	-	-	-	-	(34)	-
Total	11,787	20,252	31,034	52,205	(5,025)	(2,504)	(13,630)	(13,096)

(1) Shareholder.
(2) Related companies.
(3) Related parties.
(4) Direct or Indirect common control.

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As of June 30, 2011

	Current Trade account receivable	Current Other receivables	Non-current Other receivables	Inventories Receivable Caballito plot of land barter	Current Trade account Payable	Current Other liabilities	Non-current Other liabilities
Agro –Uranga S.A. (2)	96	46	-	-	(178)	-	-
Banco Hipotecario S.A. (2)	225	-	-	-	(252)	-	-
Baicom Networks S.A. (2)	61	6	415	-	-	-	-
Canteras Natal Crespo S.A. (4)	403	41	-	-	-	-	-
Consorcio Libertador S.A. (3)	140	16	-	-	(65)	(4)	-
Consorcio Torre Boston .S.A. (3)	1,076	344	-	-	(836)	-	-
Consultores Asset Management S.A. (3)	997	29	-	-	(10)	(7,868)	-
Museo de los niños S.A. (3)	1,781	-	-	-	(9)	-	-
Cresca S.A. (4)	350	528	10,596	-	(46)	-	-
Cyrsa S.A. (4)	1,761	11	-	-	(1,725)	(43)	-
Directors (3)	14	215	-	-	-	(16,004)	(20)
Estudio Zang, Bergel & Viñes (3)	-	9	-	-	(1,241)	(308)	-
Fundación IRSA (3)	33	1	-	-	(1)	(1,075)	-
Inversiones Financieras del Sur S.A. (1)	-	3,689	-	-	-	-	-
	-	2,690	-	-	-	-	-

Hersha Hospitality Trust (2)							
New Lipstick LLC (2)	-	960	-	-	-	(622)	-
Lipstick Management LLC (2)	-	448	-	-	-	-	-
Personal loans (3)	77	4,044	-	-	(153)	(1,000)	-
Puerto Retiro S.A. (2)	58	63	-	-	(5)	-	-
Tarshop S.A. (2)	660	13,863	-	-	(5,533)	(17,330)	-
Quality Invest S.A. (4)	799	241	-	-	-	(16)	-
TGLT S.A. (3)	658	1,680		51,999	-	-	-
Grupo MAEDA S.A. Agroindustrial (3)	-	-	18,761	-	-	-	-
IRSA Developments LP (3)	-	7	-	-	-	(4)	-
Elsztain Reality Partners Maste (3)	-	-	-	-	-	(859)	-
IRSA Real Estate Strategies LP (3)	-	64	-	-	-	(8)	-
Elsztain Managing Partner Lim (3)	-	156	-	-	-	(53)	-
Total	9,189	29,151	29,772	51,999	(10,054)	(45,194)	(20)

(1) Shareholder.
(2) Related companies.
(3) Related parties.
(4) Direct or Indirect common control.

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	Current Trade account receivables	Current Other receivables	Non-current Other receivables	Current Trade accounts payable	Current Other Liabilities	Non-Current Other Liabilities
Agro –Uranga S.A. (2)	235	468	-	(4)	-	-
Banco Hipotecario S.A. (2)	225	-	-	(21)	-	-
Baicom Networks S.A. (2)	9	21	396	-	-	-
BrasilAgro (2)	7	-	-	-	-	-
Canteras Natal Crespo S.A. (4)	348	57	-	-	-	-
Consorcio Dock del Plata S.A. (3)	269	1	-	-	-	-
Consorcio Libertador S.A. (3)	1	120	-	(99)	(4)	-
Consorcio Torre Boston S.A. (3)	1,687	333	-	(1,167)	-	-
Consultores Asset Management S.A. (3)	1,129	8	-	(7)	(1,628)	-
Cresca S.A. (4)	453	7,861	-	-	-	-
Cyrsa S.A. (4)	1,488	272	-	(1,033)	-	-
Directors (3)	2	169	-	-	(19,902)	(20)
Elsztain Managing Partners Lim (3)	-	3,578	-	-	-	(43)
Estudio Zang, Bergel & Viñes (3)	-	21	-	(1,065)	-	-
Fundación IRSA (3)	46	1	-	(483)	(1,073)	-
Inversiones Financieras del Sur S.A. (1)	5	24,519	-	-	-	-
IRSA Developments LP (3)	-	-	-	-	(8)	-
IRSA Real Estate Strategies LP (3)	-	-	-	-	(8)	-
Hersha Hospitality Trust (2)	-	2,313	-	-	-	-

Metropolitan 885 third Avenue (2)	56	-	-	-	-	-
Metroshop S.A. (4)	-	1,100	-	-	-	-
Museo de los niños S.A. (3)	1,234	-	-	(6)	-	-
Military S.A. (2)	-	28	-	-	-	-
Personal loans (3)	18	2,875	-	(546)	-	-
Puerto Retiro S.A. (2)	58	31	-	(6)	-	-
Tarshop S.A. (2)	162	192	13,715	(2,153)	-	-
Total	7,432	43,968	14,111	(6,590)	(22,623)	(63)

(1) Shareholder.
(2) Related companies.
(3) Related parties.
(4) Direct or Indirect common control.

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The results for the fiscal periods ended December 31, 2011 and 2010, held with related companies, persons and shareholders are as follows:

As of December 31, 2011

	Gain from leases	Fees	Interest income (loss)	Other income and expenses and current tax on shareholders´ personal assets	Administration services	Sales and fees for shared services	Donations
Agro –Uranga S.A. (2)	-	-	-	2,059	-	-	-
Canteras Natal Crespo S.A. (4)	-	-	2	-	-	24	-
Consorcio Libertador S.A. (3)	7	-	-	-	-	61	-
Consultores Asset Management S.A. (3)	59	(4,612)	-	-	-	-	-
Cresca S.A. (4)	-	-	1	-	244	-	-
Cyrsa S.A. (4)	2	-	-	-	-	-	-
Directors (3)	-	8,022	-	-	-	-	-
Estudio Zang, Bergel & Viñes (3)	-	(105)	-	-	-	-	-
Fundación IRSA (3)	-	-	-	-	-	-	(1,640)
Inversiones Financieras del Sur S.A. (1)	-	-	542	-	-	-	-
Personal loans (3)	-	-	196	-	-	-	-
Consorcio Torre Boston .S.A. (3)	-	-	-	-	-	161	-

Tarshop S.A. (2)	2,476	-	-	-	-	260	-
Total	2,544	3,305	741	2,059	244	506	(1,640)

(1) Shareholder.
(2) Related companies.
(3) Related parties.
(4) Direct or Indirect common control.

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NOTE 4: (Continued)

As of December 31, 2010

	Gain from leases	Beef cattle expenses	Fees	Interest income (loss)	Other income and expenses and current tax on shareholders´ personal assets	Administration services	Sales and fees for shared services	Donations
Agro –Uranga S.A. (2)	-	-	-	-	112	-	-	-
Cactus (2)	-	(1,446)	-	-	19	50	-	-
Canteras Natal Crespo S.A. (4)	-	-	-	2	-	-	24	-
Consorcio Torre Boston (3)	-	-	-	-	-	(2,966)	161	-
Consorcio Libertador S.A. (3)	6	-	-	-	-	-	61	-
Consorcio Dock del Plata S.A. (3)	-	-	-	-	-	-	78	-
Consultores Asset Management S.A. (3)	11	-	(11,886)	-	-	-	-	-
Cresca S.A. (4)	-	-	-	-	-	340	-	-
Cyrsa S.A. (4)	2	-	-	-	-	-	-	-
Directors (3)	-	-	(30,099)	(3)	-	-	-	-
Estudio Zang, Bergel & Viñes (3)	-	-	(3,935)	-	-	-	-	-
Fundación IRSA (3)	-	-	-	-	-	-	-	(1,526)
Inversiones Financieras del Sur S.A. (1)	-	-	-	971	-	-	-	-
Parque Arauco S.A. (3)	-	-	-	(315)	-	-	-	-

Personal loans (3)	-	-	-	140	-	-	-	-
Tarshop S.A. (2)	1,821	-	-	80	-	-	-	-
Total	1,840	(1,446)	(45,920)	875	131	(2,576)	324	(1,526)

(1) Shareholder.
(2) Related companies.
(3) Related parties.
(4) Direct or Indirect common control.

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NOTE 5: SEGMENT REPORTING

As of December 31, 2011:

	Agricultural										
	Crops		Beef cattle	Milk	Sale of farms	Others	Non Operating	Sub-total Agricultural business	Slaughtering/ Feed lot	Development and sale of properties	Office Others
	Local	International									
Production income	71,608	117,007	32,531	17,544	-	-	-	238,690	-	-	-
Cost of production	(53,538)	(90,393)	(20,221)	(13,060)	-	-	-	(177,212)	-	-	-
Production profit	18,070	26,614	12,310	4,484	-	-	-	61,478	-	-	-
Sales	151,511	190,462	57,358	14,684	59,898	35,798	-	509,711	93,981	124,166	90,820
Cost of sales	(123,477)	(179,054)	(57,110)	(14,657)	(32,136)	(22,863)	-	(429,297)	(97,298)	(95,240)	(17,72
Sales profit	28,034	11,408	248	27	27,762	12,935	-	80,414	(3,317)	28,926	73,099
Gross (loss) profit	46,104	38,022	12,558	4,511	27,762	12,935	-	141,892	(3,317)	28,926	73,099
Selling expenses	(30,351)	(6,998)	(5,243)	(558)	-	(3,218)	-	(46,368)	(5,383)	(9,213)	(4,463
Administrative expenses	(11,810)	(34,273)	(12,195)	(929)	-	(2,479)	-	(61,686)	(4,218)	(19,166)	(21,26
Gain from recognition of inventories at net realizable value	-	-	-	-	-	-	-	-	-	35,248	-
Unrealized gain (loss) on inventories	5,331	11,983	5,534	-	-	61	-	22,909	(37)	-	-
Net gain from retained interest in consumer finance trusts	-	-	-	-	-	-	-	-	-	-	-
Operating result	9,274	8,734	654	3,024	27,762	7,299	-	56,747	(12,955)	35,795	47,376

Assets	1,570,773	736,570	332,156	69,326	72,094	85,269	380,210	3,246,398	39,575	817,359	1,39
Liabilities	765,449	362,319	159,274	32,635	-	31,217	302,256	1,653,150	59,198	528,859	584
Non-current investments in other companies (1)	19,337	27,199	151	2,876	-	-	-	49,563	-	87,560	208
Increases and transfers of property and equipment	25,388	61,613	9,810	1,080	-	1,566	428	99,885	406	-	10,1
Amortization and Depreciation	2,890	17,292	1,049	448	-	445	656	22,780	-	47	13,3

(1) The balance corresponds to equity interest in Agro – Uranga S.A., Banco Hipotecario S.A., Banco Crédito and Securitización S.A., Manibil S.A., Tarshop S.A. and Hersha Hospitality Trust, Rigby 183 LLC, New Lipstick, TGLT S.A. and Bitania 26.

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NOTE 5: (Continued)

As of December 31, 2010:

	Agricultural											
	Crops		Beef cattle	Milk	Sale of farms	Other	Non Operating	Sub-total Agricultural business	Feed lot Slaughtering and Feed lot	Development and sale of properties	Office Other	Shopp Cent
	Local	International										
Production income	28,648	28,241	14,669	18,294	-	-	-	89,852	-	-	-	-
Cost of production	(27,660)	(20,497)	(13,527)	(13,353)	-	-	-	(75,037)	-	-	-	-
Production profit (loss)	988	7,744	1,142	4,941	-	-	-	14,815	-	-	-	-
Sales	76,997	30,855	37,433	16,779	71,096	24,714	-	257,874	-	117,329	81,494	331,2
Cost of sales	(63,077)	(29,362)	(36,526)	(16,779)	(21,652)	(19,732)	-	(187,128)	-	(88,864)	(16,876)	(87,6
Sales profit (loss)	13,920	1,493	907	-	49,444	4,982	-	70,746	-	28,465	64,618	243,6
Gross (loss) profit	14,908	9,237	2,049	4,941	49,444	4,982	-	85,561	-	28,465	64,618	243,6
Selling expenses	(18,851)	(3,365)	(1,273)	(859)	-	(2,930)	-	(27,278)	-	(4,428)	(4,928)	(19,0
Administrative expenses	(8,315)	(2,708)	(6,744)	(939)	(3,471)	(1,571)	-	(23,748)	-	(22,343)	(23,484)	(34,2
Gain from recognition of inventories at net realizable value	-	-	-	-	-	-	-	-	-	35,930	-	-
Unrealized gain (loss) on inventories	(17,904)	979	47,799	-	-	(116)	-	30,758	-	-	-	-
Net gain from retained interest in consumer finance trusts	-	-	-	-	-	-	-	-	-	-	-	-
Operating result	(30,162)	4,143	41,831	3,143	45,973	365	-	65,293	-	37,624	36,206	190,3

Assets	378,318	799,130	287,495	58,575	4,853	54,218	209,926	1,792,515	66,985	773,988	1,461,1
Liabilities	210,120	43,071	97,996	19,603	-	8,422	649,623	1,028,835	64,607	534,421	663,50
Non-current investments in other companies (1)	17,524	619,133	170	3,239	-	-	-	640,066	-	288,916	-
Increases and transfers of property and equipment	10,276	7,492	11,611	214	-	155	1,240	30,988	22,899	14	573
Amortization and Depreciation	2,491	248	863	258	-	119	130	4,109	-	1,243	13,466

(1) The balance corresponds to equity interest in Agro – Uranga S.A., Banco Hipotecario S.A., Banco Crédito and Securitización S.A., Manibil S.A., Tarshop S.A., Hersha Hospitality Trust, Rigby 183 LLC, New Lipstick, TGLT S.A. and Bitania 26.

NOTE 6: LAWSUITS AND CLAIMS IN COURSE

A. Agricultural Business

Ongoing litigation with the city of Villa Mercedes

The Misdemeanours Court Judge to the city of Villa Mercedes issued resolution No. 2980/08 about the situation of Cactus in such city, determining that the Company had a 36-month term to stop operating and transferring the establishment located on the Provincial Route 2B.

In such 36-month period, the Company shall not host over 18,500 head of cattle.

Such brief was appealed by Cactus before the Municipality, which was negatively answered on April 7, 2009, by means of Decree No. 0662/09, thus ratifying the Misdemeanour Court Judge’s ruling. Under the administrative justice of the city of Villa Mercedes, Cactus would have until April 7, 2012 to conclude its operations and transfer the establishment.

Cactus has filed appeals with the High Court of Justice of the Province of San Luis, objecting the lawfulness of the rulings entered by the Misdemeanours Court Judge of Villa Mercedes. This filing was denied by the High Court of Justice, and the Company lodged an appeal of unconstitutionality against this decision, whose resolution, as of the date of issuance of these financial statements, is pending.

The Company’s legal advisors are optimistic about the possibilities of reversing the Misdemeanours Court Judge’s rule.

Irrespective of the above, Cactus is carrying out a plan to improve its relationship with the community of Villa Mercedes, seeking to strengthen the company’s position as a valuable member in the social and economic activity in the region, whose purpose is that the scheduled moving be reconsidered by municipal authorities.

NOTE 6: (Continued)

B. Real Estate Business

Provision for unexpired claims against Llao Llao Holding S.A.

The Company Llao Llao Holding ("LLH"), predecessor of Llao Llao Resorts S.A. ("LLR") as operator of the Llao Llao Hotel, was sued in 1997 by the National Parks Administration seeking collection of the unpaid balance of the additional sale price, in Argentine External Debt Bond ("EDB") amounting to US$ 2.9 million. In March 2004, after different stages of the judicial proceeding, LLH paid Ps. 9,156 in cash and EDB.

Furthermore, the plaintiff requested to initiate an incidental procedure for execution of sentence by performing a settlement through the Ministry of Economy. After various judicial instances, such liquidation was approved. In April 2010, LLR paid Ps. 12,297 in cash and bonds, in addition to the Ps. 826 which had already been levied through an attachment. On December 28, 2011, the court settlement that cancels the amounts owed was ruled.

At the same time, the plaintiff indicated that the deposited sums were consistent with the settlement statement approved by the court on December 5, 2007 and computed on June 30, 2007. As a result, argued that the interest accrued until actual payment were to be adjusted by application of the Argentine Central Bank's borrowing interest rate. As estimated by the Argentine Agency of National Parks, the outstanding balance, to be deposited by LLR amounted US$ 659. As of December 31, 2011, the Company's attorneys have estimated the contingency at Ps. 587. In addition, on September 22, 2010, the judge calculated that the fees payable to the auctioneer who took part in the proceedings amount to Ps. 1.8 million. LLR lodged an appeal against the award for considering the amount excessively high. The auctioneer, in turn, lodged his appeal against the award for considering the amount insufficient. After various judicial instances, the courts rendered a decision favorable to LLR and considered the debt related to interest settled.

NOTE 6: (Continued)

Since LLR had a credit balance as regards the deposit made pursuant to settlement approved in the proceedings, on February 18, 2011 LLR filed a remedy for relief whereby it requested that the Court of Appeal issue a decision on the amount deposited in excess and order the eventual repayment to the defendant. The Court of Appeal ruled that the claim should be treated by the Court of original jurisdiction. Hence, the file was returned to the original Court. There, the auctioneer has requested payment of fees, which were decreased to Ps. 1.1 million plus VAT, after LLR's appeal was favorable. LLR presented a proposal to pay the auctioneer's fees settled, which will be withheld from the funds seized, from the freely disposable funds (Ps. 826) and from the funds invested in time deposits in dollars. Likewise, LLR requested professional fees to be settled and resolution of the pending clarifying remedy as to the amount deposited in excess.

As of the date these financial statements, the Company's attorneys have informed that the fees were made available to be collected. The remaining balance will be used to pay incidental expenses until the court process finishes.

NOTE 7: RESTRICTED ASSETS

A. Agricultural Business

1. BrasilAgro

a. Farmland Cremaq

BrasilAgro has constituted a mortgage on 10,097 ha. of Farmland Cremaq, as payment guarantee of the loan agreement obtained in December 2009 from Banco do Nordeste – BNB and a deposit for Ps. 46,682 (equivalent to R$ 18,492) related to the funds obtained in June 2010 by the controlling party Jaborandi Ltda., paid to CDI.

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NOTE 7: (Continued)

B. Real Estate Business

1. IRSA

a. Puerto Retiro S.A.

On April 18, 2000, Puerto Retiro S.A. (indirect subsidiary of IRSA) 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 S.A. At the request of plaintiff, the bankruptcy court granted an order restraining the ability of Puerto Retiro S.A. to sell or dispose in any manner the acquired real estate property from Tandanor S.A. in June 1993.

Indarsa had acquired 90% of the capital stock of Tandanor S.A. to a formerly estate owned company privatized in 1991, engaged in the shipyard industry.

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 S.A.

The evidence steps of the legal procedures have been completed Puerto Retiro S.A. 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.

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 challenged by filing an appeal in cassation, which is why the other decision is still not final.

The Management and legal advisors of Puerto Retiro S.A. estimate that there are legal and technical argument sufficient to consider that the request for bankruptcy will be denied by the court. However, taking the particular circumstances into account and the progress of the legal action, this position cannot be considered final.

NOTE 7: (Continued)

b. Mortgage guaranteed loan Hoteles Argentinos S.A.

In March 2005, Credit Suisse First Boston ("CSFB") acquired the debt for US$ 11.1 million of Hoteles Argentinos S.A. ("HASA"), which had been in non-compliance since January 2002. In April 2006 HASA made a payment reducing the capital amount payable to US$ 6.0 million. The balance accrued interests at a LIBO rate six months plus 7.0%, being the last of US$ 5.07 due in March 2010.

Jointly, IRSA subscripted a credit default swap for 80% of the restructured debt value in order to protect CSFB in case of non-compliance with HASA's obligations. As compensation, IRSA will receive a payment of a coupon on a periodical basis. In addition, to support the obligations assumed, IRSA deposited as guarantee the amount of US$ 1.2 million.

With the last installment of the loan received having been repaid on March 15, 2010, CSFB reimbursed the deposit to the Company. In connection with this matter, HASA borrowed a new loan from Standard Bank Argentina S.A., for a total amount of Ps. 19.0 million, which will accrue interest at a fixed rate, payable on a quarterly basis. The capital was due on March 15, 2011. On this date, HASA refinanced the mentioned loan agreement, as per the following detail: US$ 0.4 million at a fixed rate (capital plus interest) to be paid on September 12, 2012; US$ 0.4 million at a fixed rate (capital plus interest) to be paid on March 14, 2012 and Ps. 15.8 million at a fixed rate, with capital to be paid on March 14, 2012 and interests payable on a quarterly basis.

As a guarantee for this transaction, the Company entered into a put option agreement (Put Right) with Standard Bank Argentina S.A. whereby the Bank receives the right to sell to the Company, which in turn agrees to purchase, 80% of the credit rights arising from the loan in the event of HASA defaulted the loan.

As of the date of these financial statements, HASA had committed no event of default.

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NOTE 7: (Continued)

c. IRSA and its subsidiaries has mortgaged on the following properties:

Property	Book value as of December 31, 2011
República Building	213,343
Soleil Factory	69,435
Bariloche plot of land	72,090
Zetol plot of land	33,289
Suipacha 652	23,231
Predio San Martín	21,900
Vista al Muelle plot of land	17,078

d. IRSA maintains a pledge over Metropolitan 885 Third Avenue Leasehold LLC ´s shares

e. To guarantee due compliance with all the covenants assumed by Liveck S.A., and the minority shareholder of Zetol S.A.'s and Vista al Muelle S.A.´s pursuant to the stock purchase agreement for Vista al Muelle S.A.'s shares executed on June 11, 2009 and the Addendums to the Agreement, as well as payment of any possible damages and associated expenses, the parties have reciprocally tendered a security interest consisting in a possessory pledge over the shares of Vista al Muelle S.A. and Zetol S.A..

f. IRSA has raised a mortgage over the property designated as "Suipacha 652", and a pledge over Cyrsa shares to secure compliance with its obligation to erect a building and to convey the units to be constructed in the building as this obligation represents the balance outstanding for the acquisition of a plot of land in Av. Del Libertador 1755.

g. IRSA carries a mortgage on the property designated as "Edificio República" in connection with the loan granted by Banco Macro for the acquisition of said property.

h. On December 28, 2011, 2,061,856 shares of Hersha Hospitality Trust were transferred to Citibank N.A. as collateral for the loan.

2. APSA

a. On June 15, 2011, APSA granted in favor of Banco Hipotecario S.A. a pledge on its Series I Non-Convertible Notes issued on May 11, 2007, for a face value of US$ 1.2 million.

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NOTE 7: (Continued)

b. On August 3, 2011, a mortgage was constituted on Soleil Factory.

c. To secure the fulfillment of the Concession Agreement with ADIF, Arcos del Gourmet S.A. committed itself to hire a secure bond of Ps. 4,460, make an escrow deposit in cash of Ps. 400 and to hire another surely bond in favor of ADIF as collateral to the execution of the works agreed due time and proper form for Ps. 14,950. These surely bonds were hired during October 2011.

d. As regards the case "Alto Palermo S.A. (APSA) against Dirección General Impositiva on Appeal", Record of proceedings number 25,030-I, currently heard by Division A, 3 Nomination, an attachment has been ordered and effected on the real property located in Olegario Andrade 367, Caballito, Ciudad Autónoma de Buenos Aires, which as at December 31, 2011 amounts to Ps. 36,889 (accounted for under Non-Current Investments - Land Reserves).

NOTE 8: ACQUISITION, CONSTITUTION AND RESTRUCTURING OF COMPANIES

A. Agricultural Business

1. Purchase of shares and warrant BrasilAgro

On October 20 and December 23, 2010, the Company and its subsidiary Helmir executed with Tarpon an addendum to the Share Purchase Agreement of April 28, 2010, under which the Company either directly or indirectly acquired 9,581,750 shares of common stock of BrasilAgro, representing 16.40% of the outstanding stock and 64,000 warrants from the First Issue and 64,000 warrants from the Second Issue. Consequently, Cresud paid Rs. 25.2 million on October 20, 2010, Rs. 50.8 million on December 23, 2010, Rs. 52.5 million on April 27, 2011. When the price agreed was cancelled, the pledge constituted on 3,864,086 shares and 37,325 warrants from BrasilAgro’s first issue was released.

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NOTE 8: (Continued)

Consequently, Cresud is either directly or indirectly the owner of 20,883,916 shares or 35.75% of BrasilAgro's outstanding stock as of June 30, 2011 (see note 13.1.a to the Basic Financial Statements). It should be noted that acquiring shares does not imply a change in the control group over BrasilAgro according to Brazil legal regime; and that BrasilAgro's Shareholders' Agreement will remain effective with the amendments that may be required to sell all shares owned by Tarpon and its affiliates.

Likewise, due to the transaction, Cresud owns directly and indirectly 168,902 BrasilAgro's First Issuance Warrants and 168,902 BrasilAgro's Second Issuance Warrants.

As of December 31, 2011 the Company registered an asset for Ps. 27,199 for the acquisition of these warrants (Note 4.b).

In relation to this, and following the guidelines of Technical Resolution No. 21 of the F.A.C.P.C.E, the Company has consolidated its financial statements with BrasilAgro's financial statements as of June 30, 2011, as stated in Note 1.a. to this consolidated financial statements.

A. Real Estate Business

1. IRSA

a. Constitution of CYRSA – Horizons Project

In January 2007, IRSA acquired two adjacent plots of land adjacent located in Vicente López, Province of Buenos Aires (one of them through the acquisition of the total share of Rummaala S.A, actually merged with CYRSA). The purchase price was US$ 36.2 million, from which US$ 30.3 million will be canceled by handing over certain units of the building to be constructed. As security for compliance, Rummaala S.A. shares were pledged and the Building located in Suipacha 652 (owned property) was mortgaged.

In April, 2007, IRSA constituted CYRSA S.A. ("CYRSA"), and in August 2007, CYRELA was incorporated with the ownership of 50% of CYRSA capital stock. IRSA contributed with the plots of land and the liability in kind related in the amount of Ps. 21,495 and CYRELA contributed Ps. 21,495 in cash.

NOTE 8: (Continued)

Then, a major real estate development known as “Horizons” was launched on the two plots of land mentioned.

From May 2008, CYRSA continued the marketing process of the building units to be constructed on the plot referred to above. Certain clients had made advances by means of signing preliminary sales contracts, reaching 100% of the units to be marketed, which are disclosed in “Customer advances”.

The purchase-sale price set forth in these preliminary sales contracts are made of a fixed and determined portion and another portion to be determined in line with the future construction expenses.

The buyer can choose from the following purchase plans:

- The balance will be cancelled in installments and will be fully paid at the time of transfer and signature of deeds.

- Partial cancellation will be on installments payable up to the time of transfer / signatures of deeds, the remaining balance to be financed during 90 months´ term with units having mortgaged guarantees.

As of December 31, 2011, the percentage of completion of the “Horizons” project was 99%. Three of the six towers included in the project have already been completed and are currently signing the title deeds.

b. Acquisition of Hersha Hospitality Trust´s shares (“Hersha")

On August 4, 2009, IRSA, through Real Estate Investment Group L.P. ("REIG") acquired 5.7 million shares representing approximately 10.4% of Hersha´s common stock. Additionally, a call option that matures on August 4, 2014 to purchase an additional 5.7 million shares at an exercise price of US$ 3.00 per share was acquired. Under the agreement, if starting on August 4, 2011 the quoted market price of Hersha´s share were to exceed US$ 5.00 per share during 20 consecutive trading sessions, Hersha may settle the call option by issuing and delivering a variable amount of shares to be determined in accordance with certain market values.

NOTE 8: (Continued)

The total purchase price paid was US$ 14.3 million. As part of the agreement, IRSA´s Chairman and CEO, Mr. Eduardo S. Elsztain, has been appointed to Hersha’s Board of Trustees.

In January 2010, March 2010, and October 2010, IRSA through its subsidiaries purchased 11,606,542 additional shares of Hersha’s common stock for an aggregate purchase price of US$ 47.9 million.

During fiscal year ended of June 30, 2011, IRSA through its subsidiaries sold 2,542,379 common shares, Hersha for a total of US$ 16.1 million, which resulted in approximately US$ 11.5 million gain.

As of December 31, 2011 IRSA´s direct and indirect interest in Hersha represents 9.17%. On the other hand, upon exercise of the call option and assuming any Company´s interest is not diluted due to newly issued shares, IRSA´s interest in Hersha would be 12.12%. IRSA accounts for its investment in Hersha at cost while the call option has been accounted for at its fair value.

Hersha is a Real Estate Investment Trust (REIT) listed in the New York Stock Exchange (NYSE) under the “HT” symbol that holds majority interests in 78 hotels throughout the United States of America totaling approximately 10,443 rooms. These hotels are rated as “select service” and “upscale hotels” and they are mainly located in the Northeast coast of the US, including New York, New Jersey, Boston, Washington D.C. and Philadelphia, whilst a few are located in northern California and some others in Arizona. These properties are operated under franchises that are leaders and enjoy widespread recognition in their markets, such as Marriot International, Intercontinental Hotel Group, Starwood Hotels, Hilton Hotels Corporation, Global Hyatt Corporation and Choice Hotels International.

c. Acquisition Lipstick, New York Building

In July 2008, IRSA (through its subsidiaries) acquired a 30% interest in Metropolitan 885 "Metropolitan 885 Third Avenue. LLC" (o "Metropolitan"), through its subsidiaries which main asset is a rental office building in New York City known as the “Lipstick Building” and the debt related to that asset. The transaction included the acquisition of (i) a put right exercisable until July 2011 to sell a 50% of the interest acquired at the same value paid plus interest at 4.5% per annum and (ii) a right of first offer to acquire a 60% portion of the 5% interest of the shareholding. The total price paid was US$ 22.6 million.

NOTE 8: (Continued)

During 2009 Metropolitan incurred significant losses, which resulted in negative equity mainly due to an impairment recognized in connection with the building. Since IRSA's share in Metropolitan's losses exceeded its equity interest; IRSA recognized a zero value on its investment although a liability of US$ 1.5 million was booked representing it's maximum commitment to fund Metropolitan's operations.

In December 2010 the negotiations geared towards restructuring the amounts owed under mortgage to Royal Bank of Canada came to a successful conclusion The debt was reduced from US$ 210.0 million to US$ 130.0 million (excluding accrued interest) at a Libor plus 400 bp rate, which may not exceed a maximum rate of 6.25% and with a maturity date fixed at seven years. The junior indebtedness to Goldman, Sachs & Co., which had amounted to US$ 45.0 million (excluding accrued interest), was cancelled through a US$ 2.25 million payment.

Metropolitan 885 Third Avenue Leasehold LLC ("Metropolitan Leasehold") will maintain the existing ground leases in the same terms and conditions in which they had been initially agreed upon, for a remaining 66 years' term. The final consent to this restructuring has already been tendered by all the parties concerned and the closing was consummated on December 30, 2010, as that is when the company New Lipstick LLC ("New Lipstick"), a new Metropolitan Leasehold holding company, made a US$ 15.0 million principal payment as repayment of the newly restructured mortgage debt, thus reducing it from US$ 130.0 million to US$ 115.0 million.

As a consequence of said closing, the Company has indirectly – through New Lipstick – increased its ownership interest in the Lipstick Building to 49%. This increase originated in a US$ 15.3 million capital contribution and in the fact that the put option for 50% of the shareholding initially acquired in Metropolitan, which had amounted to approximately US$ 11.3 million plus accrued interest, has been rendered ineffectual. Besides, the above-mentioned commitment, for US$ 1.5 million, ceased to be in effect.

d. Acquisition of shares in Banco Hipotecario S.A.

During the last fiscal years and in the current fiscal year, IRSA has been conducting different purchase and sale transactions of BHSA shares, as a result of which, as of December 31, 2011, IRSA´s ownership interest in BHSA is 29.77% of BHSA´s capital stock (without considering treasury shares).

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NOTE 8: (Continued)

e. Acquisition of companies in the Oriental Republic of Uruguay

During the fiscal year ended June 30, 2009, IRSA (through Tyrus) acquired by a minimum payment a 100% stake in Liveck S.A. (Liveck), a company organized under the laws of the Oriental Republic of Uruguay. Later, IRSA sold 50% of its interest in Liveck to Cyrela Brazil Realty S.A. for an amount of US$ 1.3 million.

At the same time Liveck acquired, a 90% interest over the shares of the companies Zetol S.A. (Zetol) and Vista al Muelle S.A. (Vista al Muelle), both property owners in Uruguay´s Canelones Department. The remaining 10% ownership interest in the capital stock of both companies is held by Banzey S.A. (Banzey).

The total price for the purchase of Zetol was US$ 7.0 million, of which US$ 2.0 million were paid, the balance will be paid in 5 installments of US$ 1.0 million each with an annual 3.5% compensatory interest calculated on the total outstanding amount tied to the consummation of the release to the market of the real estate projects or within a maximum term of 93 months counted as from the date of acquisition of IRSA. The sellers of the shares of Zetol may choose to receive, in lieu of the amounts outstanding in cash (capital plus interest) the ownership rights to the units to be built in the real estate owned by Zetol representative of 12% of the total marketable square meters to built.

The total price for the purchase of all the shares in Vista al Muelle amounted to US$ 0.83 million, and accrued an annual 8% interest on the total outstanding amount. As of September 10, 2010 this operations was completely paid.

To guarantee compliance with the duties agreed by Liveck in the above transactions, Ritelco S.A. has tendered a surety bond guaranteeing payment of 45% of the outstanding balance, interest thereon and the option rights of the sellers.

In the framework of the purchase agreement of Zetol and Vista al Muelle and their respective addenda, Liveck has agreed to buy the shares held by Banzey (or by Ernesto Kimelman or by a company owned by Ernesto Kimelman as applicable), of Vista al Muelle and Zetol and the later have agreed to sell them, in exchange for the amount of US Dollars or Uruguayan Pesos, as the case may be, that Banzey (or by Ernesto Kimelman or by a company owned by Ernesto Kimelman (as applicable), would have actually contributed to Zetol and Vista al Muelle, until the execution of the transaction.

NOTE 8: (Continued)

The parties have agreed that the obligations mentioned above are dependent upon, and shall be rendered ineffectual if the parties entered into a shareholder agreement no later than July 1, 2011. If no such shareholder agreement is signed, this sale shall be executed and delivered on July 11, 2011.

On the balance sheet date, having failed to execute the shareholders' agreement or to sign an agreement to extend the term for such execution, the parties have not expressed their intention to perform the obligations assumed under the agreement to purchase the stock of Vista al Muelle S.A. and Zetol S.A.

IRSA and its shareholders intend to develop an urban project that will consist in the construction of apartment buildings to be subsequently sold. The project has already been conferred the "Urban Feasibility" status by Canelones' Mayor's Office and its Legislative Council.

In view of the additional development capacity granted by the IMC, the companies agree to pay maximum the sum of US$ 8.1 million for all concepts solely with works and other services as consideration thereof. The works to be carried out in consideration thereof are described in the Contract Plan.

Furthermore, the companies may exercise an option included in the agreement that entitles them to a 15% reduction of the total consideration amount, provided 80% (eighty per cent) of such consideration has been already been performed with a term of 4 (four) years as from execution of the Contract Plan.

On the other hand, it states that if the companies do not build the square meters of additional development capacity granted to them, the total consideration amount will also be reduced proportionately as the parties agree.

Later, in June 2009, IRSA sold 50% of its stake in Liveck to Cyrela Brazil Realty S.A. (Cyrela) for a price of US$ 1.3 million.

NOTE 8: (Continued)

In December 2009, Vista al Muelle acquired other properties totaling US$ 2.7 million in exchange for a US$ 0.3 million down payment, with the balance to be cancelled through the delivery of home units and/or stores to be built and equivalent to 12% out of 65.54% of the sum of the prices of all of the units covered by the Launching Price List for Sector B (the parties have already signed a plot of subdivision to this end).

In February 2010, it acquired additional real estate for a total of US$ 1.0 million in exchange for a down payment of US$ 0.15 million with the balance to be paid in 3 consecutive and equal installments maturing on December 31, 2011, June 30, 2013 and December 31, 2014 and accruing an annual 3% interest rate on the outstanding balance, payable quarterly and on arrears as from December 31, 2009.

On December 17, 2010, IRSA and Cyrela signed a stock purchase agreement whereby a 50% interest in Liveck's capital stock was reacquired from Cyrela for US$ 2.7 million. This amount is equivalent to the contributions made in Liveck by Cyrela. Therefore, IRSA´s interest in Liveck amounted to 100% (through Tyrus).

As part of the agreement, IRSA agreed to hold Cyrela harmless in the event of claims asserted by Zetol's sellers. Besides, if within a term of 24 months as from the date of the agreement Cyrela were not released from the guarantee tendered in favor of the above-mentioned sellers, IRSA will be obliged to post a new guarantee in favor of Cyrela, equivalent to 45% of the price balance, interest thereon and the option rights to which Zetol's sellers are entitled.

f. Option to acquire an interest in APSA

In January, 2010, Parque Arauco S.A. accepted the bid submitted by IRSA, and acquired, through a purchase option, the 29.55% interest in APSA and the held of face value of US$ 15.5 million of "APSA's Convertible Notes 2014".

The acceptance of the bid grants IRSA the right to exercise the purchase option mentioned above until August 31, 2010, which term may be extended subject to compliance with certain conditions.

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The strike price has been fixed at the total and final amount of US$ 126 million. IRSA transferred US$ 6 million to Parque Arauco S.A., non refundable, as payment in exchange for the option, to be computed towards cancellation of the final price.

On September 21, 2010, IRSA's Board of Directors resolved to exercise the option, which was consummated on October 15, 2010 through the payment of the price balance and the transfer of the shares. According to the terms of the option, the dividends paid by APSA for the fiscal year ended on June 30, 2010 were deducted from the price.

As a consequence of the transaction, as of December 31, 2011, IRSA's interest in APSA rises to 94.87%.

g. Sale of ownership interest in Pereiraola S.A.I.C.I.F. y A. (Pereiraola).

In June 2010, IRSA closed the sale and transfer of Pereiraola shares for US$ 11.8 million, for which it has collected initially US$ 1.94 million. The balance is being paid through a transfer to the name of IRSA of the higher of 6% of the marketable lots, or 39,601 square meters in the gated neighborhood that the buyer has agreed to develop in the property owned by Pereiraola, equivalent to US$ 2.1 million and four consecutive, half-yearly installments of US$ 1.94 million each plus an annual 14% interest rate on the balances, which interest shall be paid in the same conditions as principal.

h. Torodur S.A.

In May 2010, IRSA acquired a 100% stake in Torodur S.A.'s capital stock for US$ 0.01 million. Later on, IRSA transferred a 2% ownership interest to CAM Communications LP (Bermudas) and CAM Communications LP (Delaware), equally, at cost. In June 2011, IRSA closed the sale and transfer of Torodur S.A. shares for US$ 0.002 million to APSA. As a consequence of such transaction IRSA does not have any direct holding in Torodur S.A.

On the same date, CAM Communications LP (Bermudas) and CAM Communications LP (Delaware) sold to APSA their holding in Torodur S.A. in Ps. 0.02 million.

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i. Acquisition of Unicity S.A

On September 1st, 2010, and through E-Commerce Latina S.A. (subsidiary of IRSA) acquired a 100% stake in Unicity S.A. (Unicity) for US$ 2.53 million. Unicity's main asset consists in 31,491,932 shares representative of 10% of the capital stock of Solares de Santa María S.A. and for which it carries a liability to IRSA on the purchase price balance, which as of the date hereof is US$ 9.1 million. On September 28, 2010 the debt was capitalized and IRSA received 36,036,000 shares representing 88.61% of Unicity, being held by E-Commcerce Latina S.A. the remaining 11.39%.

j. Sale of Torres Jardín IV

On October 25, 2010, IRSA executed a preliminary sales agreement whereby it sold the lot that fronts Gurrachaga street, at 220/254/256 Gurruchaga Street, at the intersection with Murillo street in the Autonomous City of Buenos Aires (Torres Jardín IV). The total price of the transaction had been fixed at US$ 2.9 million and the terms of payment were: US$ 0.9 million to be collected upon signing the preliminary sales agreement and the price balance, US$ 2.0 million, to be collected when possession is conveyed and the title deed over the property is executed, which took place in January 2011.

k. Purchase of TGLT S.A.´s shares.

In December 2010, IRSA acquired 9,598 non-endorsable common shares in book entry form of 1 vote each, representing 0.01% of TGLT S.A.'s capital stock. The total price paid was Ps. 0.1 million.

l. Sale of interest stake in Quality

On March 31, 2011, IRSA and Palermo Invest S.A. sold to EFESUL S.A. ("EFESUL") 50% of the capital stock of Quality. As a result of such sale, Quality became jointly controlled by IRSA and EFESUL.

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m. Purchase of BACS shares

On March 10, 2011, IRSA signed an stock purchase agreement with International Finance Corporation (IFC) for a total of 796,875 common shares, which represents a 1.28% of BACS capital stock in an aggregate amount of US$ 0.32 million, US$ 0.06 million of which were paid upon execution of the agreement, and the balance of US$ 0.26 million (supported by respective promissory notes) are to be repaid at the time of closing of the transaction, that is within 12 business days as from approval of the transaction by the BCRA, which is still pending.

n. Acquisition of shares of Banco Hipotecario S.A.

On July 26, 2010, in the framework of an offer launched by BHSA's Board of Directors for the sale to existing shareholders of 36.0 million of its treasury Class D shares in portfolio, Banco Hipotecario sold approximately 26.9 million of said shares.

IRSA exercised its preemptive rights and took part in the offer acquiring 4,352,243 Class D shares totaling Ps. 6.0 million. As a result of this transaction, the IRSA's interest in BHSA increased from 5% to 5.29% (without considering treasury shares).

On January 7, 2011, IRSA sold to Palermo Invest S.A. the equivalent of 4,352,243 Class D ordinary shares of BHSA for US$ 3.3 million. As a result of the sale, the IRSA's interest in BHSA is once again 5% (without considering the treasury shares in portfolio).

o. Exchange agreement on a piece of land in Caballito (TGLT S.A.)

On June 29, 2011, IRSA subscribed an Exchange agreement with TGLT S.A. (TGLT), which granted the property of a piece of land described as lot 1q of block 35, surrounded by the streets Méndez de Andes, Colpayo, Felipe Vallese and Rojas in the neighborhood of Caballito, City of Buenos Aires. In the site, TGLT will develop a building project devoted to housing and offices, which will consist of three buildings with an approximate area of 30,064.4 square meters.

NOTE 8: (Continued)

The total price was settled in US$ 12.8 million. Of the total amount, US$ 0.2 million was paid cash after the deed was executed and the balance shall be cancelled by transferring the property of: (i) a number of apartments to be determined, which represents in all 23.10% of the square meters of the saleable houses; (ii) a number to be determined of complementary units (parking space), which represents in all 21.10% of the square meters of the parking space; and (iii) in case TGLT builds complementary storage rooms, a number to be determined, which represents 21.10% of the square meters of the storage rooms; of the future real estate that shall form part of the project.

TGLT is committed to build, finish and obtain authorization for the three buildings that shall make up the building project, within 36 to 48 months, to be counted as from the subscription of the agreement. In guarantee of its obligations under the exchange agreement, TGLT constituted in favor of IRSA a first-grade privilege mortgage on the real estate for up to US$ 12.8 million (capital) plus interests, cost and other expenses that may apply.

p. Purchase and sale of APSA´s Notes

During fiscal year ended June 30, 2009, IRSA bought APSA Notes Series I and II for US$ 39.6 million and US$ 46.5 million, respectively. The total amount paid was US$ 19.3 million and US$ 8.2 million, respectively. These transactions generated results for Ps. 74,285 and Ps. 18,363, respectively. On October 12, 2010, IRSA sold APSA's Series I negotiable obligations through the secondary market for a nominal value of US$ 39.6 million that it had been acquired in the course of fiscal 2009. The total amount collected from the transaction was US$ 38.1 million. The difference has been treated as an implicit financial cost of the transaction, which shall accrue and be amortized against income over the term of the notes.

q. Acquisition of facilities located in San Martín

On March 31, 2011, Quality subscribed a Contract for the Purchase and Sale of Property of an industrial plant owned by Nobleza Piccardo S.A.I.C. y F. (hereinafter, "Nobleza") located in San Martín, Province of Buenos Aires. The facilities have the necessary features and scales for multiple uses. On May 31, 2011, the deed was executed.

NOTE 8: (Continued)

The purchase price was agreed on US$ 33.0 million, and payment was made as per the following detail: US$ 9.9 million have already been paid, and the balance of US$ 23.1 million will be cancelled in three equal and consecutive annual installments, plus interests at a 7.5% nominal annual rate calculated on outstanding balances. The first installment is due to be paid on May 31, 2012. In guarantee, Quality constituted in favor of Nobleza a first-grade privilege mortgage on the real estate.

Likewise, Quality subscribed a lease agreement with Nobleza, by means of which later will continue occupying the property for a maximum term of three years, with the purpose of gradually moving the plant, its main distribution center and the administrative offices to another site.

On April 11, 2011, Quality requested the National Antitrust Commission to issue an advisory opinion on the obligation to notify the operation or not. The CNDC stated that there was an obligation to notify the situation, but Quality filed an appeal against this decision. As of the date of issuance of these financial statements, the resolution of the appeal is pending.

r. Purchase of shares from Bitania 26 S.A.

On December 12, 2011, Ritelco S.A. purchased 9,800,000 non-transferable nominative common shares, of one vote per share each, issued by the company Bitania 26 S.A., representative of 49% of its capital stock. Bitania 26 S.A. owns the hotel “Esplendor Savoy” in the city of Rosario. The amount of the transaction was set in US$ 5.0 million, which has been settled as of December 31.

s.Supertel Hospitality Inc. (“Supertel”)

On November 16, 2011, IRSA informed that Real Estate Strategies L.P. (“RES”), an investment company managed and controlled by IRSA, entered into a purchase agreement with Supertel, subject to the approval of Supertel’s shareholders and to RES’s satisfaction with the restructuring of certain debt of Supertel.

In case the conditions described above are met, RES will invest US$ 20.0 million in return for 2 million of preferred stock to be issued by Supertel. The investment will also include a purchase option to acquire up to a maximum of 1 million of preferred stock at US$ 10 per share.

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The mentioned preferred stock will accrue a preferred dividend of 6.25% per annum and will grant, subject to certain limitations, the same politic rights as those of the common stock. Additionally, subject to certain limitations, they will be convertible into Supertel's common stock, at a rate of ten common stocks per preferred stock, for a five-year term.

As part of the agreement, RES will also receive warrants to purchase 20 million of common stock, which can increase up to 30 million, in case RES exercises the option for the additional preferred shares. Subject to certain limitations, these warrants can be exercised at any time at a price of US$ 1.20 per share, within a five-year term after the transaction is closed.

IRSA, by means of RES, communicated to Supertel that it will increase its interest by exercising the above mentioned option to purchase 1 million of additional preferred shares at a price of US$ 10.0 million.

The issuing and sale of the preferred stock was subject to the approval of Supertel's Shareholders' Special Meeting, which took place on January 31, 2012.

In such Special Meeting, Supertel's Shareholders, through the required votes, approved the issuance and sale of up to 3 million of preferred stock, 30 million of common stock which can be issued when the preferred stock are converted, and the issuance of the warrants to purchase up to 30 million of additional common stock, in favor of RES, as per the purchase agreement.

On January 1st, 2012, Supertel issued and sold 2.1 million of preferred shares to RES for US$ 21.0 million. Likewise, the parties expect the transaction regarding the 0.9 million remaining to be completed soon.

2. APSA

a. Sale over equity interest in Tarshop S.A.

On December 22, 2009, APSA reported the approval by its Board of Directors of the sale assignment and transfer of the 80% of the equity interest in Tarshop S.A. to Banco Hipotecario S.A. Such interest represents 80% of the capital stock issued and outstanding, this is 107,037,152 registered, non endorsable shares of common stock with a face value of Ps. 1 and entitled to 1 vote each.

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In this line of thought, on December 29, 2009, contractual documents related to the transaction were executed, which was subject to the approval by the Argentine Central Bank granted on August 30, 2010. Consequently, on September 13, 2010, the respective memorandum of closure was executed. The total price paid for the purchase of shares stood at US$ 26.8 million. Under this transaction, APSA granted Banco Hipotecario S.A. a two-year security agreement over APSA Serie III Notes, issued on November 10, 2009, for a face value of Ps. 5 million, which worked as guarantee upon any price adjustment that could result in favor of Banco Hipotecario S.A. as provided by the purchase agreement.

On June 15, 2011, APSA granted in favor of Banco Hipotecario S.A. a new pledge on APSA's Series I Non-Convertible Notes issued on May 11, 2007, for a face value of US$ 1.2 million, to replace the previous pledge, which was cancelled and the funds were released.

On October 11, 2011 Banco Hipotecario released 50% of the pledged Non-Convertible Notes and the remaining 50% would be released after two years as from the date appearing on the Memorandum of Closure has been fulfilled.

In compliance with the conditions defined in the agreement in question, APSA committed itself to not competing for 5 years in the credit card and/or consumer loan business in which Tarshop S.A. has a presence.

Additionally, under this transaction, receivables and payables between APSA and Tarshop S.A. have been compensated.

b. Acquisition of Arcos del Gourmet S.A.´s shares

On November 27, 2009, APSA acquired shares of common stock, representing 80% of the capital common stock establishing the price for the shares in: (i) for a 40% of the shares acquired at US$ 4.3 million and (ii) for the remaining 40% at a fixed price of US$ 0.84 million plus a determinable price equivalent to 20% of the investment required to develop the project until an investment of US$ 6.9 million.

On September 7, 2011, APSA acquired additional shares which represent 8.185% of the voting capital in the amount of US$ 1.75 million. Furthermore, it agreed to modify the variable price of shares acquired in 2009 by setting it at 10% of any capital increase made in Arcos de Gourmet S.A., which at the date of the financial statements constitutes the remaining balance. The above is recognized at its present value and is disclosed in the accounts Short and Long-term Debts".

NOTE 8: (Continued)

c. Acquisition of a commercial center goodwill

On December 28, 2007, APSA signed an agreement for Partial transfer of goodwill with INCSA for acquiring one of the parts of the Goodwill established by a commercial center where "Soleil Factory" currently develops activities.

On July 1, 2010, APSA and INCSA executed the definitive instrument for the partial transfer of the goodwill and memorandum of closure by which INCSA transferred the goodwill of the commercial center; becoming operational on such date. Guidelines provide that INCSA does not transfer APSA the receivables or the payables from the goodwill transferred originated before executing the final agreement. It should be noted that the goodwill and the building related to the hypermarket transaction located on the same premises are excluded from the transaction.

On April 12, 2011, the National Antitrust Commission notified APSA of its authorization of this transaction.

On August 3, 2011, INCSA granted the conveyance deed of the property to APSA.

The total price for this transaction was US$ 20.7 million. Out of this total, US$ 7.1 million were paid at the time of subscription of the purchase agreement, US$ 1 million at the time of recording the public deed, and the balance of US$ 12.6 million accrues an annual interest rate of 5% plus VAT. The interest will be repaid in seven annual and consecutive installments having matured the first installment on July 1, 2011. The capital will be settled with the last interest installment.

Additionally, APSA granted a first-grade privilege mortgage on the property in favor of INC S.A. to secure payment of the balance plus interest to be accrued up to the effective payment date.

The above is disclosed in the accounts Short and Long- term Debts for its net present value.

NOTE 8: (Continued)

Furthermore, APSA signed an offering letter for acquiring, building and running a commercial center in a real estate owned by INCSA, located in the City of San Miguel de Tucumán, Province of Tucumán. The price of this transaction is US$ 1.3 million, of which US$ 0.05 million were paid on January 2, 2008. Such disbursement was recorded as suppliers advance. This transaction was subject to certain conditions precedent, among which APSA should acquire from INCSA the goodwill constituted by the commercial center operating in Soleil Factory. Having complied with such condition on July 1, 2010, APSA shall start the works on May 2, 2011. However, before starting with the works, INCSA should have: a) granted the title deeds to APSA's future units to APSA, and b) transferred to APSA the rights to the registered architectural project and the effective permits and authorizations to be carried out in APSA's future units. As of the date of issuance of these unaudited financial statements, any of the two conditions have been fulfilled.

d. Purchase of TGLT S.A.’s shares

On November 4, 2010, APSA acquired 5,214,662 registered, non-endorsable shares of common stock, entitled to one vote per shares, issued by the Company TGLT S.A. for a total amount equivalent to Ps. 47.1 million under the initial public offering of the later.

Thereafter, during fiscal year 2011, APSA acquired 1,017,284 additional shares for a total consideration of Ps. 9.2 million, thus reaching an 8.87% share in the capital stock of TGLT S.A. on the balance sheet date.

During the six-month period ended December 31, 2011, APSA acquired 262,927 additional shares for a total amount of Ps. 2.6 million, thus reaching together with the ownership of the Company 9.25% of the capital stock of TGLT S.A. at the end of such period.

e. Contributed leasehold improvements - Other liabilities

In March 1996, Village Cinema S.A. inaugurated ten multiplex system cinema theatres, with an approximate surface of 4,100 square meters. This improvement of the building of Mendoza Plaza Shopping S.A. was capitalized with a balancing entry as a fixed asset, recognizing the depreciation charges and the profits over a 50-year period. The lease is for a time limit of 10 years to be renewed every four equivalent and consecutive periods, at the option of Village Cinema S.A. At period / year-end, the amount pending of accrual is disclosed under Other liabilities – contributed leasehold improvements.

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NOTE 9: PURCHASE, SALE AND BARTER OF PROPERTIES

A. Agricultural Business

1. Acquisition and sale of land in the Republic of Bolivia

a. On June 3 and June 7, 2011 the Company subscribed contracts for the purchase of two lots, located in Santa Cruz, Bolivia, with a total extension of approximately 5,000 ha., which will be used for agricultural purposes.

The first lot corresponds to a field, called "4 Vientos", of approximately 2,660 ha. meant for the exploitation of sugar cane, whose purchase price amounts to US$ 8.4 million. On the subscription date of the corresponding contract, US$ 2 million were paid; during the months of July and December 2011, US$ 2.0 million and US$ 1.4 million were paid, respectively, and the remaining balance shall be cancelled in two installments, being the due in June 2011 and October 2012.

The second lot corresponds to a field, called "La Primavera", of approximately 2,340 ha. devoted to the exploitation of soybeans, whose purchase price amounts to US$ 5 million. Of this amount, US$ 3.4 million have already been paid and the balance shall be paid in three half-yearly and consecutive installments, being the next due in June 2012 and the last one in June 2013.

Additionally, the Company has agreed the sale of 910 ha. used for agricultural purposes for a total amount of US$ 3.6 million. The Company has received US$ 1.5 million of the total sale price, and the balance shall be collected in four half-yearly and consecutive installments, being the next due in June 2012 and the last one in December 2013.

2. Sale of farm San Pedro

On September 28, 2011 BrasilAgro sold farm San Pedro, a rural property located in the Municipio Chapadão do Céu – GO with a total surface of 2,447 hectares, 1,724 hectares of which are used for agricultural purposes, for the equivalent in R$ to 580,000 soya seed bags. The sale is part of BrasilAgro business strategy, and seeks to derive both income from agricultural production and gains from the sale of real estate property.

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The buyer made a down payment of R$ 2,250 (or Ps. 5,030), equivalent to 50,000 tons of soya. The balance is to be paid in five installments; the first one is due on March 30, 2012 and amounts to 160,000 soya bags, while the other four equal annual installments due on March 30 each year amount to 92,500 soya bags each. The deal was priced at R$ 23.3 million (equivalent to Ps. 59.8 million).

As from December 31, 2011, in view of the long-term nature of the receivables, BrasilAgro expects to assess the value of receivables based on the future market price of soya on each installment payment date (or else based on estimates and quotes from "brokers" when/if there is no pricing in the futures market on the payment due date) and to determine the exchange rate US$/R$ on that same date (insofar as the soya futures price is denominated in US Dollars), so that the resulting value is then discounted to its net present value by using an average rate of 10.86% p.a. The adjustment to the present value of income made for the six-month period ended December 31, 2011 amounts to R$ 2,931 (or Ps. 7,210).

B. Real Estate Business

1. IRSA

Acquisition of a building located at 183 Madison Avenue, New York, NY

On August 26, 2010, IRSA together with some U.S. partners, executed an acquisition of a real estate property located at 183 Madison Avenue, New York, NY, through Rigby 183 LLC (“Rigby 183”).

The transaction was closed on December 15, 2010 and the price paid by Rigby 183 was US$ 85.1 million, such payment has been structured through a financing of US$ 40.0 million obtained by Rigby 183 and the amount of US$ 45.1 million paid in cash. Moreover, Rigby 183 has obtained and additional financing of US$ 10.0 million, in order to perform refurbishments and improvements on the building, which is being disbursed according to the works progress.

On March 31, 2011, the Company sold 8% of its interest in Rigby 183, owned by Real Estate Strategies LLC (“RES”), a company indirectly controlled through Tyrus, in the amount of US$ 3.8 million. As a result, the Company has a 49% interest in Rigby 183 through IMadison LLC (“IMadison”).

NOTE 9: (Continued)

The building is located in a Manhattan area known as “Midtown South”, at the intersection of Madison Avenue and 34th Street. There are several landmark buildings in the area, such as the Empire State Building, Macy´s Herald Square and Madison Square Garden. This commercial property will be used for rentals of office space and retail stores in the lower part of its 18 stories. Its net leasable area is approximately 22,000 square meters. Based on what has already been discussed, the implicit value per square meter as acquired has been US$ 3,717.

2. APSA

a. Acquisition of the building known as Ex- Escuela Gobernador Vicente de Olmos (City of Córdoba)

On November 20, 2006, APSA acquired through a public bidding the building known as Ex Escuela Gobernador Vicente de Olmos (Patio Olmos) located in the city of Córdoba for the amount of Ps. 32,522.

The building is under a concession agreement effective for 40 years, falling due in February 2032, which grants the concession holder the commercial exploitation of the property. Such agreement provides for paying a staggered fee in favor of the concession principal which shall be increased by Ps. 2.5 every 47 months. As of the issuance date of these financial statements, the concession is at the 238 month, with a current monthly fee of Ps. 15.1 while the next increase is scheduled for the 281 month.

On September 25, 2007 the transfer deed for the building was signed with the Government of the Province of Córdoba and the transference of the respective concession contract.

Afterwards, the government of the province of Córdoba declared the property to be of public use and subject to partial expropriation in order to be used exclusively for the Libertador San Martin theater.

APSA has answered a complaint in an action and to challenge the law that declared such public interest on unconstitutional grounds. In the alternative, it has challenged the appraisal made by the plaintiff and, additionally, it has claimed damages not included in the appraisal and resulting immediately and directly from expropriation.

The property has been recorded as non-current investments.

NOTE 9: (Continued)

b. Barter with Condominios del Alto S.A.

On October 11, 2007, APSA subscribed with Condominios del Alto S.A. a barter contract in connection with an own plot of land (plot 2 G), located in the City of Rosario, Province of Santa Fe.

As partial consideration for such barter contract, Condominios del Alto S.A. agreed to transfer the full property, possession and dominium in favor of APSA of the following future Real Estate: (i) fifteen (15) Functional Housing Units (apartments), with an own constructed surface of 1,504.45 square meters, which represent and will further represent jointly 14.85% of the own covered square meters of housing (apartments) of the building that Condominios del Alto S.A. will build in Plot G, and (ii) fifteen (15) Parking spaces, which represent and will further represent jointly 15% of the own covered square meters of parking space in the same building.

On March 17, 2010, APSA and Condominios del Alto S.A. subscribed a supplementary deed specifically determining the units committed for bartering that will be transferred to APSA and the ownership title to 15 parking spaces.

The parties have determined that the value of each undertaking is of US$ 1.1 million.

On December 28, 2011, APSA and Condominios del Alto S.A. signed a deed by means of which Condominios del Alto S.A. transferred the units committed in favor of the Company, thus settling the consideration to be fulfilled by Condominios del Alto S.A.

The above is disclosed in the accounts Inventory in Torres Rosario´s line.

APSA also granted Condominios de Alto S.A. an acquisition option through barter of plot 2 H. On November 27, 2008, the title deed for the plot of land 2 H was executed for US$ 2.3 million, a value that the parties have determined for each of their considerations.

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As partial consideration for the above mentioned barter, Condominios del Alto S.A. agreed to transfer the full property, possession and ownership in favor of APSA of the following future real estate: (i) forty two (42) Functional Housing Units (apartments), which represent and will further represent jointly 22% of the own covered square meters of housing (apartments) of the building that Condominios del Alto S.A. will construct in Plot H; and (ii) forty seven (47) parking spaces, which represent and will further represent jointly 22% of the own covered square meters of parking space units in the same building.

On April 14, 2011 APSA and Condominios del Alto S.A. subscribed a supplementary deed which specifies the Functional Housing Units (apartments) that were compromised in the barter transaction agreement that should be transferred to APSA and the ownership title of the 45 parking spaces and 5 storage rooms.

The above is disclosed in the accounts Inventory in Torres Rosario under construction´s line.

c. Barter transaction – Beruti plot of land

On October 13, 2010, TGLT and APSA subscribed an agreement of purchase with a condition precedent by which APSA sells a plot of land located on Beruti 3351/59. The transaction was agreed upon at US$ 18.8 million. TGLT plans to construct a department building with residential and commercial parking spaces. In consideration, TGLT S.A. commits to transferring APSA: (i) a number to be determined of departments representing altogether 17.33% of proprietary square meters that may be sellable in departments in the building to be constructed; (ii) a number to be determined of complementary/functional parking units representing altogether 15.82% of square meters in parking in the same building; (iii) all units earmarked for commercial parking and the amount of US$ 10.7 million payable upon granting the title deed. Such amount has been cancelled as of the date of these financial statements.

In compliance with what was agreed upon in the previously mentioned agreement of sale, on December 16, 2010, it was executed the title deed by which APSA transfer the entire ownership and title to TGLT S.A. to the previously mentioned plot of land.

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TGLT constituted the mortgage on the real estate, in favor of APSA, as collateral for the compliance with the obligations taken on in the sale deed.

The above is disclosed in Inventories and Property and equipment.

On June 9, 2011, the Administrative and Tax Contentious Law Court No. 9 of the City of Buenos Aires issued a precautionary measure in the lawsuit “Asociación Amigos Alto Palermo vs. the Government of the City of Buenos Aires for Amparo”, which ruled the suspension of the works.

On July 4, 2011, the Government of the City of Buenos Aires complied with what was required. On July 11, 2011, the hearing judge granted the injunction requested. Such injunction was temporarily granted until the parties produce all of the evidence offered and such evidence as may be requested by the Court at the adequate time.

TGLT S.A. and APSA filed appeals against the resolution that ruled the cautionary measure to suspend the works. These appeals are pending to be solved.

d. Barter with Cyrsa S.A.

On July 31, 2008, a conditioned barter commitment was executed by which APSA would transfer CYRSA (“Cyrsa”) 112 parking spaces and the rights to increase the height of the property to build a two tower in preserve on the air space Coto.

On December 17, 2010, APSA and Cyrsa signed an agreement in order to finish off the barter agreement.

e. Plot of land Paraná

On June 30, 2009, APSA subscribed a “Letter of Intent by which it stated its intention to acquire a plot of land of about 10,022 square meters located in Paraná, Province of Entre Ríos, to be used to build, develop and exploit a shopping center or mall.

On August 12, 2010, the agreement of purchase was executed. The purchase price stood at US$ 0.5 million to be paid as follows:

i) US$ 0.05 million was settled as prepayment on July 14, 2009,
ii) US$ 0.1 million was settled upon executing such agreement, and
iii) US$ 0.35 million will be paid upon executing the title deed.

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On December 29, 2011, possession of the real estate was granted, and a minute was signed in which the parties agreed that the deed transferring ownership will be granted on June 30, 2012, or within sixty (60) consecutive days as from the date in which the selling party evidences with a certified copy before the buying party that the real estate is not subject to any encumbrance, burden, limit or restriction to the ownership, except for the electroduct administrative easement in favor of EDEER S.A.

The above is disclosed under the Fixed Assets line item.

f. Plot of land Rosario

The table below lists status acceptance offers for the plot of land of the building located in the District of Rosario, City of Rosario, Province of Santa Fe, subscribed by APSA:

Lots	Offer acceptance	Agreed price (in thousands of US$)	Collected amount as of 12/31/11 (in thousands of US$)	Title deed's date
2A	04/14/2010	4,200	4,200	05/26/11
2E	05/03/2010	1,430	1,430	09/29/10
2F	11/10/2010	1,931	1,931	07/06/11
2B	12/03/2010	1,507	1,507	08/11/11
2C	12/03/2010	1,507	1,507	08/11/11
2D	12/03/2010	1,539	1,026	-

Torres Rosario under construction

The table below lists the status acceptance offers for the offices and parking spaces of the Torres Rosario under construction.

Lots	Agreed price (in thousands of US$)	Collected amount as of December 31, 2011 (in thousands of US$)

2H	2,219	1,481

The lots subject to these transactions are recorded to the inventory account until the date of issuance of the title deed.

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g. Acquisition of Nuevo Puerto Santa Fe S.A.´s shares

On June 15, 2011, APSA acquired on its own and by means of its subsidiary Torodur S.A. (buyers) from Boldt S.A. and Inverama S.L. (sellers) 50% of the shares of Nuevo Puerto de Santa Fe S.A. (NPSF), a Company lessee of a property that houses a shopping mall (la Ribera) located on the Port of the city of Santa Fe, Province of Santa Fe.

The purchase price for that acquisition is US$ 4.5 million payable in up to 19 installments with no interests, being the last installment due on February 2013. Such debt is disclosed at its present value in Loans.

Additionally, the purchasers will pay to the sellers, proportionally to the shares purchased, fifty (50%) of the working capital calculated on the purchase agreement, which will stem from the special closing financial statements of NBSF. The later will prepare them as a supplement to the price

The purchase of shares of NPSF was contingent upon the approval by the Regulatory Entity of the Port of Santa Fe of the share composition of NPSF provided, in addition, that the Caja de Asistencia Social Lotería de Santa Fe will not raise any challenge against the transaction.

As of August 18, 2011, once this condition was met the actual transfer of shares was completed, becoming APSA and Torodur owners of 33.33% and 16.66% of the capital stock, respectively, representing 50% of the voting capital of NPSF. Likewise GRAINCO S.A. owns the remaining 50% of the capital stock. Furthermore, NPSF and Casino Puerto de Santa Fe entered into a sublease agreement which replaces the previous lease agreement originally held by NPSF.

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h. Financing and occupation agreement with NAI INTERNATIONAL II, INC.

On August 12, 1996 Empalme S.A.I.C.F.A. y G. (merged into Shopping Alto Palermo S.A. as from January 1st, 2009, later merged with APSA) executed an agreement with NAI INTERNATIONAL II, INC. (subsequently transferred to NAI INTERNACIONAL II, INC. – Branch Argentina) by means of which the later granted a loan for an original principal of up to US$ 8.2 million for the construction of a multiplex cinema and part of the parking lot located in the premises of Córdoba Shopping, Villa Cabrera which are disclosed in Property and Equipment, net.

According to the agreement of occupation related to the loan contract, the amounts due are set off against payments generated by the occupation held by NAI INTERNATIONAL II, INC. of the building and the area known as cinema. The agreement provides that if after October 2027, there still is an unpaid balance of the loan plus respective interest thereon, the agreement will be extended for a final term established as the shorter of the term required to fully repay the unpaid loan amount, or ten years.

If once the last term has elapsed and there still is an unpaid balance, APSA will be released from any and all obligation to pay the outstanding debt.

On July 1, 2002 a new amendment to the agreement was established, whose most important resolutions are as follows:

- The outstanding debt was de-dollarized (Ps. 1 = US$ 1)
- An antichresis right was created and it was established that all obligations assumed by Empalme S.A.I.C.F.A. y G. under the agreement by which the normal use and operation of the cinema center is warranted to NAI INTERNACIONAL II, INC., including those obligations involving restrictions on the use or title to property by Empalme S.A.I.C.F.A. y G. or third parties, shall be comprised in the previously mentioned property right.

Principal owed as of December 31, 2011 and interest accrued unpaid through that date, due to the original loan agreement and respective amendments are disclosed under Customers advances - Lease advances together with other advances not included in this agreement.

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NOTE 10: GRANTED GUARANTEES OF FYO.COM

By means of brokerage of agreement with guarantee, FyO.Com assumes before the purchaser the obligation to comply with the agreement in the event the seller did not deliver the merchandise. This compliance is implemented by returning the amounts agreed upon by such transaction that may be pending delivery, as well as the price difference that may arise between the price at which the agreement was executed and the price of the merchandise on the date the agreement is cancelled.

As of December 31, 2011 and June 30, 2011, the balance of brokerage transactions performed under the guarantee letter contract method, pending of delivery, within the contractual terms established, amounted to Ps. 14,072 and Ps. 20,369, respectively.

As of December 31, 2011 and June 30, 2011, there are no contracts breached in which FyO.com has been claimed as guarantor.

NOTE 11: CONVERTIBLE AND NON CONVERTIBLE NOTES AND CAPITAL PROGRAM

A. Real Estate Business

1. IRSA

Global Program for the Issuance of Notes in place up to US$ 450 million.

In February 2007, IRSA issued non-convertible Notes (Non-convertible notes - 2017") for US$ 150 million to become due in February 2017 under the framework of the Global Program for Issuing Non convertible notes ("the Program") in a face value of up to US$ 200 million authorized by the Comisión Nacional de Valores. Non-convertible notes - 2017 accrues an annual fixed interest rate of 8.5%, payable every six months, starting in August, 2007. The principal will be fully paid on maturity. Non convertible notes - 2017 contains customary covenants including restrictions to pay dividends in accordance with certain limits.

On February 25, 2010, the IRSA´s Board of Directors approved the extension of the maximum face value of the program by an additional US$ 200 million, reaching a total amount of US$ 400 million, as approved by the Ordinary Meeting of Shareholders held on October 29, 2009.

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NOTE 11: (Continued)

Within this framework, on July 20, 2010, IRSA issued non-convertible notes for a face value of US$ 150 million ("Non-convertible Notes Class II") maturing on July 20, 2020. The issuance price was 97.838% of the par value and they accrue interest at a nominal interest rate of 11.5% per annum, to be paid semi-annually on January 20 and June 20 each year, starting on January 20, 2011. The expenses related to the issuance amounted to Ps. 7.1 million.

On November 2, 2010, the General Shareholders' Meeting approved a new expansion of the Program in force for up to a further US$ 50 million bringing it to US$ 450 million.

2. APSA

a. Issuance of convertible notes

On July 19, 2002, APSA issued Series I of Convertible Notes ("ONC") for up to US$ 50 million with a face value of Ps. 0.1 each, maturing on July 19, 2014.

Convertible Non-Convertible Notes accrue interest at a 10% fixed annual nominal rate payable every six months. The notes can be converted at any time at the option of each holder into ordinary shares at a conversion price equivalent to the higher of the result from dividing the face value of the Company's shares (Ps. 0.1) by the exchange rate and US$ 0.0324, which means that each note is potentially exchangeable for 30,864 shares of Ps. 0.1 par value each. The shares underlying the conversion of the Convertible Notes will be entitled to the same right to collect any dividends to be declared after the conversion as the shares outstanding at the time of the conversion.

This issuance was resolved at the Ordinary and Extraordinary Meeting of Shareholders held on December 4, 2001, approved by the Comisión Nacional de Valores Resolution No. 14,196 dated March 15, 2002 and authorized to list for trading on the Buenos Aires Stock Exchange on July 8, 2002.

On October 7, 2010, the holders of Convertible Notes into APSA´s shares exercised the conversion right, issuing 477,544,197 shares of common stock, with a face value of Ps. 0.1 each and retiring Notes for a face value for US$ 15.5 million.

NOTE 11: (Continued)

As from the conversion, the number of APSA'S shares went from 782,064,214 to 1,259,608,411.

On May 26, 2011, APSA made an offer to repurchase its Convertible Convertible Notes, which is subject to certain conditions.

Additionally, on September 21, 2011, holders of notes convertible into APSA's shares exercised their conversion rights issuing 277,777 shares of common stock with a face value of Ps. 0.1 each. As from the conversion, the number of the APSA´s shares went from 1,259,608,411 to 1,259,886,188. Thus, since the issuance of the program till December, 31 2011, the holders of APSA's Notes (Convertible into ordinary shares) exercised the conversion rights for a total of US$ 18.3 million.

As of December 31, 2011, Convertible Notes amounts to US$ 31.7 million, mainly held by the Company.

On May 26, 2011, APSA made an offer to repurchase its Convertible Notes, which is subject to certain conditions.

b. Issuance of non-convertible notes

On May 11, 2007, APSA issued two series of notes for a total amount of US$ 170 million. These issuances correspond to classes 1 and 2 within the Global Program for Issuing Negotiable Obligations, having a face value of up to US$ 200 million authorized by the Comisión Nacional de Valores Resolution No. 15,614 dated April 19, 2007. The APSA´s Shareholders Meeting held on October 29, 2009 approved the increase in the amount of the Global Program for the Issuance of Notes in place up to US$ 200 million, reaching a total amount up to US$ 400 millons.

Series I pertains to the issue of US$ 120 million, with maturity date of the principal on May 11, 2017, and which accrues a 7.875% fixed interest rate payable every six months on May 11 and November 11, every year as from November 11, 2007.

On June 15, 2011, APSA granted in favor of Banco Hipotecario S.A. a pledge on its Series I Convertible Notes for a face value of US$ 1.2 million

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Series II pertains to the issue of Ps. 154 million (equivalent to US$ 50 million)
Principal will be settled in seven, equal and consecutive semi- annual installments as from June 11, 2009, and accrues interest at 11% per annum, maturing on June 11, and December 11 of each year as from December 11, 2007.

On April 18, 2011, APSA rebought from the Company Series I Convertible Notes with a face value of US$ 5 million to be matured in 2017 at a price calculated based on the average of prices quoted by three banks plus the interests accrued until the settlement date, which amounted to US$ 5.1 million.

As of December 31, 2011 total Series I and Series II Notes repurchased by APSA amount to US$ 10.0 million and US$ 1.4 million, respectively. These Non-Convertible Notes were measured at their face value and they are disclosed netting the capital and interest owed.

As of December 31, IRSA owes Series II Non-Convertible Notes for a face value of Ps. 13.3 million.

c. 2009 Issuance of non-convertible notes

Additionally, in the framework of the mentioned Non-Convertible Notes Global Issuing Program, on November 10, 2009, APSA concluded the placement of two new series of Non-Convertible Notes for a total amount of Ps. 80.7 million.

Series III relates to the issuance of Ps. 55.8 million maturing on May 12, 2011, which accrue interest at variable BADLAR plus a 3% margin payable on a quarterly basis. On May 12, 2011, APSA made the last payment of interest and paid off all of the principal of such issuance.

Series IV relates to the issuance of Ps. 24.9 million (equivalent to US$ 6.6 million) maturing on May 12, 2011, which accrues interest at a fixed 6.75% rate applied to the principal in US dollars, payable on a quarterly basis. On May 12, 2011, APSA made the last payment of interest and paid off all of the principal of such issuance.

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NOTE 11: (Continued)

d. Approval of the Short-term Debt Global Program by the Shareholders´ meeting

The General and Special Shareholders' meeting held on October 29, 2009 approved the creation of a Short-term Debt Securities Global Issuing Program (up to one-year term) to issue simple Non-Convertible Notes, non-convertible into shares stated in Argentine Pesos, United States Dollars or any other currency, with ordinary, special and floating guarantee, including third-party guarantee, subordinate or non-subordinate, for a maximum outstanding amount at any time that cannot exceed the equivalent to US$ 50 million.

e.Capital increase

On May 26, 2011, the Ordinary and Extraordinary Shareholders Meeting of APSA resolved as follows:

- Capital stock increase of up to Ps. 108 million through the issue of up to 1,080,000,000 new common shares of par value Ps. 0.10 each, on one or many offerings, with a share premium or not and with one voting right per share, with dividend rights in equal conditions as the rest of the outstanding shares at the issuing date, following a public offering in the country or abroad. The meeting established the parameters under which the Board of Directors will settle the share premium, with a range of prices for the share, being the minimum price Ps. 25.6133 per share of par value Ps. 1 or US$ 25.1 per ADS and a maximum price of Ps. 75 per share of par value Ps. 1 or US$ 73.4970 per ADS.

- Delegation on the Board of Directors of the power to define all the terms and conditions of the issuing process in one or several offerings, not expressly determined in the Shareholders Meeting with the power to sub-delegate on one or more than one director or manager.

- Reduction of the term to exercise the preemptive subscription right and the accretion right to up to 10 working days, as provided by section 194 of Act No. 19,550 and the regulations in force, delegating on the Board of Directors the most extensive powers in order to fulfill the capital stock increase.

    - Approval of the terms and conditions of the repurchase offering – in the context of the capital increase and subject to the effective fulfillment of this – of the outstanding convertible Non-Convertible Notes with par value US$ 31,755,502, for the amount of US$ 36.1 million, equivalent to US$ 1.13666 per Non-Convertible Notes.

NOTE 12: SIGNIFICANT EVENTS

A. Agricultural Business

a. BrasilAgro – Maeda. Changes in Jaborandi Ltda. contract

On September 22, 2011 BrasilAgro executed an amendment to the ownership agreement of Jaborandi Ltd., whereby it assigns and transfers 1,766,038 of the shares in the Company's capital. Following this transfer, BrasilAgro holds 14,572,661 shares and Maeda 7,212,271 shares. This transaction led to an investment loss in BrasilAgro's results of operations of R$ 1,135 (equal to Ps. 2,894). On that same date, as indicated in the Minutes of the Meeting of Shareholders, a decision was made to reduce the capital stock by R$ 12,508 (or Ps. 28,369) by means of redemption and cancellation of 12,508,586 shares. Of this total, R$ 7,775 (or Ps. 17,634) result from a capital reduction to offset against retained deficit by BrasilAgro while R$ 4,733 (or Ps. 10,735) were repaid to BrasilAgro for they related to capital in excess in relation to the Company's purpose. Consequently, the capital stock of Jaborandi Ltd. was increased to R$ 9,276 (or Ps. 21,039) and is composed of 9,276,346 shares, 50% of which are held by BrasilAgro while the remaining 50% is held by Maeda, so that each shareholder would have a 50% stake in the company, that is, 4,638,173 shares.

B. Real Estate Business

1. IRSA

a. Investment in Banco Hipotecario S.A.

Banco Hipotecario S.A.´s treasury Shares

In the course of the fiscal year ended on June 30, 2009 and with the Total Return Swap dated January 29, 2004 having expired, Banco Hipotecario S.A. received treasury shares Class D totaling 71.1 million.

On April 30, 2010, the Extraordinary General Shareholders' Meeting of the Banco Hipotecario S.A. resolved to delegate upon the Board of Directors of the Bank the decision to pay with the treasury shares in portfolio the DAA or StAR coupons resulting from the debt restructuring as advisable based on the contractually agreed valuation methods and their actual market value after allowing the shareholders to exercise their preemptive rights on an equal footing.

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On June 16, 2010, the Board of Directors of Banco Hipotecario offered to sell 36 million of its treasury Class D shares to its existing shareholders. On July 26, 2010, in the framework of the offering, the Bank sold approximately 26.9 million of its treasury Class D shares. On August 3, 2010, the Bank applied the proceeds from the offering and the remaining Class D shares to the cancellation of the StAR coupons maturing on that date.

On April 13, 2011, the Special Shareholders' Meeting of Banco Hipotecario decided to authorize the Board of Directors to sell treasury shares in the open market, reducing to ten days the term established for the exercise of pre-emptive rights, which term is not applicable where the sale of shares does not exceed 1% of the Company's capital stock in any given period of 12 months.

The Company's Banco Hipotecario treasury shares still in its portfolio amount to 36.6 million and entail an increase in IRSA's ownership interest. As considered for valuation purposes, they have risen from 29.77% to 30.51%.

Dividends distribution

Banco Hipotecario's General Shareholders' Meeting, held on April 13, 2011, approved the payment of cash dividends for Ps. 100.0 million, equivalent to 6.66667% of the capital stock or Ps. 0.068335 per outstanding share of face value Ps. 1, corresponding to the fiscal year ended on December 31, 2010. Out of this amount, Ps. 30.5 million pertain to IRSA, based on its interest.

As of the date of issuance of these financial statements, the decision of the dividends being made available for payment is subject to the BCRA's consent in the terms of the ruling disclosed by Communication "A" 5072, its amendments and complementary rulings. The BCRA has not announced its decision yet. Additionally, on January 27, 2012, Argentina's Central Bank (BCRA, as per its Spanish acronym) issued communications "A" 5272 and "A" 5273, by means of which it ruled the increase of some parameters of minimum capital stock to be paid-in in order to allow for dividends distribution.

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b. Transactions pending solution by the Argentine Antitrust Commission

On November 20, 2009, after the sale of the building Edificio Costeros (Dock II), IRSA applied to the CNDC for a consultative opinion on whether IRSA had to notify that transaction or not. The CNDC found that there was an obligation to notify the same, but IRSA appealed that decision. As a consequence, on December 5, 2011, we notified the transaction. As of the date of issuance of these financial statements, the CNDC is analyzing this decision.

In addition, as regards the acquisition of Torre Bank Boston, in August, 2007 IRSA applied to the CNDC for a consultative opinion as to whether IRSA had to notify the transaction. In November, 2007 the CNDC stated that there was indeed a duty to notify the transaction. IRSA filed an appeal against this decision. The resolution from the matter in court was favorable to the CNDC. On November 3, 2010 was notified to the CNDC. On November 10, 2011, through Resolution SCI No. 356, the real estate purchase agreement was authorized.

c. Compulsory expropriation order of the lot owned by Canteras Natal Crespo

On April 8, 2011, Canteras Natal Crespo S.A. (Canteras) and Caminos de las Sierras S.A. (Caminos) subscribed an agreement by means of which Canteras granted Caminos an occupation permit and the possession over a piece of land of approximately 2 ha. 8,250 square meters (portion), located on provincial road E-55 in the Province of Córdoba, so that Caminos performed the works necessary for the toll road, based on the Concession agreement subscribed with the provincial Government.

With the aim of completely and adequately affecting the area to road works to be performed by Caminos, the land will be subject to the Compulsory Expropriation Regime ruled by Provincial Act No. 6,394 and its complementary rulings. The management and fulfillment of all the requirements provided by this Act will be exclusively in charge of Caminos, who shall start the proceedings within ninety (90) days as from the date of subscription of the Agreement.

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NOTE 12: (Continued)

The appraisal of the piece of land will be in charge of the Provincial General Appraisal Council (Council) or the organization and/or entity established to replace it. Caminos has committed to the payment of compensation resulting from the appraisal performed by the Council plus 10% of the amount (compensation). As advance payment, Caminos gave the amount of Ps. 0.8 million. Once the appraisal is performed, Caminos shall pay Canteras the positive difference resulting from the compensation and the advances. The payment term shall be ninety (90) days from the Council's resolution. Should the compensation be less than the amount advanced by Caminos, the amount already collected by Canteras will automatically be the final value for the piece of land and the existing difference shall be considered as repayment for the damages immediately and directly derived from the expropriation. As of the date these financial statements were issued, Canteras had granted Caminos the possession of the piece of land.

2. APSA

a. Neuquén Project

The main asset of Shopping Neuquén S.A., controlled by APSA, is a plot of land of 50,000 square meters approximately, in which a mixed use center would be built. The project includes the building of a shopping center, cinemas, a hypermarket, apartments, private hospital and other compatible purposes.

On December 13, 2006, Shopping Neuquén S.A. entered into an agreement with the Municipality and with the Province of Neuquén by which, mainly, the terms to carry out the commercial and residential venture were rescheduled and authorized Shopping Neuquén S.A. to transfer to third parties the title to the plots of land into which the property is divided, provided that it is not that one on which the shopping center will be built.

Such agreement put an end to the case Shopping Neuquén S.A. vs. Municipalidad de Neuquén in re: procedural administrative action", lodged at the High Court of Neuquén. Lawyers' fees shall be borne by the company, which although they have been established are not yet final.

On July 5, 2010, Shopping Neuquén S.A. began the committed works for the first stage, which should be completed at a maximum 22 month terms starting upon beginning construction. In the case of failing to comply the conditions established in the agreement, the Municipality is entitled to terminate the agreement and carry out the actions that may be considered necessary for such respect, among them, to request the return of the Company´s plots acquired to the Municipality.

NOTE 12: (Continued)

As of the date of issuance of these financial statements, an updated Schedule of Works was filed, which was not observed by the City Hall.

On April 15, 2011 the Company entered into an agreement with Gensar S.A. whereby the later is entitled to buy one of the plots of land that form part of the commercial undertaking of mixed use next to which the Company is building a shopping center. In this plot of 14,792.68 square meters, Gensar S.A. agreed to build and operate a hypermarket that initially will be of the Coto chain. To such effect, Gensar S.A. has taken possession of the above indicated plot of land. On September 16, 2011 it executed a deed for the conveyance of title in favor of Gensar S.A., which deed is currently in the process of being registered with the relevant Real Estate Regulatory Entity.

b. Acquisition of Metroshop S.A.'s shares (now known as APSAMEDIA S.A.)

On May 21, 2010, APSA and Tarshop S.A. executed an agreement to formalize the transfer of shares by which Tarshop S.A. has sold to APSA 18,400,000 registered non endorsable shares of common stock with a face value of Ps. 1 each and entitled to 1 vote per Class "A" share representing 50% of Metroshop S.A.'s capital stock.

On January 13, 2011, APSA and Metronec S.A. executed a share purchase agreement by which Metronec S.A. has sold to APSA 18,400,000 registered non endorsable shares of common stock with a face value of Ps. 1 each and entitled to 1 vote per Class "B" share representing 50% of Metroshop S.A.'s capital stock.

As an action subsequent to the taking over, APSA S.A. made two offers to Tarshop S.A., later accepted by Tarshop S.A., to grant the following assets:

i) Receivables from consumption transactions carried out through December 31, 2010 and that are performing or in default for not more than 60 days (both those in Metroshop S.A.'s own portfolio and those assigned to Fideicomiso Financiero Metroshop S.A. Serie XV- previous return of them).
ii) The contractual position in the credit card issuance agreements whose customers did not have as of December 31, 2010 a default for over 60 days in complying with their obligations.
iii) All credit card customers or accounts or clients
iv) Lease agreements on certain branches and their personal property.
v) Labor agreements for payroll personnel.

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NOTE 12: (Continued)

Finally, on April 18, 2011, APSA transferred to Fibesa S.A. (APSA's subsidiary) 1,840,000 shares, representative of 5% of Metroshop S.A.'s capital stock for a total amount of Ps. 0.8 million which has not been paid in as of the unaudited financial statements date.

On July 20, 2011, the Special General Shareholders Meeting held by unanimous consent of Metroshop S.A. approved the change of corporate name to APSAMEDIA S.A. and the amendment of its corporate purpose to capitalize on market opportunities. APSAMEDIA S.A. will continue providing its services, which have been broadened in scope:

- Consumer credit marketing and financing.
- Issuance and marketing of credit cards.
- Performance of any type of agency and representation.
- Management of administrative, advertising and commercial activities.

These amendments were registered before the Corporate Records Office on August 29, 2011, under No. 17,795.

As of December 31, 2011 APSA's direct and indirect interest in APSAMEDIA S.A. amounted to 100%.

On October 7, 2011, as trustor, together with Comafi Fiduciario Financiero S.A., acting as Trustee of the "Fideicomiso Financiero Privado Yatasto", as Original Holder, created a private financial trust called "Consumo Centro", which was assigned by APSAMEDIA under trust the legal ownership of certain receivables that were not in good standing, including included consumer loans, credit card receivables and refinanced receivables generated by APSAMEDIA S.A. in the ordinary course of business, and which shall issue pass-through in favor of the Original Holder. The receivables assigned under trust amount to Ps. 39.3 million approximately. APSAMEDIA will assume no liability whatsoever for the creditworthiness or repayment capacity of any of the debtors, or for the success or failure to collect such receivables, or for compliance by debtors of obligations assumed in relation to such receivables.

The price of the Assignment in Trust amounts to Ps. 1.9 million. Such price less the sums of money received as payment by APSAMEDIA S.A. between August 26, 2011, cutoff date, and October 7, 2011, which amount to Ps. 0.15 million, were transferred to a pesos-denominated checking account held by APSA at Banco Comafi for a total amount of Ps. 1.8 million.

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NOTE 12: (Continued)

c. Arcos del Gourmet

i) Concession Amendment Agreement of Arcos del Gourmet S.A

On September 6, 2011, Arcos del Gourmet S.A. subscribed a Restructuring Agreement of the Concession contract with ADIF (to whom it transferred the railroad assets under ONABE's jurisdiction), by means of which the extension of the concession term until December 31, 2030 was decided. The term is renewable automatically for 3 years and 4 months as from that date, provided all the commitments taken on are satisfactorily fulfilled. This new agreement establishes a new extension for 3 additional years in case the Company states that. Likewise, it established at maximum term of 24 months (as from the date of subscription of the agreement) the term to perform the works and open the commercial complex. The mentioned agreement set a new monthly fee of Ps. 200 (plus VAT) until December 31, 2025, and Ps. 250 (plus VAT) as from January 1st, 2026. Notwithstanding this, subsequently and until the date of expiration of the concession term, the fees will be determined every 2 years.

Additionally, as collateral to the fulfillment of the agreement, the Company committed itself to hiring a surety bond of Ps. 4,460, to make a cash deposit for Ps. 400, and to hire another surety bond in favor of ADIF as collateral to the compliance in the due time and form with the works agreed, for Ps. 14.950. Likewise, other obligations were stipulated in charge of the Company, related to the works to be carried out.

This agreement would supersede that executed in the ONABE.

ii) Capital increase

A Shareholders Meeting of Arcos del Gourmet S.A. was held on October 5, 2011, which finally approved Arcos´s financial statements for the fiscal year ended June 30, 2011. Such Meeting was adjourned and on November 4, 2011 approved a capital increase of up to Ps. 11,000 with a subscription price of Ps. 0.002594 per shares, which includes Ps. 0.001 par value per share and Ps. 0.001594 as share premium per share; the Shareholder Meeting also approved payment of subscription price by the capitalization of existing irrevocable contributions, the debt-for-equity swap involving some loan agreements granted by APSA plus accrued interest, with the balance being paid-in in cash. As of the date of issuance of these financial statements, the registration of these increases before the Public Trade Registry is pending.

As of the date of issuance of these financial statements, the registration of these increases before the Public Trade Registry is pending.

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

Notes to the Unaudited Consolidated Financial Statements (Continued)
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NOTE 13: SALES OF BUILDINGS

Real Estate Business

a. IRSA

On July 7, 2011, the Company subscribed a sale agreement of some offices at Libertador 498. The agreed total price is US$ 2.5 million to be paid as per the following: a) US$ 0.75 million at the time of subscription of the sale agreement, b) US$ 1.38 million at the time of recording the public deed and granting possession (which took place on October 17, 2011), c) US$ 0.1 million on October 28, 2011 and d) US$ 0.4 million on April 27, 2012. To secure the payment of the balance, the purchaser constituted a first-degree privilege mortgage on the property, in favor of the Company. As of December 31, 2011, the Company recorded a profit of Ps. 8.1 million derived from the measurement of the properties at their net realizable value.

On September 7, 2011, the Company subscribed a sale agreement of the property "Thames". The total transaction price amounts to US$ 4.7 million. Out of this total, US$ 1.0 million have been collected at the time of subscription, and the balance of US$ 3.7 million were collected at the time of recording the public deed and granting possession, which took place on October 25, 2011. The result for this transaction amounts to US$ 3.8 million.

On December 20, 2011, IRSA subscribed an agreement to sell certain functional units of the real estate called "Museo Renault", located in Av. Figueroa Alcorta 3301. The total price agreed is US$ 5.2 million payable in the following way: a) US$ 1.56 million when the agreement is subscribed; and b) US$ 3.64 million when the deed is granted, set for March 5, 2012. As of December 31, 2011, the Company booked a profit of US$ 3.8 million which stems from measuring the units at their net realizable value, while the real estate is disclosed under "Inventory" in accordance with disclosure policies.

The properties mentioned above were classified as investment properties until the above mentioned transactions were executed, which represents a gross lease area of approximately 35,175 square meters.

During the six-month period ended on December 31, 2010, no buildings were sold.

NOTE 14: CAPITALIZATION PROGRAM FOR EXECUTIVE MANAGEMENT

As of December 31, 2011, the Company, together with its subsidiary IRSA, contributed during the period to the Management capitalization program for Ps. 3,000.

NOTE 15: EXECUTIVE STAFF´S FEES

Agricultural business

Stock Purchase Option Plan

Pursuant to the provisions of the Corporate Bylaws, BrasilAgro has a Stock Option Plan (the "Plan") in place approved by the General Shareholders' Meeting, which seeks to integrate executive staff to the company's development process in the medium and long term. This Plan is administered by the Remunerations Committee and the awards are subject to the approval of the Board of Directors.

In the Special Shareholders' Meeting held on October 29, 2008 a Stock Option Plan was approved by the Company ("Stock Options").

On August 11, 2010 the Board of Directors approved the creation of the Options Award Program No. 1 (the "Program"), under which the Board of Directors is authorized to award stock options to eligible beneficiaries chosen on that occasion. The Program defines the beneficiaries, the number of shares that each of them may acquire upon exercising their stock option rights, the exercise price per share to be paid in cash by the beneficiaries and the stock option conditions.

Upon exercise, each option entitles the beneficiary to purchase 1 share of stock of BrasilAgro at the exercise price established in the Program. The Program involves 5 beneficiaries and the award of 370,007 shares and they may be fully exercised as from August 12, 2012 (vesting date) for a term of three years as from the vesting date. On December 31, 2011 there were no options outstanding.

Brasilagro estimated the fair value of the Programs´ options as of August 11, 2010 in R$ 5.83 each, based on the "Black and Scholes" model. Main information used to measure the options were:

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NOTE 15: (Continued)

Date	08/11/2010
Number of shares	58,422,400
The exercise price (R$/ share)	8.97
Stock market´s Price as of measure date (R$ / share)	9.60
Interest rate, (risk free %)	11.36
Contractual average time	5 years
Expected return of dividends %	1.00
Volatility of market´s shares	67.48
Stock market ´s price as of granting date (R$/ shares)	9.40
Number of options outstanding	370,007
Number of options to exercise r	370,007
Adjusted average price (R$/share)	6.16
Remnant Contractual Average life	5
Balance stock options as of December 31, 2011	Ps. 3,593

Transactions are listed below:

	Number of shares	Average price during period/year
As of June 30, 2011	370,007	6.16
As of December 31, 2011	370,007	6.16

NOTE 16: REIMBURSEMENT OF CURRENT CASH DIVIDENDS AND CASH DIVIDENDS BARRED BY THE STATUTE OF LIMITATIONS

Real estate business

1. APSA

On December 20, 2011, APSA received from Caja de Valores S.A. the amount of Ps. 5,838 for funds sent by the former to pay undistributed cash dividends, both for current dividends and for dividends barred by the statute of limitations, as per the following detail:

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NOTE 16: (Continued)

Ps. 2,711 to dividends barred by the statute of limitations;

Ps. 3,128 to current dividends.

Additionally, on December 30, 2011, APSA received from Caja de Valores S.A. the amount of Ps. 1,098 corresponding to dividends barred by the statute of limitations

The funds corresponding to current dividends are disclosed under the "Dividends payable" line item, while the funds corresponding to dividends barred by the statute of limitations were booked against "Retained Earnings".

NOTE 17: SUBSEQUENT EVENTS

Real estate business

1. IRSA

Non-Convertible Notes Global Issuing Program for an amount up to US$ 300 million

In the framework of the Non-Convertible Notes Global Issuing Program for a face value of up to US$ 300 million approved by the Shareholders' Meeting on October 31, 2011, on February 10, 2012, the Company closed the Non-Convertible Notes public offering placement period for a total amount of Ps. 300 million, to be issued in two classes, Class III and IV:

Class III Non-Convertible Notes at Badlar rate plus 249 basis points for a face value of Ps. 153.1 million, to be matured 18 months after the issuing date and to be amortized in 3 consecutive payments within 12, 15 and 18 months.

Class IV Non-Convertible Notes at a fixed rate of 7.45% for a face value of US$ 33.8 million (equivalent to Ps. 146.9 million), to be matured 24 months after the issuing date, to be subscribed and paid in Argentine Pesos at the applicable exchange rate, to be matured 24 months after the issuing date and to be amortized in 4 equal and consecutive payments within 15, 18, 21 and 24 months.

The funds obtained from the issuing of the Non-Convertible Notes will be allocated to repay short-term debt and to incorporate working capital in Argentina. As of the date of issuance of these financial statements, the Company is finishing the process of issuing the corresponding titles, which will take place on February 14, 2012.

NOTE 17: (Continued)

2. APSA

Emprendimiento Recoleta S.A. (ERSA) Shareholders' meeting

On January 9, 2012, ERSA (APSA's subsidiary) Annual General and Special Shareholders' Meeting was held. In the meeting the following main points were approved:

- Approval of the financial statements as of and for the fiscal year ended on June 30, 2011;

- Transfer to legal reserve of 5% of the income for the fiscal year ended on June 30, 2011, i.e. the amount of Ps. 498.

- To pay a cash dividend of Ps. 5,000 and to allocate the balance to the account "Reserve for new projects".

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Unaudited Basic Financial Statements
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ended December 31, 2011 and 2010

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Cresud Sociedad Anónima,
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Unaudited Balance Sheet as of December 31, 2011 and 2010 and as of June 30, 2011
(In thousands of pesos)
Free translation from the original prepared in Spanish for publication in Argentina

	December 31, 2011 (Notes 1 and 2)	June 30, 2011 (Notes 1 and 2)	December 31, 2010 (Notes 1 and 2)		December 31, 2011 (Notes 1 and 2)	June 30, 2011 (Notes 1 and 2)	December 31, 2010 (Notes 1 and 2)
ASSETS				LIABILITIES			
CURRENT ASSETS				CURRENT LIABILITIES			
Cash and Banks (Note 8.a.)	4,526	3,616	8,023	Trade accounts payable (Note 8.f.)	107,852	140,216	100,731
Investments (Note 8.b.)	12,741	19,092	17,973	Short-term debt (Note 8.g.)	642,736	541,720	460,283
Trade accounts receivable, net (Note 8.c.)	57,287	91,280	80,639	Salaries and social security payable (Note 8.h.)	20,225	28,393	14,466
Other receivables (Note 8.d.)	105,902	158,108	113,075	Taxes payable (Note 8.i.)	10,212	6,287	5,575
Inventories (note 8.e.)	258,245	230,803	184,978	Other liabilities (Note 8.j.)	21,690	29,540	105,196
Total Current Assets	438,701	502,899	404,688	Total Current Liabilities	802,715	746,156	686,251
				NON-CURRENT LIABILITIES			
				Long-term debt (Note 8.g.)	302,174	204,742	76,384
NON-CURRENT ASSETS				Taxes payable (Note 8.i.)	75,139	96,528	91,172
Other receivables (Note 8.d.)	142,859	58,194	53,472	Other liabilities (Note 8.j.)	8,713	12,195	3,393
Inventories (Note 8.e.)	166,971	184,527	162,365	Provisions for pending lawsuits (Schedule E)	1,844	1,681	1,674
Investments on equity investees (Note 8.b.)	2,185,913	2,162,773	1,918,052	Total Non-Current Liabilities	387,870	315,146	172,623
Others Investments (Note 8.b.)	21	21	10,709	Total Liabilities	1,190,585	1,061,302	858,874
Property and equipment, net (Schedule A)	368,586	345,085	330,485				
Intangible assets, net (Schedule B)	20,813	21,340	21,868				

Total Non-Current Assets	2,885,163	2,771,940	2,496,951	SHAREHOLDERS' EQUITY	2,133,279	2,213,537	2,042,765
Total Assets	3,323,864	3,274,839	2,901,639	Total Liabilities and Shareholders' Equity	3,323,864	3,274,839	2,901,639

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

Alejandro G Elsztain
Vicepresidente II
acting as President

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Cresud Sociedad Anónima,
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Unaudited Statement of Income
Corresponding to the six-month periods
beginning as from July 1, 2011 and 2010
and ended December 31, 2011 and 2010
(In thousands of pesos)
Free translation from the original prepared in Spanish for publication in Argentina

	December 31, 2011	December 31, 2010
Production income		
Crops	71,608	28,648
Beef Cattle	31,822	14,669
Milk	17,544	18,294
Total production income	120,974	61,611
Cost of production (Schedule F.2):		
Crops	(53,382)	(27,811)
Beef Cattle	(26,923)	(13,527)
Milk	(13,060)	(13,353)
Total cost of production	(93,365)	(54,691)
Production gain	27,609	6,920
Sales		
Crops	151,511	76,997
Beef Cattle	56,151	37,433
Milk	14,684	16,779
Establishments	-	71,096
Others	11,510	6,201
Total sales	233,856	208,506
Cost of sales		
Crops (Schedule F.1)	(123,477)	(63,077)
Beef Cattle (Schedule F.1)	(53,745)	(36,526)
Milk (Schedule F.1)	(14,657)	(16,779)
Establishments	-	(21,652)
Other (Schedule F.1)	(1,697)	(2,397)
Total cost of sales	(193,576)	(140,431)
Sales profit	40,280	68,075
Gross profit	67,889	74,995
Selling expenses (Schedule H)	(37,566)	(22,755)
Administrative expenses (Schedule H)	(25,345)	(20,358)
Unrealized gain on inventories-beef cattle (Schedules F.1 and F.2)	5,558	47,799
Unrealized gain (loss) on inventories-crops, raw materials and MAT	5,228	(18,075)
Operating gain	15,764	61,606
Financial results:		
Generated by assets:		
Exchange gains	6,962	1,054
Interest income (Note 8.k.)	6,917	6,792
Other unrealized (loss) gain (Note 8.k.)	(4,452)	646
	9,427	8,492

Generated by liabilities:		
Exchange loss	(31,301)	(1,153)
Interest loss (Note 8.k.)	(45,190)	(23,545)
Other Unrealized loss	(2,452)	(1,132)
	(78,943)	(25,830)
Other income and expenses, net		
Shareholders' Personal asset tax	(4,863)	(4,400)
Others	414	845
	(4,449)	(3,555)
Gain on equity investees (Note 8.l.)	86,925	90,543
Management agreement fees (Note 5)	(4,612)	(11,886)
Net income before income tax	24,112	119,370
Income tax (Note 6)	17,396	(12,399)
Net income for the period	41,508	106,971
Earnings per share :		
Basic (Note 9)	0.08	0.22
Diluted (Note 9)	0.07	0.19

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

Alejandro G Elsztain
Vicepresidente II
acting as President

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Cresud Sociedad Anónima,
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Unaudited Statement of Changes in Shareholders' Equity
Corresponding to the six-month periods
beginning as from July 1, 2011 and 2010
and ended December 31, 2011 and 2010
(In thousands of pesos)
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	Shareholders' contributions						Retained earnings					
	Capital (Note 3)		Inflation adjustment									
	Common stock	Treasury stock	Common stock	Treasury stock	Paid-in capital (1)	Subtotal	Legal Reserve	Reserve for new developments	Non capitalized contributions (2)	Long-term incentive program reserve (3)	Retained earnings	T c
Balances as of June 30, 2010	496,560	5,001	164,561	1,657	879,331	1,547,110	-	23,023	143,928	-	187,683	
Exercise of Options (Note 16)	-	-	-	-	2	2	-	-	-	-	-	
Shareholders meeting held on 10.29.10												
Legal Reserve	-	-	-	-	-	-	-	9,270	-	-	(9,270)	
Reserve for new developments	-	-	-	-	-	-	-	-	176,136	-	(176,136)	
Shareholders meeting held on 12.09.10												
Cash Dividends	-	-	-	-	-	-	-	-	(69,000)	-		
Transitory conversion differences for the period	-	-	-	-	-	-	-	-	-	-	-	
Net income for the period	-	-	-	-	-	-	-	-	-	-	106,971	
Balances as of December 31, 2010	496,560	5,001	164,561	1,657	879,333	1,547,112	-	32,293	251,064	-	109,248	
Balances as of June 30, 2011	496,562	5,001	164,561	1,657	879,342	1,547,123	1,012	32,293	320,064	-	145,842	
Long-term incentive program reserve (3)	-	-	-	-	-	-	-	-	-	2,277	-	
	-	-	-	-	-	-	556	-	-	-	-	

Non capitalized contributions											
Shareholders meeting held on 10.31.11:											
Legal Reserve	-	-	-	-	-	-	-	10,629	-	-	(10,629)
Reserve for new developments	-	-	-	-	-	-	-	-	69,138	-	(69,138)
Dividends non collected barred by the statute of limitations (5)	-	-	-	-	-	-	-	-	-	-	2,301
Cash Dividends	-	-	-	-	-	-	-	-	-	-	(63,800)
Transitory conversion differences	-	-	-	-	-	-	-	-	-	-	-
Net income for the period	-	-	-	-	-	-	-	-	-	-	41,508
Balances as of December 31, 2011	496,562	5,001	164,561	1,657	879,342	1,547,123	1,568	42,922	389,202	2,277	46,084

(1) See notes 2.q and 16.
(2) See note 15 consolidated financial statements.
(3) See note 21 financial statements.
(4) The accompanying notes and schedules are an integral part of the financial statements.
(5) See note 17 consolidated financial statements.

Alejandro G Elsztain
Vicepresidente II
acting as resident

Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Statement of Cash Flow
Corresponding to the six-month periods
beginning as from July 1, 2011 and 2010
and ended December 31, 2011 and 2010

(In thousands of pesos)

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	December 31, 2011	December 31, 2010
Changes in cash and cash equivalents		
Cash and cash equivalents at the beginning of the fiscal year	22,708	18,364
Cash and cash equivalents at the end of the period	16,608	8,067
Net decrease in cash and cash equivalents	(6,100)	(10,297)
Causes of changes in cash and cash equivalents		
Operating activities		
Net income for the period	41,508	106,971
Income tax	(17,396)	12,399
Accrued interest during the period	38,707	22,571
Adjustments made to reach net cash flow from operating activities:		
Gain on equity investees	(86,925)	(90,543)
Increase in Allowances and Provisions	4,566	6,251
Depreciations of Property and Equipment	3,975	3,396
Depreciations of Intangible Assets	376	376
Unrealized loss on Inventories and MAT	(10,786)	(29,724)
Financial results	26,920	(8,883)
Gain on the sale of fixed assets	494	16,944
Long-term incentive program reserve	815	-
Changes in operating assets and liabilities:		
Decrease in trade accounts receivable	34,104	11,637
Decrease (Increase) in other receivables	32,803	(2,204)
Decrease (Increase) in Inventories	656	(61,848)
Decrease in social security payable and taxes payable and customer advances	(8,939)	(5,514)
(Decrease) Increase in trade accounts payable	(33,587)	5,765
(Decrease) Increase in other debts	(15,209)	24,501
Cash flows provided by operating activities	12,082	12,095
Investing activities		
Increase in interest on equity method investees	(150,020)	(66,064)
Dividends collected	136,345	63,295
(Increase) Decrease in investments	(659)	129,535
Increase in related companies loans	(38,483)	(155,209)
Acquisition and upgrading of fixed assets	(27,727)	(23,721)
Incorporated cash by merger	2,271	579
Cash flows applied to investing activities	(78,273)	(51,585)

Financing activities		
Increase in financial loans	182,041	140,488
Decrease in financial loans	(236,359)	(131,533)
Interest paid	(35,495)	(15,914)
Loans granted to controlled companies	105,625	-
Payment of loans granted to controlled companies	(107,753)	(33,484)
Issuance of Non-convertible Notes (Note 19)	246,912	104,885
Cancellation of Non-convertible Notes	(31,080)	(35,251)
Dividends paid	(63,800)	-
Exercise of options	-	2
Cash flows provided by financing activities	60,091	29,193
Net decrease in cash and cash equivalents	(6,100)	(10,297)

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

Alejandro G Elsztain
Vicepresidente II
acting as resident

Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria

Unaudited Statement of Cash Flow (Continued)
Corresponding to the six-month periods
beginning as from July 1, 2011 and 2010
and ended December 31, 2011 and 2010
(In thousands of pesos)
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	December 31, 2011	December 31, 2010
Operations not involving changes in cash and cash equivalents		
Inventories transferred to property and equipment	244	690
Increase in related companies interest by a decrease in trade account receivables	-	(3,541)
Increase in related companies interest by a decrease in other receivables	27,556	-
Transitory conversion differences	63,100	(36,599)
Long-term incentive program reserve subsidiaries and non-capitalized contribution	2,018	-
Reimbursement of dividends barred by the statute of limitations	2,301	-
Decrease in related companies interest by an increase in other receivables	27,205	122,601

	December 31, 2011	December 31, 2010
Complementary information		
Income tax paid	4,666	2,970

	December 31, 2011	December 31, 2010
Balances incorporated by merger (Note 14)		
- Trade accounts receivable	-	9,134
- Other receivables	16,880	9,431
- Inventories	-	14,408
- Property and equipment	-	37,622
- Intangible assets, net	-	1,511
- Non-current Investments	(18,367)	(63,631)
- Trade account payables	(82)	(7,132)
- Loans	-	(1,145)
- Salaries and social security payable	-	(111)
- Tax payables	(702)	(408)
- Provisions	-	(258)
Incorporated cash	(2,271)	(579)

Alejandro G Elsztain
Vicepresidente II
acting as President

Cresud Sociedad Anónima, Comercial,
Inmobiliaria, Financiera y Agropecuaria
Notes to the Unaudited Financial Statements
Corresponding to the six-month periods beginning on July 1, 2011 and 2010
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(in thousands of pesos)
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NOTE 1: ACCOUNTING STANDARDS

Below there is a description of the most relevant accounting standards used by the Company in the preparation of these Financial Statements, which have been applied on a consistent basis from the previous fiscal year.

a. Presentation standards

These financial statements are stated in Argentine Pesos (Ps.) and have been prepared in accordance with the disclosure and valuation accounting standards contained in the Technical Resolutions issued by the Federación Argentina de Consejos Profesionales de Ciencias Económicas (FACPCE), as approved, with resolutions issued by the Consejo Profesional de Ciencias Económicas de la Ciudad Autónoma de Buenos Aires (CPCECABA) and the Comisión Nacional de Valores (CNV).

The Company's results for the six-month period ended December 31, 2011 have not been audited. The Company's management estimates that they include all the adjustments necessary to present fairly the results for such period.

The Company's six-month period ended December 31, 2011 results do not necessarily reflect the proportion of the Company's full-year results.

b. The effects of inflation

The financial statements have been prepared in constant currency units recognizing the effects of inflation up to August 31, 1995. As from this date and under professional accounting standards and as required by the enforcement agency, financial statements as of December 31, 2001 were no longer restated. As from January 1st, 2002 and under professional accounting standards, effects for inflation restarted to be recognized considering that accounting measurements restated for the change in the currency purchasing power until August 31, 1995, as those whose original date fell between such date and December 31, 2001, were stated in pesos as of such last date.

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NOTE 1: (Continued)

On March 25, 2003, the Federal Executive issued Decree No. 664, which established that the financial statements for year ended after such date should be stated in nominal currency. Consequently, in conformity with Resolution No. 441/03 issued by the CNV, the Company discontinued the restatement of financial statements as from March 1, 2003. Such method does not agree with current professional accounting standards, which require that financial statements should be restated until September 30, 2003. However, given the little significance of inflation rates from March through September 2003, this departure has not generated a significant effect on the financial statements taken as a whole.

The rate used for restatement of items until February 28, 2003 is the domestic whole revenue price index published by the National Institute of Statistics and Census.

c. Comparative Information

Amounts as of June 30, 2011 and December 31, 2010, which are disclosed for comparative purposes have been taken from the financial statements as of such dates.

The financial statements as of June 30, 2011 and December 31, 2010 originally issued have been subject to certain reclassifications required in order to present these figures comparatively with this period / year.

These financial statements have been prepared giving effect to the spin-off merger mentioned in Note 14; consequently, the stand-alone financial statements as of December 31, 2011 are not comparable with those issued as of June 30, 2011 and December 31, 2010.

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NOTE 1: (Continued)

d. Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assessments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at that date and the reported amounts of revenues and expenses during the period / year.

Estimates are used when accounting for the allowance for doubtful accounts, depreciations and amortizations, income taxes, deferred liabilities, translation differences, provisions for lawsuits and contingencies, accrual for expenses and assets' recoverable value and classification of the current and non-current assets and the current value of the assets and liabilities acquired in business combinations. Actual results could differ from these estimates.

e. Adoption of the International Financial Report

Comisión Nacional de Valores, through the Resolution 562, has mandated that the Technical Resolution No. 26 of the FACPCE is to be applied by the companies admitted to the public offering system under Law No. 17,811 in connection with either their capital stock and/or convertible and non-convertible notes, and/or by the companies that have applied for admission to the public offering system. FACPCE's Technical Resolution No. 26 adopts the International Financial Reporting Standards issued by the International Accounting Standards Board. The Company shall apply the IFRS as from the fiscal year beginning on July 1, 2012. On April 29, 2010, the Company´s Board of Director has approved the specific implementation plan to the application of IFRS which is currently under way.

NOTE 2: MORE RELEVANT ACCOUNTING STANDARDS

a. Cash and Banks

Cash on hand has been valued at face value.

b. Foreign currency assets and liabilities

Assets and liabilities denominated in foreign currency have been valued at the exchange rates prevailing at the end of the period / year.

Cresud Sociedad Anónima,
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NOTE 2: (Continued)

c. Temporary investments

The units of ownership of mutual funds and bonds were valued at quotation value net of sales expenses as of the end of the period / year. Therefore, interests to collect corresponding to non-convertible notes of APSA which are measured according to the mentioned in Note 2.k. are included. Temporary investments do not exceed their recoverable value at the date of the financial statements.

d. Trade accounts receivable and payable

Trade accounts receivable and payable have been valued at nominal value. Values obtained by this do not differ significantly from those that had been valued at their cash price estimated at the time of the transaction, plus interest and implied financial components accrued on the basis of the internal rate of return determined at such time.

e. Credits and short-term debts

Credits and short-term debts have been valued at nominal value plus accrued interest at the end of the period / year. Values obtained by this do not differ significantly from those obtained from the sum of money delivered and/or received, respectively, net of transaction costs, plus financial results accrued at the internal rate of return determined at the moment of the initial measurement.

f. Derivates financial instruments

Forwards relate to cereal commitments deliverable and receivable at a previously agreed price and to purchase and sale of US Dollars and interest rate swaps agreements.

NOTE 2: (Continued)

Premiums collected or paid correspond to options bought or written, respectively, and are included in Other debts and Other receivables, respectively, until its due date.

The assets and liabilities originated in derivatives instruments have been valued at their market value at the date of the financial statements and/or at the best possible estimate of the amount receivable of payable, discounted by applying a rate that reflects the market the time value of money and the specific risks of the assets.

Differences generated by the application of the above mentioned valuation criteria to assets and liabilities and derivative instruments corresponding to crops have been recognized under net income of the period under “Unrealized gain on inventories – Crops, raw materials and MAT”.

Results of purchases and sales of forward transactions with US dollars operations, as well as any gain/loss resulting from interest rate swaps are included under the Financial Results.

g. Other receivables and liabilities

Other current receivables (except VAT receivables) and debts have been valued at face value plus the financial results accrued at the end of the corresponding period / year. The figures thus obtained are not significantly different from those that would have been obtained if valued on the basis of the best possible estimate of the amounts receivable and payable, respectively, discounted by application of a rate that reflects the time value of money and the specific risks inherent in the transaction estimated at the time of recognizing the item in assets and liabilities, respectively.

The VAT receivables have been valued based on the best possible estimate of the discounted amount using a rate that reflects the time value of money and the specific risks inherent in the transaction estimated as of the date of these financial statements.

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NOTE 2: (Continued)

h. Balances corresponding to financial transactions and receivables and payables with related

Receivables and payables with related parties generated by financial transactions and other transactions were valued in accordance with the terms agreed by the parties.

i. Inventories

1. Biological Assets (under development): Unharvested crops and Cattle: have been measured at replacement cost of goods and services needed to obtain a similar asset, which does not exceed the net realization value as of each period / year-end.

Include:
- Unharvested crops
- Calves

2. Biological Assets (in production): Cattle: Have been measured at the direct replacement cost of a similar asset, acquired to third parties in the markets in which the Company regularly operates, and do not exceed the net realization value as of each period / year-end.

Include:
- Dairy cattle
- Breeding cows

3. Biological Assets (finished): Cattle: have been measured at their net realization value (NRV) represented by the respective quotations as of each period / year-end in the markets in which the Company regularly operates, net of additional costs generated by marketing.

Include:
- Steers and heifers
- Cattle round-up and mares

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NOTE 2: (Continued)

4. Farming Products: Crops: have been measured at their net realization value, representing the different quotations as of each period / year-end in the markets in which the Company regularly operates, net of additional costs generated by marketing.

Include:
- Harvested crops

5. Farming Products Raw material: Seeds and different goods: have been measured at reproduction or replacement cost as of each period / year-end, which does not exceed the net realization value.

Include:
- Seeds
- Agrochemicals
- Semen - Cattle raising and dairy
- Food and by-products
- Packs and bundles
- Poles
- Bags and blankets
- Silos raw materials

6. The remaining inventories were valued at their replacement cost.

The carrying values of in inventories, which are determinated as discussed above, do not exceed their estimated recoverable values as of each period / year-end.

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NOTE 2: (Continued)

j. Long term investments in other companies:

1. Investments in equity investees

The investments in subsidiaries and affiliates in which the Company has control or significant influence have been accounted under the equity method, as required by Technical Resolution No. 21 of the FACPCE approved by CNV.

The accounting standards used by the subsidiaries to prepare their financial statements are the same as those used by the Company.

The values thus obtained, do not exceed their respective estimated recoverable values at the end of the period / year.

Interests in subsidiaries and affiliates as of December 31, 2011, June 30, 2011 and December 31, 2010 are as follows:

Subsidiaries and affiliates	Direct and indirect percentage of voting shares owned		
	12/31/11	06/30/11	12/31/10
IRSA (Note 13.2.b)	63.22	57.70	50.60
FyO.Com (Note 13.2.d) (1)	65.85	65.85	65.85
FyO Trading	3.63	3.63	3.63
Agrology (4)	-	100.00	100.00
Agrotech (Note 13.2.c)	100.00	97.00	97.00
Pluriagro (Note 13.2.c)	100.00	97.00	97.00
Northagro (Note 13.2.c)	100.00	97.00	97.00
Cactus (Note 13.2.a) (2)	100.00	80.00	80.00
EAASA	0.02	0.01	0.03
Helmir S.A. (3)	100.00	-	-
Agropecuaria Acres del Sud S.A. (3)	95.12	-	-
Ombú Agropecuaria S.A. (3)	95.12	-	-
Yatay Agropecuaria S.A. (3)	95.12	-	-
Yuchán Agropecuaria S.A. (3)	95.12	-	-
Agro – Uranga S.A.	35.72	35.72	35.72
BrasilAgro (Note 13.1.a)	35.75	35.75	29.13

(1) It´s the owner of the 96.37% of the FyO Trading shares
(2) It´s the owner of the 99.97% of the EAASA shares
(3) Incorporated following the merger with Agrology, as mentioned in Note 14.
(4) Merged with Cresud (Note 14).

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NOTE 2: (Continued)

2. Acquisitions of equity interests in companies

The significant acquisitions of companies are booked according to the "acquisition method" as established by Technical Resolution No. 18 and Technical Resolution No. 21. This implies identifying and determining the current values of assets and liabilities acquired, a process requiring complex judgments and significant estimations.

3. Goodwill

- Goodwill

The goodwill represents the excess acquisition cost above the market value of net assets from those subsidiaries acquired at the equity percentage.

The residual value of the goodwill generated by acquiring interests in the companies has been disclosed in the Investments on controlled and related companies account (Schedule C).

Upon defining the useful life, the following factors have been considered: (i) nature and expected life of acquired businesses; (ii) stability and expected life of the respective industry branch; (iii) effects that the obsolescence of products, changes in demand and other economic factors may have on the acquired business; (iv) feasibility of maintaining the required disbursement value to obtain future economic benefits from the acquired business and (v) the control period over the acquired business and legal or contractual provisions that may affect its useful life.

Based on these factors, the Company has estimated that it is not possible to estimate the specific useful life for the goodwill generated by applying the "acquisition method" provided by Technical Resolution No. 18, and it has therefore determined that they shall have an undefined useful life.

The values thus obtained, do not exceed their respective estimated recoverable values at the end of the period /year.

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NOTE 2: (Continued)

- Negative goodwill

The negative goodwill represents the excess market value of net assets from those subsidiaries acquired at the equity percentage above the acquisition cost. Negative goodwill has been restated following the guidelines mentioned in Note 1.b. to the financial statements and amortization has been calculated by the straight-line method based on estimated useful life, considering the weighted-average of the reaming useful life of identifiable assets acquired subject to depreciation, or in an accelerated way the proportional parts corresponds to the negative goodwill, when the subsidiaries required disposed theirs issues.

The useful lives of negative goodwill generated by IRSA acquisition was established between 20 to 30 years. The useful lives of negative goodwill generated by BrasilAgro acquisition was established between 5 to 7 years.

Amortizations have been classified in the account "Gain on equity investees" in the Statement of Income.

The residual value of the goodwill generated by acquiring interests in the companies has been disclosed in the Investments on controlled and related companies account (Schedule C).

k. Other investments

- Investments in debt securities

APSA´s non-convertible notes were valued based on the best estimate of the discounted amount receivable, applying the corresponding internal rate of return estimated at the time of incorporation to assets.

l. Property and equipment

Property and equipment were valued at its acquisition cost, restated as mentioned in Note 1.b., less accumulated depreciation.

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NOTE 2: (Continued)

Depreciations have been calculated by the straight-line method base on the estimated useful lives of each asset, applying annual rates sufficient to extinguish their values at the end of its useful life.

The value of these assets does not exceed its economic use value as of period / year-end.

m. Intangible assets:

Pre-operating expenses resulted from developing new activities in Bolivia and Paraguay. Such expenses were valued at acquisition cost less the respective accumulated amortization, as disclosed in Schedule B.

Amortizations were calculated through the straight-line method on the basis of an estimated useful life of five years.

Amortizations were classified in "Gain on equity investees" in the Statement of Income.

The company has the concession planning and execution of an integral development project including: biological, economical and social issues on several real estate located in the department of Anta, province of Salta. The company is also duty authorized to perform a significant agricultural, cattle farming and forestry project which was awarded under Resolution No. 190/99 and Bidding No. 58/98 of the Ministry of Production and Employment.

Such concession was granted for a 35 year term with a postponement option of 29 additional years.

The amortization of the concession right is calculated according to its duration, whose remaining time is 27 years.

The value of these assets does not exceed their estimated recoverable value at the end of the period / year.

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NOTE 2: (Continued)

n. Provisions:

- Allowance for doubtful accounts: this allowance was booked on the basis of a case-by-case analysis of the receivables portfolio recoverability.

- Provision for lawsuits and contingencies: it was booked to cover possible labor and commercial contingencies and other risks that could generate obligations for the Company. The Company's external legal counsel's opinion was taken into account to estimate the amounts and possibility of occurrence. In addition, the insurance purchased by the Company has also been taken into account.

The evolution of provisions during the period /year is detailed in Schedule E.

At the date of issuance of these financial statements, the Company´s Management understands that there are no elements to foresee other potential contingencies having a negative impact in these financial statements.

o. Shareholders' Equity

Amounts of shareholders' equity accounts have been restated following the guidelines detailed in Note 1.b.

The "Capital Stock" account has been stated at historical nominal value. The difference between the value restated in constant pesos and the historical nominal value has been disclosed in the account "inflation adjustment to capital stock" in the shareholders' equity.

p. Treasury stock

The acquisition cost of treasury stock has been debited from the account "Reserve for new developments" as provided by sec. 220, subsec. 2, Law No. 19,550.

Likewise, the "Common stock account" was debited for the face value of purchased shares and the "Inflation adjustment of common stock account", for the proportional portion of the adjustment for inflation related to the shares acquired. In turn, the accounts "Treasury stock" and "Inflation adjustment of treasury stock" were respectively credited (Note 18).

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NOTE 2: (Continued)

q. Paid-in capital

- Subsidiaries, related companies Law No. 19,550 Section 33 and related parties: Increases or decreases of the equity value of investment in IRSA generated on the basis of changes in its shareholders´ equity, arising from transactions of shareholders different from the Company and its subsidiaries, were included in this caption as established in caption 9 second part of Technical Resolution No. 17 of the FACPCE and Resolution CD No. 243/01 of the CPCECABA.

- Options issued: the value of options issued by the Company, which was determined as provided in Note 16, has been allocated to the account Paid-in Capital.

r. Conversion of financial statements of companies located abroad

- Not integrated companies

Assets and liabilities of the companies located abroad were converted to Argentine pesos using the exchange rate effective as of the period / year-end. Income statement accounts have been converted by using the average exchange rate for the period. Exchange differences have been appropriated to the shareholders' equity in the "Translation differences" account.

BrasilAgro and the interests in companies located in Bolivia and indirect interest in Paraguay are considered to be not integrated.

The foreign companies previously mentioned have been classified as not integrated to the Company's operations because they are engaged in agricultural exploitation, developing its operations entirely carried out abroad, with a considerable degree of autonomy from the Company.

Likewise, the conversion difference resulting from our indirect interest in foreign companies through our subsidiary IRSA is included.

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NOTE 2: (Continued)

- Integrated companies

Assets and liabilities denominated in foreign-currency at the closing date of the company located abroad were converted into Argentine pesos using the exchange rate prevailing as of the period / year-end. Assets and liabilities denominated in foreign currency prior year-end of the company located abroad were converted into Argentine pesos using the respective historical exchange rates. Income statement accounts have been converted by using the average exchange rate for the period. Translation differences have been allocated to the "Gain on equity investees" from the Statements of Income.

The interest in the company located in Uruguay is considered to be integrated.

The foreign company previously mentioned has been qualified as integrated with the Company transactions because it conducts its operations with a considerable degree of dependence and they are financed by funds from the Company.

s. Results for the period:

Production income has been determined based on quantitative and qualitative changes of stocks subject to the biological transformation process measured from the beginning of the year to the closing date of these financial statements.

Grain, cattle and milk production cost is calculated to reflect production income is reflected in Schedule F.2.

The sales revenues are booked when the products are liquidated by the customers.

Cost of sales is determined considering the NRV of products in the month in which they are sold.

The adjustment for valuation to NRV of grain has been calculated as the difference between the production value at NRV upon harvesting and the value of the same production valued at NRV as of the closing date of these financial statements.

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Unrealized gain (loss) on inventories – Beef Cattle is disclosed in a line of the Statements of Income and Schedules F.1 and F.2.

The results generated by futures and options on the Futures Market are recognized under "Unrealized gain (loss) on inventories – Crops, raw materials and MAT" on the Statements of Income. The results of closed positions are recognized as a difference between the exercise price and their close year; and the results of open positions are recognized at the period-end, as the difference between their exercise price and the market price for futures, and as a difference between the exercise premium and the market price for options in the same condition.

The charges for consumption of assets were determined based on the values of such assets. The rest of the results for the period is disclosed at incurred cost.

Financial results, segregated into that generated by assets and by liabilities, are disclosed in the Statements of Income.

t. Income tax:

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

In order to determine deferred assets and liabilities the tax rate expected to be in effect at the temporary of reversal or use has been applied on the temporary differences identified and tax loss carryforwards, considering the laws enacted as of the date of issuance of these financial statements (35%)(Note 6).

Assets and liabilities generated by the application of the deferred tax method have been valued at face value.

u. Minimum presumed income tax:

The Company determines the minimum presumed income tax applying the prevailing rate of 1% on computable assets at period-end. This tax is supplementary to the income tax. The Company's tax liability for each period / year will be the higher of these two taxes.

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However, if the minimum presumed income tax exceeds the income tax in any fiscal year, such excess may be computed as payment on account of the income tax that may be payable in any of the following 10 (ten) fiscal years.

The Company has recognized the minimum presumed income tax accrued in the period and paid in previous years as a credit, because it considers that it may be computed as payment on account of income tax in future periods.

v. Issuance of debt expenses

Expenses incurred in connection with the loans obtained and issues of Convertible Notes are amortized over the life of the related issuances. In the case of redemption or conversion of these notes, the related expenses are amortized using the accelerated amortization method.

Amortizations have been recorded under "Financial results, net" in the Statements of Income as a greater financing expense

NOTE 3: COMMON AND TREASURY STOCK

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

	Authorized Face value	Subscribed Face value	Paid-in Face value
Common and treasury stock as of June 30, 2009	501,538,610	501,538,610	501,538,610
Exercise of Options (Note 16) - Fiscal Year 2010	21,898	21,898	21,898
Exercise of Options (Note 16) - Fiscal Year 2011	2,026	2,026	2,026
Common and treasury stock as of December 31, 2011 (1)	501,562,534	501,562,534	501,562,534

(1) As of December 31, 2011 and 2010, there are 5,000,754 own treasury shares that were acquired during the fiscal year 2009.

As of December 31, 2011, the capital authorized to be publicly offered is formed of 501,562,534 common, book-entry shares of Ps. 1 par value each and entitled to one vote per share.

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NOTE 4: DERIVATIVE FINANCIAL INSTRUMENTS

As of December 31, 2011 the Company had arranged futures and options on the Futures Market, US$ and SWAP operations as follows:

Crops/SWAP/ Currency	Tons	Margins	Premium paid or (collected)	Premium at fair value	Gain /(loss) for valuation at period-end at fair value
Futures					
Purchase					
Rice	720	-	-	-	(160)
Soybean	6,800	-	-	-	(418)
US$	-	-	-	-	(a) (876)
Sell					
Corn	2,000	68	-	-	(23)
Soybean	35,200	1,801	-	-	1,521
Wheat	1,000	34	-	-	(4)
Rice	360	-	-	-	(107)
Options					
Purchase Call					
Soybean	4,040	(57)	305	114	(191)
Swap					
Interest rate	-	-	-	-	(b) 1,002
Total	50,120	1,846	305	114	744

(a) It pertains to: a future purchase contract of US$ 10.5 million made up of: (i) US$ 2.5 million and US$ 5 million with Banco Itaú due on 02/29/2012 and 04/30/2012 respectively; (ii) US$ 3 million with Standard Bank due on 04/30/2012. The result generated as of December 31, 2011 is included under “Financial Results” in the Income Statement.

(b) Corresponds to: an interest rate swap for a notional amount of Ps. 160.0 million structured as follows: (i) Ps. 30 million entered into with Standard Bank due on December 10, 2012 whereby the Company agrees to pay a fixed rate of 14% and the counterparty the Badlar variable rate; (ii) Ps. 20 million entered into with Standard Bank due on December 10, 2012 whereby the Company agrees to pay a fixed rate of 14.1% and the counterparty the Badlar variable rate; (iii) Ps. 30 million entered into with Banco Santander Río due on December 10, 2012 whereby the Company agrees to pay a fixed rate of 14.25% and the counterparty the Badlar variable rate; (iv) Ps. 26.6 million entered into with Banco Itaú due on December 10, 2012 whereby the Company agrees to pay a fixed rate of 18.30% and the counterparty the Badlar variable rate; (v) Ps. 20 million with Banco Itaú due on December 10, 2012, having agreed to collect a fixed rate of 19.5% and the counterparty the Badlar variable rate; (vi) Ps. 33.4 million with Standard Bank due on December 10, 2012, having agreed to collect a fixed rate of 19.45% and to pay a Badlar variable rate. The result generated as of December 31, 2011 is included under "Financial Results" in the Income Statement.

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NOTE 4: (Continued)

As of December 31, 2010 the Company had arranged futures and options on the Futures Market as follows:

Cereal / Currency	Tons	Margins	Premium paid or (collected)	Premium at fair value	Gain (loss) for valuation at period-end at fair value
Futures					
Purchase					
Soybean	816	-	-	-	33
US$	-	-	-	-	-
Sell					
Corn	15,400	424	-	-	(2,692)
Soybean	5,100	201	-	-	(1,941)
Wheat	1,000	28	-	-	(105)
US$	-	-	-	-	(b) 393
Options					
Purchase Call					
Soybean	16,200	745	(429)	(6,719)	(6,290)
Corn	5,600	158	(117)	(976)	(859)
Wheat	-	-	-	-	-
Sell Put					
Corn	4,400	(6)	108	35	(73)
Soybean	6,000	(24)	200	38	(162)
Wheat	-	-	-	-	-
Total	54,516	1,526	(238)	(7,622)	(11,696)

(a) Corresponds to a future of sale of US$ 32 million structured as follows : (i) US$ 12.4 million and US$ 8.9 million in Standard Bank with mature date on January 3, 2011 and March 17, 2011 respectively ; (ii) US$ 2.2 million in Banco Itaú with mature date on January 3, 2011; and (iii) US$ 6.3 million and US$ 2.2 million in Santander Rio with mature date on January 3, 2011 and April 14, 2011 respectively. The result generated as of December 31, 2011 is included under “Financial Results” in the Income Statement.

Crops: As of December 31, 2011 and 2010 the Company recognized results of Ps. 1,072 (loss) and Ps. 28,590 (loss), respectively, to reflect the closing of the transactions carried out during such fiscal periods. This results are disclosed as part of the line “Unrealized gain (loss) on inventories – Crops, raw materials and MAT” in the Statements of Income.

US Dollars: As of December 31, 2011 and 2010 the Company recognized results Ps. 876 (loss) and Ps. 557 (income), respectively, for this transaction carried out during such fiscal period. This result is disclosed as part of the line "Financial Results – Generated by assets – Other unrealized gain” in the Statements of Income.

Swap: as of December 31, 2011 the Company booked a result of Ps. 1,748 (profit) for arranging these transactions made during the period. These results are disclosed in the “Financial Results – Results generated by assets – Other holding results” line item in the Income Statement. As of December 31, 2010 the Company did not recognized results.

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NOTE 5: MANAGEMENT AGREEMENT

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

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

Since certain directors of Cresud are also executive directors and shareholders of Dolphin Fund Management S.A., the above-mentioned agreement was approved by the Extraordinary Shareholders´ Meeting held on October 25, 1994, in compliance with Section No. 271 of Law No. 19,550.

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

The financial statements as of December 31, 2011 and 2010 include a charge in the Statements of Income by this concept for Ps. 4,612 and Ps. 11,886 respectively.

NOTE 6: INCOME TAX – DEFERRED TAX

The evolution and composition of deferred tax assets and liabilities, during the six-month period ended December 31, 2011 are detailed in the following table:

	Cumulative tax loss carry-forwards	Others	Fixed Assets	Inventories	Provisions	Total
Balance as of June 30, 2011	20,544	1,326	(67,952)	(56,653)	8,293	(94,442)
Incorporated by merger	3,821	-	-	-	-	3,821
(Loss) gain recognized	(4,633)	(1,281)	20,902	6,617	(4,181)	17,424
Balance as of December 31, 2011	19,732	45	(47,050)	(50,036)	4,112	(73,197)

As of December 31, 2011, net liabilities at period-end as per the information included in the preceding table amount to Ps. 73,197.

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NOTE 6: (Continued)

The evolution and composition of deferred tax assets and liabilities, during the fiscal year ended June 30, 2011 are detailed in the following table:

	Cumulative tax loss carry-forwards	Cash in foreign currency	Fixed Assets	Inventories	Provisions	Total
Balance as of June 30, 2010	13,365	(38)	(49,091)	(42,214)	4,548	(73,430)
Incorporated by merger	638	496	161	-	-	1,295
Gain (loss) recognized	6,541	868	(19,022)	(14,439)	3,745	(22,307)
Balance as of June 30, 2011	20,544	1,326	(67,952)	(56,653)	8,293	(94,442)

As of June 30, 2011, net liabilities at year-end as per the information included in the preceding tables amount to Ps. 94,442.

The Company in accordance with the new accounting standards has decided not to recognize the deferred income tax liability generated by the effect of the adjustment for inflation on the fixed assets and other non-monetary assets, which as of the end of the year amounts to Ps. 103,620. The above-mentioned liability would probably be reverted according to the detail that follows:

Term	Total
1 year	9,004
2 years	8,802
3 years	8,686
Over 3 years	67,007
No term	10,121
Total	103,620

Cumulative tax loss carry forwards recorded by the Company which are pending of utilization at present period-end amount to approximately Ps. 56,375 and may be offset by taxable income of future years, as follows:

Origination year	Amount	Expiration year
2009	8,783	2014
2010	2,169	2015
2012	45,423	2017

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NOTE 6: (Continued)

Minimum presumed income tax credits booked by the Company, which were pending to use as of the present period-end, amount to Ps. 48,572 and under current regulations, they may be offset by taxable income for future years according to the following detail:

Origination year	Amount	Expiration year
2006	1,943	2016
2007	5,265	2017
2008	10,535	2018
2009	6,672	2019
2010	9,561	2020
2011	9,763	2021
2012	4,833	2022

Below there is a reconciliation between the income tax recognized and that which would result from applying the prevailing tax rate on the Net Income for accounting purposes:

Description	December 31, 2011	December 31, 2010
Net income before income tax	24,112	119,370
Tax rate	35 %	35 %
Net income at tax rate	8,439	41,780
Permanent differences at tax rate:		
Restatement into constant currency	28	1,978
Donations	297	54
Results from equity investees companies	(30,477)	(33,044)
Tax on shareholders´ personal assets	1,702	1,540
Shares sale	2,201	-
Miscellaneous permanent differences	414	91
Income tax expense	(17,396)	12,399

During this period the income tax rate was 35%.

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NOTE 6: (Continued)

A reconciliation between the tax recognized and that which was determined tax for fiscal purposes is as follows:

Description	December 31, 2011	December 31, 2010
Total income tax expense	(17,396)	12,399
Transitory differences		
- Additions		
Cumulative tax loss carry-forwards	(4,633)	9,960
Others	(9)	-
Cash in foreign currency	(1,272)	776
Fixed assets	20, 902	(18,989)
Inventories	6,617	(3,367)
Provisions	(4,181)	(779)
Last year provision defect	(28)	-
Total income tax determined for fiscal purposes	-	-

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NOTE 7: BALANCES AND RESULTS WITH SUBSIDIARIES, RELATED COMPANIES LAW No. 19,550 SECTION 33 AND RELATED PARTIES:

a. Balances as of December 31, 2011 and 2010 and June 30, 2011 with subsidiaries, related companies and related parties are as follows:

As of December 31, 2011:

	Current Trade account receivable	Current Others receivables	Non-current Others receivables	Current Trade accounts payable	Short-term debts	Long-term debts	Current Other liabilities
Acres (1)	1,937	-	10,973	-	-	-	-
Agrotech (1)	-	54	28,419	-	-	-	-
Agro-Uranga (2)	1,435	749	-	-	-	-	-
APSA (1)	-	10,939	-	(6,969)	-	-	(10,420)
Banco Hipotecario S.A. (2)	-	-	-	(37)	-	-	-
BrasilAgro (1)	73	-	-	-	-	-	-
Cactus (1)	126	1,522	-	(2,937)	-	-	(32)
Consultores Asset Management S.A. (3)	92	-	-	-	-	-	(4,372)
Cresca (4)	440	-	-	(96)	-	-	(105)
Cyrsa S.A. (4)	22	9	-	-	-	-	(46)
Directors (3)	11	60	-	-	-	-	(119)
EAASA (1)	235	-	-	-	-	-	-
Emprendimiento Recoleta S.A. (1)	-	-	-	-	(2,747)	(8,070)	-
Estudio Zang, Bergel & Viñes (3)	-	1	-	-	-	-	(237)
Fundación IRSA (3)	-	-	-	-	-	-	(1,073)
FyO.Com (1)	9,008	-	-	(82)	-	-	-
Helmir (1)	-	25,806	-	-	-	-	-
Inversiones Financieras del	14	49	-	-	-	-	-

Sur S.A. (3)							
IRSA (1)	-	3,945	-	(10,213)	-	-	-
IRSA Internacional LLC (1)	-	220	-		-	-	(344)
Northagro (1)	-	412	-	-	-	-	-
Nuevas Fronteras S.A. (1)	-	-	-	-	-	-	(51)
Ombú (1)	-	-	20,627	-	-	-	-
Panamerican Mall (1)	-	-	-	-	-	-	(5)
Pluriagro (1)	-	412	-	-	-	-	-
Credits to employees (3)	-	1,582	-	-	-	-	-
Tarshop S.A. (2)	-	190	-	-	-	-	-
Yatay (1)	-	-	9,762	-	-	-	-
Yuchán (1)	-	-	11,038	-	-	-	-
Total	13,393	45,950	80,819	(20,334)	(2,747)	(8,070)	(16,804)

(1) Direct or indirect subsidiary.
(2) Related companies.
(3) Related parties.
(4) Direct or Indirect common control.

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NOTE 7: (Continued)

As of June 30, 2011:

	Current Trade account receivable	Current Others receivables	Current Trade accounts payable	Short-term debts	Long-term debts	Current Other Liabilities
Acres (1)	874	5,046	-	-	-	-
Agrotech S.A. (1)	-	49	-	-	-	-
Agro –Uranga S.A. (2)	96	46	-	-	-	-
APSA (1)	-	10,872	-	-	-	(11,450)
BrasilAgro (1)	22	-	-	-	-	-
Cactus (1)	488	22,497	(1,221)	-	-	(3)
Consultores Asset Management S.A. (3)	-	-	-	-	-	(7,868)
Cresca (4)	699	1	(91)	-	-	-
Cyrsa S.A. (4)	21	-	-	-	-	(85)
Directors (3)	12	60	-	-	-	(395)
EAASA (1)	607	6	-	-	-	-
Emprendimiento Recoleta S.A. (1)	-	61	-	(46)	(7,706)	-
Estudio Zang, Bergel & Viñes (3)	-	-	-	-	-	(308)
Fundación IRSA (3)	-	-	-	-	-	(1,073)
FyO.Com (1)	37,160	-	(24,696)	-	-	-
Helmir (1)	-	18,641	-	-	-	-
IRSA (1)	-	4,906	-	-	-	(7,614)
IRSA Internacional LLC (1)	-	4	(5)	-	-	-
Northagro (1)	-	366	-	-	-	-
Nuevas Fronteras S.A. (1)	-	-	-	-	-	(13)
Ombú (1)	-	18,474	-	-	-	-
Panamerican Mall S.A. (1)	-	-	(1)	-	-	(5)
Pluriagro (1)	-	366	-	-	-	-
Credits to employees (3)	-	1,379	-	-	-	-
Tarshop S.A. (2)	-	148	-	-	-	-

Yatay (1)	-	8,743	-	-	-	-
Yuchán (1)	-	9,885	-	-	-	-
Total	39,979	101,550	(26,014)	(46)	(7,706)	(28,814)

(1) Direct or indirect subsidiary.
(2) Related companies.
(3) Related parties.
(4) Direct or Indirect common control.

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NOTE 7: (Continued)

As of December 31, 2010:

	Current Investment	Non-current Investment	Current Trade account receivable	Current Other receivables	Current Trade accounts payable	Current Other liabilities
Acres (1)	-	-	467	268	-	-
Agro –Uranga S.A. (2)	-	-	-	468	-	-
APSA (1)	217	10,688	-	10,315	-	(17,092)
BrasilAgro (1)	-	-	7	-	-	-
Cactus (1)	-	-	428	-	(484)	-
Consultores Asset Management S.A. (3)	-	-	94	-	-	(1,628)
Cresca (4)	-	-	905	-	-	-
Cyrsa S.A. (4)	-	-	21	-	(46)	-
Directors (3)	-		-	-	-	(205)
EAASA (1)	-		226	-	-	-
Emprendimiento Recoleta S.A. (1)	-	-	-	99	-	-
Estudio Zang, Bergel & Viñes (3)	-	-	-	-	(584)	-
Fundación IRSA (3)	-	-	-	-	-	(1,073)
FyO.Com (1)			24,066	-	(15,666)	-
Helmir (1)	-	-	-	9,669	-	-
Inversiones Financieras del Sur S.A. (3)	-	-	5	8,028	-	-
IRSA (1)	-	-	-	5,448	-	(8,449)
Northagro (1)	-	-	-	317	-	-
Nuevas Fronteras S.A. (1)	-	-	-	-	(9)	-
Ombú (1)	-	-	-	15,584	-	-
Panamerican Mall S.A. (1)	-	-	-	-	(5)	-
Pluriagro (1)	-	-	-	317	-	-
Credits to employees (3)	-	-	-	589	-	-
Tarshop S.A. (1)	-	-	-	192	-	-

Yatay (1)	-	-	-	7,958	-	-
Yuchán (1)	-	-	-	8,997	-	-
Total	217	10,688	26,219	68,279	(16,794)	(28,447)

(1) Direct or indirect subsidiary.
(2) Related companies.
(3) Related parties.
(4) Direct or Indirect common control.

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NOTE 7: (Continued)

b. Gain and losses provided by subsidiaries, related companies and related parties corresponding to the periods ended December 31, 2011 and 2010 are as follows:

As of December 31, 2011:

	Sales and fees for shared services	Fees	Beef cattle expenses	Interest gain (loss)	Administration services	Others
Acres (1)	-	-	-	736	1,058	-
Agro-Uranga S.A. (2)	-	-	-	-	-	2,059
Agrology S.A. (1)	-	-	-	-	-	-
APSA (1)	21,861	-	-	-	-	-
Cactus (1)	-	-	(7,461)	857	48	11
Consultores asset Management (3)	-	(4,612)	-	-	-	-
Cresca (4)	-	-	-	1	487	-
Directors (3)	-	(542)	-	-	-	-
EAASA (1)	-	-	1,808	-	-	-
Emprendimiento Recoleta S.A. (1)	-	-	-	(400)	-	-
Estudio Zang, Bergel & Viñes (3)	-	(315)	-	-	-	-
FyO.Com (1)	-	-	-	(54)	-	(12)
Helmir (1)	-	-	-	270	-	-
Inversiones Financieras del Sur (3)	-	-	-	471	-	-
IRSA (1)	10,620	-	-	(1,481)	-	(385)
Ombú (1)	-	-	-	1,350	-	-
Pesonal loans (3)	-	-	-	2	-	-
Tarshop S.A. (2)	150	-	-	-	-	-
Yatay (1)	-	-	-	640	-	-
Yuchán (1)	-	-	-	725	-	-
Agrotech (1)	-	-	-	574	-	-
Total	32,631	(5,469)	(5,653)	3,691	1,593	1,673

(1) Direct or indirect subsidiary.
(2) Related companies.

(3) Related parties.
(4) Direct or Indirect common control.

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NOTE 7: (Continued)

As of December 31, 2010:

	Sales and fees for shared services	Salaries and wages	Fees	Beef cattle expenses	Interest gain (loss)	Administration services	Others
Acres (1)	-	-	-	-	4	396	-
Agro-Uranga S.A. (2)	-	-	-	-	-	-	83
APSA (1)	19,109	-	-	-	780	-	
Cactus (2)	-	-	-	(1,446)	-	50	8
Consultores Asset Management S.A. (3)	-	-	(11,886)	-	-	-	-
Cresca (4)	-	-	-	-	-	680	-
EAASA (1)	226	-	-	-	-	-	-
Estudio Zang, Bergel & Viñes (3)	-	-	(1,152)	-	-	-	-
FyO.Com (1)	-	-	-	-	51	-	1,465
Helmir (1)	-	-	-	-	58	-	-
Inversiones Financieras del Sur (3)	-	-	-	-	76	-	-
IRSA (1)	8,341	-	-	-	3,850	-	(340)
Ombú (1)	-	-	-	-	362	-	-
Personal loans (3)	-	-	-	-	2	-	-
Tarshop S.A. (1)	310	-	-	-	-	-	-
Yatay (1)	-	-	-	-	167	-	-
Yuchán (1)	-	-	-	-	205	-	-
Total	27,986	-	(13,038)	(1,446)	5,519	1,126	1,216

(1) Direct or indirect subsidiary.
(2) Related companies.
(3) Related parties.
(4) Direct or Indirect common control.

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NOTE 8: DETAILS OF BALANCE SHEET AND STATEMENT OF INCOME ACCOUNTS

As of December 31, 2011 and 2010 and June 30, 2011, the principal items of the financial statements are as follows:

a. Cash and Banks

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Cash in local currency	188	198	110
Cash in foreign currency (Schedule G)	31	29	31
Local currency checking account	3,739	2,794	6,027
Foreign currency checking account (Schedule G)	568	595	1,855
	4,526	3,616	8,023

b. Investments

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Temporary investments			
Temporary investments (Schedules C and G)	12,741	19,092	17,973
	12,741	19,092	17,973
Long term investments in other companies			
Investments on investees (Note 13 and Schedule C)	2,185,913	2,162,773	1,918,052
	2,185,913	2,162,773	1, 918,052
Other investments			
Other investments (Schedules C and G)	21	21	10,709
	21	21	10,709

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NOTE 8: (Continued)

c. Trade accounts receivable, net
The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
Trade accounts receivable (Schedule G)	42,125	46,669	50,132
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties (Note 7 and Schedule G)	13,393	39,979	26,219
Trade accounts receivable – real estate (Schedule G)	-	-	3,936
Trade accounts receivable under legal proceedings	322	322	322
Checks to be deposited	1,956	4,929	668
Less:			
Allowance for doubtful accounts (Schedule E)	(509)	(619)	(638)
	57,287	91,280	80,639

d. Other receivables
The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
VAT receivables, net	20,252	9,036	25,249
Income tax credit and advances	16,670	10,885	5,928
Prepaid leases	199	11,044	23
Prepaid expenses	6,959	5,641	5,725
Expenses to be recovered	38	7,235	2,913
Guarantee deposits (Note 4 and Schedule G)	1,846	633	1,526
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties (Note 7 and Schedule G)	45,950	101,550	68,279
Operations to liquidate	-	-	394
Gross sales tax credit and others	4,576	3,448	1,350
Premiums paid (Note 4 and Schedule G)	114	2,919	73
Minimum presumed income tax credit and advances	-	-	1,023
Derivative financial instruments (Note 4)	3,323	1,867	-
Others	5,975	3,850	592
	105,902	158,108	113,075

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NOTE 8: (Continued)

	December 31, 2011	June 30, 2011	December 31, 2010
Non-current			
Minimum presumed income tax	48,570	41,795	36,345
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties (Note 7 and Schedule G)	80,819	-	-
VAT receivables, net	13,470	16,399	17,127
	142,859	58,194	53,472

e. Inventories

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
Unharvested crops	98,304	30,897	94,689
Materials and others	53,731	54,044	47,124
Beef cattle	62,924	42,352	23,438
Crops	37,232	95,501	18,060
Seeds and fodder	6,054	8,009	1,667
	258,245	230,803	184,978
Non-current			
Beef cattle	166,971	184,527	162,365
	166,971	184,527	162,365

f. Trade accounts payable

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
Suppliers (Schedule G)	48,615	63,348	64,996
Provisions for inputs and other expenses (Schedule G)	35,980	46,609	16,980
	20,334	26,014	16,794

Subsidiaries, related companies Law No. 19,550 Section 33 and related parties (Note 7 and Schedule G)			
Provisions for harvest expenses	2,923	4,245	1,961
	107,852	140,216	100,731

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NOTE 8: (Continued)

g. Short-term/ long term debts

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
Bank loans (Schedule G)	185,360	115,191	148,486
Interests payable - Bank loans (Schedule G)	852	180	1,010
Bank Overdrafts	147,425	262,180	272,517
Interests payable – Bank overdrafts	629	112	6,679
Non-convertible Notes Class III (Note 19)	23,768	35,650	11,884
Non-convertible Notes Class IV (Note 19 and Schedule G)	57,594	54,998	17,735-
Non-convertible Notes Class V (Note 19)	106,876	35,625	-
Non-convertible Notes Class VI (Note 19 and Schedule G)	112,489	35,806	-
Interest payable-Non-convertible Notes (Note 7, 19 and Schedule G)	10,783	3,847	2,131
Expenses of Non-convertible Notes issuance (Note 19)	(3,040)	(1,869)	(159)
	642,736	541,720	460,283
Non-current			
Non-convertible Notes Class III (Note 19)	-	-	23,767
Non-convertible Notes Class IV (Note 19 and Schedule G)	-	18,333	53,205
Non-convertible Notes Class V (Note 19)	-	71,250	-
Non-convertible Notes Class VI (Note 7, 19 and Schedule G)	37,496	107,419	-
Non-convertible Notes Class VII (Note 19 and Schedule G)	8,949	8,546	-
Non-convertible Notes Class VIII (Note 19 and Schedule G)	258,240	-	-
Expenses of Non-convertible Notes issuance (Note 19)	(2,511)	(806)	(588)
	302,174	204,742	76,384

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NOTE 8: (Continued)

h. Salaries and social security payable

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Provisions for vacation and bonuses	14,830	23,868	9,845
Social security payable	3,972	3,375	3,403
Salaries payable	-	349	1,017
Health care payables	1,423	801	201
	20,225	28,393	14,466

i. Taxes payable

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
Minimum presumed income tax, net (Note 2.u.)	3,390	4,854	-
Gross sales tax payable	312	435	14
Taxes withheld for income tax	1,326	671	824
Tax on shareholders´ personal assets	5,169	305	4,705
Others	15	22	32
	10,212	6,287	5,575
Non-current			
Deferred income tax (Note 6)	73,197	94,442	84,534
Minimum presumed income tax (Note 2.u.)	-	-	4,399
Moratorium- Tax on personal shareholder´s assets	1,934	2,086	2,239
Others	8	-	-
	75,139	96,528	91,172

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NOTE 8: (Continued)

j. Other liabilities

The breakdown for this item is as follow:

	December 31, 2011	June 30, 2011	December 31, 2010
Current			
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties (Note 7 and Schedule G)	12,432	20,946	26,819
Management fee provision (Notes 5 and 7)	4,372	7,868	1,628
Premiums collected (Note 4 and Schedule G)	-	672	7,695
Operations to liquidate	876	-	-
Derivative financial instruments – Swap (Note 4)	454	-	-
Advances for concession rights (Note 13.1.a. and Schedule G)	3,502	-	-
Dividends payable	-	-	69,000
Others	54	54	54
	21,690	29,540	105,196
Non-current			
Advances for concession rights (Note 13.1.a. and Schedule G)	-	3,344	3,235
Equity interest in related companies (Schedule C)	8,609	8,720	-
Others	104	131	158
	8,713	12,195	3,393

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k. Financial results

The main financial results are the following:

	December 31, 2011 Gain /(loss)	December 31, 2010 Gain /(loss)
Generated by assets:		
Income Interest		
Income Interest	5,774	6,503
Interest for discount of assets	1,143	289
	6,917	6,792
Other Unrealized gain		
Gain on hedging	872	557
Financial result of IRSA´s and APSA´s non-convertible notes	-	3,768
Tax on bank account operations	(5,236)	(3,710)
Unrealized gain and results of securities operations	(88)	31
	(4,452)	646
Generated by liabilities:		
Interest loss		
Interest of bank loans and other liabilities	(17,684)	(18,269)
Interest of non-convertible notes	(27,506)	(5,276)
	(45,190)	(23,545)

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l. Gain on equity investees

The breakdown for this item is as follow:

	December 31, 2011 Gain / (loss)	December 31, 2010 Gain / (loss)
IRSA		
- Result equity method	84,111	86,302
- Amortization of negative goodwill	11,700	14,181
- Elimination of amortization of IRSA´s and APSA´s non- convertible notes issuance expenses (1)	-	1,283
- Accrued financial results of IRSA´s and APSA´s non-convertible notes (1)	-	(3,767)
- Elimination of exchange difference of IRSA´s and APSA´s non-convertible notes (1)	-	51
- Amortization of higher values	(7,235)	(8,783)
BrasilAgro		
- Result equity method	14,778	1,072
- Amortization of negative goodwill	8,991	3,173
- Amortization of higher values	(3,909)	-
Cactus		
- Result equity method	(9,845)	(12,378)
- Impairment of goodwil	(9,949)	-
Agro – Uranga S.A.		
- Result equity method	2,560	2,567
FyO.Com		
- Result equity method	542	(949)
Agrology S.A. (2)		
- Result equity method	-	7,904
-Amortization of pre-operative expenses	-	(151)
EAASA		
-Result equity method	-	(4)
Acres		
-Result equity method	(3,338)	(57)
-Amortization of pre-operative expenses	(84)	-
Ombú		
-Result equity method	(1,582)	(15)
Yatay		
-Result equity method	(1,678)	(9)

Yuchán		
-Result equity method	298	(12)
Agrotech		
-Result equity method	(5,811)	(17)
-Amortization of pre-operative expenses	(67)	-
Northagro		
-Result equity method	(201)	76
Pluriagro		
-Result equity method	(201)	76
Helmir		
-Result equity method	7,845	-
	86,925	90,543

(1) Corresponds to the acquisition of IRSA´s and APSA´s non-convertible notes acquired during the fiscal year ended June 30, 2009.
(2) From July,1 2011 takes effect the merger of Cresud with Agrology (see Note 14 to the financial statements)

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NOTE 9: EARNINGS PER SHARE

Following is presented a reconciliation between the weighted average of outstanding shares of common stock and the diluted weighted average of shares of common stock. As of December 31, 2011 and 2010, it has been determined considering the possibility that the holders of options issued by the Company exercise them in shares of common stock of the Company (see Note 16).

	December 31, 2011	December 31, 2010
Weight average of outstanding shares of common stock	496,561,780	496,559,841
Diluted weighted average of shares of common stock	558,916,948	558,914,922

	December 31, 2011	December 31, 2010
Earnings for the calculation of basic earnings per share	41,508	106,971
Earnings for the calculation of diluted earnings per share	41,508	106,971

Earnings per share BASIC	December 31, 2011	December 31, 2010
Earnings	41,508	106,971
Number of shares	496,561,780	496,559,841
Earnings per share	0.08	0.22

Earnings per share DILUTED	December 31, 2011	December 31, 2010
Earnings	41,508	106,971
Number of shares	558,916,948	558,914,922
Earnings per share	0.07	0.19

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NOTE 10:
Assets based on their estimated collection term:

	Current Investments Non-Current Investments			Trade account receivable			Others Receivables		
Estimated collection term	December 31, 2011	June 30, 2011	December 31, 2010	December 31, 2011	June 30, 2011	December 31, 2010	December 31, 2011	June 30, 2011	December 31, 2010
3rd quarter 2011/2010	-	-	17,973	-	-	80,317	-	-	41,394
4th quarter 2011/2010	-	-	-	-	-	-	-	-	18,358
1st quarter 2012/2011	-	19,092	-	-	90,958	-	-	90,542	2,042
2nd quarter 2012/2011	-	-	-	-	-	-	-	32,504	50,790
3rd quarter 2012/2011	12,741	-	-	56,965	-	-	52,792	23,972	-
4rd quarter 2012/2011	-	-	-	-	-	-	26,929	-	-
1st quarter 2013/2012	-	-	-	-	-	-	3,059	-	-
2st quarter 2013/2012	-	-	-	-	-	-	22,174	-	-
2rd quarter 2015/2014	-	-	-	-	-	-	80,819	-	-
4th quarter 2017/2016	-	-	10,688	-	-	-	-	-	-
With no stated current term	-	-	-	322	322	322	948	11,090	491
With no stated non-current term	21	21	21	-	-	-	62,040	58,194	53,472
Total	12,762	19,113	28,682	57,287	91,280	80.639	248.761	216,302	166,547

Assets classified according to interest rate that they accrue:

Current Investments Non-Current Investments	Trade account receivable	Others Receivables

Interest rate that they accrue	December 31, 2011	June 30, 2011	December 31, 2010	December 31, 2011	June 30, 2011	December 31, 2010	December 31, 2011	June 30, 2011	December 31, 2010
At fixed interest rate	-	-	10,688	-	-	-	54,743	19,800	18,182
At variable interest rate	12,741	19,092	17,756	-	-	-	52,766	42,127	32,047
Non-interest bearing	21	21	238	57,287	91,280	80,639	141,252	154,375	116,318
Total	12,762	19,113	28,682	57,287	91,280	80,639	248,761	216,302	166,547

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NOTE 10: (Continued)

Liabilities based on their estimated payment term:

	Trade account Payable			Short-term/ long-term debts			Salaries and social security payable			Taxes payab	
Estimated payment term	December 31, 2011	June 30, 2011	December 31, 2010	December 31, 2011	June 30, 2011	December 31, 2010	December 31, 2011	June 30, 2011	December 31, 2010	December 31, 2011	June 30, 2011
3rd quarter 2011/2010	-	-	100,731	-	-	13,473	-	-	7,878	-	-
4th quarter 2011/2010	-	-	-	-	-	118,432	-	-	-	-	-
1st quarter 2012/2011	-	140,216	-	-	23,780	19,602	-	25,743	6,588	-	1,205
2nd quarter 2012/2011	-	-	-	-	44,857	29,580	-	-	-		4,930
3rd quarter 2012/2011	107,852	-	-	71,990	44,857	29,392	9,723	2,650	-	10,136	76
4th quarter 2012/2011	-	-	-	247,993	165,934	29,392	-	-	-	76	76
1st quarter 2013/2012	-	-	-	102,592	89,441	17,600	10,502	-	-	-	-
2nd quarter 2013/2012	-	-	-	72,108	71,128	-	-	-	-	-	-
3rd quarter 2013/2012	-	-	-	46,314	44,173	-	-	-	-	-	-
1st quarter 2015/2014	-	-	-	255,860	-	-	-	-	-	8	-
With no stated current term	-	-	-	148,053	262,292	279,196	-	-	-	-	-
With no stated non-current term	-	-	-	-	-	-	-	-	-	75,131	96,528
Total	107,852	140,216	100,731	944,910	746,462	536,667	20,225	28,393	14,466	85,351	102,815

Liabilities classified according to interest rate that they accrue:

Trade account Payable	Short-term/ long-term debts	Salaries and social security payable	Taxes payable

Interest rate that they accrue	December 31, 2011	June 30, 2011	December 31, 2010	December 31, 2011	June 30, 2011	December 31, 2010	December 31, 2011	June 30, 2011	December 31, 2010	December 31, 2011	June 30, 2011
At fixed interest rate	-	-	-	793,053	564,126	455,412	-	-	-		-
At variable interest rate	-	-	-	140,445	178,197	71,435	-	-	-		-
Non-interest bearing	107,852	140,216	100,731	11,412	4,139	9,820	20,225	28,393	14,466	85,351	102,815
Total	107,852	140,216	100,731	944,910	746,462	536,667	20,225	28,393	14,466	85,351	102,815

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NOTE 11: RESTRICTIONS ON DISTRIBUTION OF PROFITS

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

NOTE 12: PURCHASE AND SALE OF FARMS

a. On September 3, 2010, the title deed and conveyance of ownership related to selling the establishment "La Juanita" located in the district of Trenque Lauquen, Province of Buenos Aires, with a surface of 4,302 hectares, was executed. The transaction was upon at US$ 18.0 million, which had already been collected as of the date of these financial statements.

Under this transaction, a loan for use agreement was executed in favor of the Company through January 10, 2011, on certain portion of the building, seeking to continue until such date with the productive activities carried out at the establishment.

b. On March 2, 2011, the Company acquired, in joint tenancy with Zander Express S.A., a rural property composed by thirteen plots of land located in the district of Perdriel, department of Luján de Cuyo, in the province of Mendoza. Following this acquisition, Cresud holds an undivided interest of 40% on each and every real estate asset whereas Zander Express S.A. holds the remaining 60%. The total price agreed upon for this transaction is US$ 4.0 million; as a result, Cresud has paid the amount of US$ 1.6 million which had already been paid before execution of the conveyance deed.

Additionally, the parties have entered into an assignment of rights and claims whereby Zander Express S.A. and Cresud assume and subrogate in any litigation right or other rights, as well as claims, obligations and duties that the seller may have now or in the future in any judicial or administrative claim that may have been brought in relation to such real estate property.

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NOTE 13: INVESTMENTS IN COMPANIES

1. Cresud – International

a. BrasilAgro

BrasilAgro was established in September 2005 to replicate the Cresud business in Brazil. The company's activities consist mainly in four business segments while maintaining its focus on Real Estate Agriculture: (i) sugar cane (ii) grains and cotton (iii) forestry and (iv) livestock.

The BrasilAgro founder partners are Cresud S.A.C.I.F. y A., Cape Town LLC, Tarpon Investimentos S.A., Tarpon Agro LLC, Agro Managers S.A. and Agro Investment S.A.

The BrasilAgro shares started to be listed in the Novo Market of the Brazilian Stock Exchange (BOVESPA) under the symbol AGRO3 on May 2, 2006 in compliance with Brazil highest standards in terms of corporate governance.

As compensation for having founded the Company, Cresud received at no cost 104,902 purchase options to subscribe additional shares of BrasilAgro during 15 years at the same price as that offered at the initial public offering of shares, that is to say Rs. 1,000 as adjusted by the IPCA inflation rate.

In addition, Cresud received with no cost a second series of options expiring in 2021 and totaling 104,902, which can only be exercised at the option of Cresud whenever a transfer of control occurs or an offer to purchase the BrasilAgro shares is received. The exercise price of these options will be the same price as the purchase offer referred to in the previous paragraph.

Tarpon Agro LLC and Tarpon Investimentos S.A. ("Tarpon")´s share purchase Agreement

On April 28, 2010 the Company entered into an agreement ("the agreement") with Tarpon by which once certain conditions have been complied with, Tarpon will transfer for valuable consideration to Cresud S.A.C.I.F. y A. the following:

(a) 9,581,750 shares of common stock issued by BrasilAgro (either in shares or ADR's, "Shares), and
(b) 64,000 first issue warrants from BrasilAgro and 64,000 second issue warrants from BrasilAgro.

NOTE 13: (Continued)

Once the conditions established in the agreement have been complied with, the actual transfer of Tarpon’s shares and warrants to the Company will take place within 10 days since the implementation the ADR program that BrasilAgro is planning to launch.

The full price to be paid by the Company amounted to Rs. 131.4 million, payable within 180 days since the actual transfer of the previously mentioned shares and warrants. Assuming that the price is paid off within the established term, it will not be subject to any monetary adjustment.

It should be noted that regardless of the departure of Tarpon from “BrasilAgro Project”, Mr. Elie Horn and Cape Town LLC have expressed their intentions to remain as shareholder of BrasilAgro with the company jointly.

Assignment of rights and pledge to sell shares

During last quarter of fiscal year 2010, an agreement was executed by which the Company assigned all equity and political rights related to 2,276,534 shares of BrasilAgro for two years. The agreement also provides a promise to sell, under which the assignee may at any time request the sale of BM&FBOVESPA’s shares or the transfer of shares on its behalf.

In consideration for granting such rights, the Company was paid a fixed value of US$ 0.8 million and additionally, in the event the assignee requested the sale or transfer of share, it should paid US$ 7.15 per share sold or transferred.

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Executing two addendums to Agro LLC and Tarpon Investments S.A. (“Tarpon”) shares purchase agreement

On October 20 and December 23, 2010, the Company and Tarpon executed an addendum to the shares purchase agreement dated on April 28, 2010, under which the Company acquired 1,283,600 shares of common stock of BrasilAgro for an amount of Rs. 19.7 million, which was paid on October 20, 2010. Also, it acquired 25,449 warrants from the First Issue and 25,449 from the Second Issue of BrasilAgro.

Additionally, on December 27, 2010, the Company received from its subsidiary Helmir S.A. 4,434,064 ordinary shares of BrasilAgro in consideration of a loan made by Cresud. During last quarter of fiscal year 2011, Cresud purchased from Helmir 3,864,086 shares of common stock of BrasilAgro for a total amount of US$ 31,513,317.

Consequently, Cresud is directly the owner of 20,883,916 shares or 35.75% of the Company’s outstanding stock as of December 31, 2011 (taking into account the concession of rights above-mentioned).

Likewise, due to the transaction, Cresud owns directly 130,351 BrasilAgro’s First Issuance Warrants and 130,351 BrasilAgro’s Second Issuance Warrants.

As of December 31, 2011 the Company registered an asset of Ps. 10,786 for the acquisition of these warrants (Schedule C).

In relation to the above, and pursuant to the provisions of Technical Resolution No. 21 issued by the FACPCE, the Company has consolidated the financial statements of BrasilAgro as from June 30, 2011 as indicated under note 1.a to these consolidated financial statements.

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b. Agrology S.A.

During the fiscal year ended June 30, 2011, irrevocable contributions and receivables were capitalized for Ps. 12,623 in Apology S.A. From July 1, 2011 takes effect the merger of the Company with Agrology described in Note 14.

c. Republic of Bolivia

As a consequence of the merger with Agrology, described in Note 14, the Company holds direct control with a share of 95.12% in each of the following companies specialized in agricultural production in the Republic of Bolivia: Agropecuaria Acres del Sud S.A., Ombú Agropecuaria S.A., Yatay Agropecuaria S.A. and Yuchán Agropecuaria S.A. These companies' fiscal year-end is on June 30.

In July 2010, Acres del Sud S.A. and Ombú Agropecuaria S.A.'s Board of Directors approved the preliminary merger commitments which rule the take-over mergers of Aguaribay Agropecuaria S.A. and Caldén Agropecuaria S.A. with Agropecuaria Acres del Sud S.A. and Ñandubay Agropecuaria S.A. and Itín Agropecuaria S.A. with Ombú Agropecuaria S.A.

d. Oriental Republic of Uruguay

Following a series of transactions which enabled Cresud to expand its agricultural and livestock business in South America as designed in its business plan, the Company, after the merger with Agrology, as described in Note 14, has acquired 100% of a Company in the Oriental Republic of Uruguay named Helmir S.A., as a vehicle to these transactions in the Republic of Bolivia.

On September 30, 2010, December 30, 2010, March 30, 2011 and June 30, 2011, Agrology's Board of Directors approved and ratified the irrevocable capital contributions for future equity increases of Helmir S.A. that amounted to US$ 850,000, US$ 400,000, US$ 670,000 and US$ 550,000, respectively, which have been capitalized in the Company as of that date.

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e. Republic of Paraguay

On January 23, 2009, Agrology S.A. (merged with the Company as mentioned in Note 14) made a contribution in kind to the Paraguayan company, Cresca S.A. Such contribution is made up of undivided 50% of five plots of land with whatever they have on, located in Mariscal José Félix Estigarribia, Dept. of Boquerón, Chaco Paraguayo, Republic of Paraguay, for 41,931 hectares, acquired from the Company Carlos Casado S.A.

The price for the acquisition timely made on a commission basis amounted to US$ 5,241,375, which were paid off.

Finally, on June 29, 2010 a notarial deed was executed for the conveyance of title on the real property subject to the option for an amount of 3,646 hectares which were transferred to Cresca S.A.

As agreed in the Option Agreement, Cresca S.A. paid Carlos Casado S.A. US$ 350 per hectare; the last payment was made on March 4, 2011.

2. Cresud – Local

a. Cactus and EAASA

On December 23, 2010, Cresud made a capital contribution of Ps. 16 million to Cactus. Thus, our direct interest increased to 80% (Schedule C). On that same date, Cactus's Shareholders Meeting approved the capitalization of this contribution as follows: capital increase of Ps. 6.9 million with an additional paid-in capital of Ps. 9.1 million.

On December 21, 2011, Cresud acquired from PROVEMEX HOLDINGS LLC, (i) 2,243,421 nominative, non-endorsable, ordinary shares of face value equivalent to Ps. 1 each of Cactus; and (ii) 5,303 nominative, non-endorsable, ordinary shares of Ps. 1 each of EAASA, paying US$ 1.4 million.

Additionally, on the same date, Cresud decided to capitalize the share premium and receivables held with Cactus for Ps. 36,653,256.

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NOTE 13: (Continued)

b. IRSA

During the current fiscal year, the Company purchased 31,924,842 shares in IRSA, which represents 5.52% of the total outstanding shares. Based on this, the Company’s share in IRSA amounts to 63.22%.

c. Northagro S.A., Agrotech S.A. and Pluriagro S.A.

On September 21, 2010, Northagro S.A., Agrotech S.A. and Pluriagro S.A.´s by Laws were signed, the contributions for each one of the companies were made by Cresud and Agrology by 97% and by 3%, respectively, totaling Ps. 50; equivalent to 50,000 registered non-endorsable shares of common stock with a face value of Ps. 1 each, entitled to one vote per share.

d. FyO.Com

On September 30, 2010, the Ordinary Shareholders Meeting of FyO.Com decided to approve a capital increase for up to Ps. 5,925, related to issuing 538,613 registered, non-endorsable shares of common stock with a face value of Ps. 1, plus an additional paid-in capital for Ps. 5,386. In such sense, the Company subscribed shares for Ps. 4,467, of which Ps. 3,541 was made by the conversion of debt into equity and the difference for Ps. 926 to be paid-in in cash. As a result of the transaction the Company´s interest amounted to 65.85% since September 30, 2010 and remains unchanged at the end of this period.

NOTE 14: MERGERS

1. Cresud’s merger with AGROLOGY S.A.

On September 26, 2011, the Company’s Board of Directors resolved to merge with AGROLOGY SA ("AGROLOGY") by which the company merge into Cresud and is dissolved without liquidation. On September 26, 2011, a pre-merger agreement was executed, by which all assets, rights and obligations of Merged Company (AGROLOGY) are transferred to the Merging Company (CRESUD). Such assets and liabilities were transferred for the value at which they were registered in the Special Merger Financial Statement as of June 30, 2011, of AGROLOGY.

As from July 1, 2011, all transactions carried out by the merged companies are understood as if they had been made by and for Cresud.

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NOTE 14: (Continued)

2. Cresud's merger with IGSA and ANTA

On September 3, 2010, the Company's Board of Directors resolved to merge with IGSA Residual and ANTA, by which both companies merge into CRESUD and are dissolved without liquidation. On September 25, 2010, a pre-merger agreement is executed, by which all assets, rights and obligations of merged companies ("IGSA" and "ANTA") are transferred to the merging company ("CRESUD"). Such assets and liabilities were transferred for the value at which they were registered in the Special Merger Financial Statements as of June 30, 2010, of IGSA and ANTA.

As from July 1, 2010, all transactions carried out by the merged companies are understood as if they had been made by and for Cresud.

NOTE 15: NEGATIVE WORKING CAPITAL

At the end of the period, the Company carried a working capital deficit of Ps. 364,014 whose treatment is being considered by the Board of Directors and the respective Management.

NOTE 16: CAPITAL INCREASE

With regard to the capital increase made during March, 2008, for each subscribed share, each shareholder received at no additional cost 1 option entitling the holder to purchase 0.33333333 new shares at a price of US$ 1.68 per each share to be acquired. That is to say, 180 million options entitling holder to purchase a total of 60 million additional shares at the previously mentioned price were granted. Options fall due on May 22, 2015 and may be exercised between the 17th and the 22nd day of February, May, September and November. Options are listed on the Buenos Aires Stock Exchange under the symbol "CREW2" and on the Nasdaq under the symbol "CRESW".

During the fiscal year ended June 30, 2011, 2,026 ordinary shares were issue upon the exercise of conversion rights than 5,776 options, therefore, entered funds US$ 3,235.

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NOTE 16: (Continued)

During the six-month period ended on December 31, 2011 no ordinary shares were issued as a consequence of the exercise of rights of warrant conversion. As of the closing date of this period, there are 177,640,138 uncalled options.

The terms and conditions of outstanding options (warrants) to subscribe the Company's shares of common stock have been amended due to attributing proprietary shares on a prorate basis among its shareholders, made by the Company on November 23, 2009. Below are detailed the terms that have been modified:

- The number of shares to be issued for warrants is, as a ratio previous to assignment 0.33333333 and as ratio resolved after assignment (current) 0.35100598.
- The prices to call shares to be issued are: price previous to assignment US$ 1.68, while the current price after assignment US$ 1.5954.

The rest of terms and conditions of warrants remain unchanged.

NOTE 17: EXAGRIND S.A. LAWSUIT – SAN RAFAEL AGAINST TALI SUMAJ AND OTHER DAMAGES AND LOSSES

Because of the merge with IGSA, Note 14, the Company has been demanded by Exagrind S.A. on claims for damages and losses produced by a fire in "Estancia San Rafael", which is close to Tali Sumaj farm, Province of Catamarca. The fire took place on September 6, 2000.

The estimated amount of the legal action is Ps. 2,915 at the date the claim was filed.

An extraordinary appeal to the High Court of the Province of Catamarca was timely filed, requesting for a remainder term to answer the lawsuit as, at the time of revoking the first instance judge decision that postponed the terms to answer until a new notice was dispatched, such period had not yet expired. The Court ruling was favorable, which enabled us to reply to the claim timely and duly. Currently, the file is under the period allowed for producing evidence.

NOTE 17: (Continued)

Additionally, in March 2007 -under the request of Exagrind S.A.- the court in charge of the case seized an inhibition of assets. This decision was lifted in June 2007 and Tali Sumaj farm on attachment has been accepted in replacement.

It should be noted that during fiscal year 2010, it was executed the title deed for the sale of such establishment and because as of the closing date of these financial statements the attachment-in-aid-of-execution had not been lifted, the Company assumed certain obligations and provided a surety insurance to guarantee its obligation on behalf of the purchaser.

NOTE 18: BUYBACK OF TREASURY STOCK

On August 26, 2008, the Company's board of directors decided to acquire treasury stock under section 68, Law No. 17,811 and CNV regulations for a maximum amount of Ps. 30,000 and 10,000,000 shares of common book-entry shares of face value of Ps. 1 per share and entitled to 1 vote. Later, both the maximum amount and the number of shares were increased to Ps. 82,000 and 30,000,000, respectively.

This decision was taken to contribute to the decrease in the draw down and reduction of fluctuations in the listed price of the Company's shares aiming at contributing to strengthening the shares on the market, minimizing possible temporary imbalances that there may be between the supply and demand on the market, considering the excessive cost of capital that the current listed prices showed.

In accordance with the law of commercial companies, the Board of Directors shall dispose of the shares acquired within a period of one year unless an extension is provided for a Shareholders meeting. On November 13, 2009, the Board of Directors seeking to comply with the mandate granted by the Shareholders meeting held on October 29, 2009, resolved to start attributing and assigning on a prorate basis 25,000,000 proprietary treasury shares with a face value of Ps. 1 entitled to 1 vote each. Such assignment was made as from November 23, 2009. As a result of this assignment, the Company keeps 754 treasury shares that have not been allocated that are added to the 5,000,000 treasury shares already held by the Company.

On October 31, 2011, the General Ordinary and Extraordinary Shareholders' Meeting approved with a majority the allocation of treasury stock to the incentive program aimed at the Company's employees. (See Note 22).

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NOTE 19: PRESENTATION OF THE GLOBAL PROGRAM FOR THE ISSUANCE OF NON-CONVERTIBLE NOTES FOR A FACE VALUE OF UP TO US$ 50,000,000

In the framework of the Global Program to Issue Non-Convertible Notes for a face value of up to US$ 50,000,000 (the "Program"), Non-Convertible Notes in one or more classes and/or series may be issued. Non-Convertible Notes will be simple not convertible into share, with or without guarantee or guaranteed by third parties, whose face value may not exceed US$ 50,000,000 (or their equivalent in other currencies), with maturity dates not shorter than thirty days from the issuance date. The duration of the Program will be for five years as from its authorization by CNV (Argentines securities commission) on September 4, 2008, by means of resolution No. 15,972.

The issuance of Non-Convertible Notes was approved by the Shareholders Meeting on October 31, 2006 and by the Board of Directors on June 19, 2008, April 24, 2009, July 3, 2009, August 19, 2009, July 1, 2010 and January 20, 2011.

The terms and conditions of such non-convertible notes require that the Company complies with certain obligations that have been specified in the respective price supplements. In this sense, the Company periodically pays interest and amortization installments as provided for both series (see detail further below in this Note).

1. Issuance of Non-Convertible Notes - Class I and II

On August 19, 2009, based on the powers granted by the shareholders to the Board of Directors, the Company approved the issuance of the Company's First Series of Non-convertible notes up to a face value of Ps. 50 million under the Global Program.

During the following months, the First Series of non-convertible notes was subscribed and issued for Ps. 50 million in two classes. Class I for Ps. 15.5 million at variable rate (average Badlar + 300 basis points) falling due 270 days from issuance date and Class II for Ps. 34.5 million at a fixed rate of 7.2% falling due 365 after issuance date.

The Company paid interests and amortizations corresponding to both classes quarterly, paying off the last amortizations on September 13, 2010.

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NOTE 19: (Continued)

2. Issuance of Non-Convertible Notes - Class III and IV

On July 1, 2010, the Board of Directors approved the Price Supplement related to the issuance of Class III and Class IV Non-Convertible Notes, under the Global Program framework.

Later, between July 6 and 16, 2010, the Second Series of simple Non-Convertible Notes (not convertible into shares) was subscribed for a total value of Ps. 105.9 million. The issue was finally carried out on July 21, 2010.

Class III Non-Convertible Notes, for a face value of Ps. 35.7 million and falling due 21 months after the issuance date will accrue interest at a variable date (Badlar private plus 400 basis points). These will be paid on a quarterly basis in arrears while amortization will be made in three consecutive payments 15, 18 and 21 from the issuance date.

Class IV Non-Convertible Notes, for a face value of US$ 17.8 million and falling due 24 months after the issuance date will accrue interest at fixed annual rate of 7.75%. These will be paid on a quarterly basis in arrears while amortization will be made in four equal and consecutive payments 15, 18, 21 and 24 from the issuance date.

Since the issuance date, the Company has made quarterly interest payments on both classes, as detailed below:

- On October 19, 2010, the Company made the payment of the first interest installment of Class III and Class IV Non Convertibles Notes by the amount of Ps. 1,272 and US$ 340,954, respectively, for the period between July 21, and October 19, 2010.

- On January 17, 2011, the Company made the second payment of interest on Class III and IV Non-Convertible notes in the amounts of Ps. 1,310 and US$ 340,954, respectively, for the period comprised between October 19, 2010 and January 17, 2011.

- On April 18, 2011, the Company made the third payment of interest on Class III and Class IV Non-Convertible notes in the amounts of Ps. 1,344 and US$ 344,743, respectively, for the period comprised between January 17, and April 18, 2011.

NOTE 19: (Continued)

- On July 18, 2011, interest installments of Class III and Class IV Non-Convertible notes in the amounts of Ps. 1,354 and US$ 344,743, respectively, for the period comprised between April 18, and July 18, 2011.

- On October 17, 2011, fifth interest installment of Class III and Class IV Non-Convertible notes in the amounts of Ps. 1,465 and US$ 344,743, respectively, for the period comprised between July 18, and October 17, 2011. Likewise, on that date, Ps. 11.9 million and US$ 4.5 million were paid for the first amortization of Non-convertible Notes Class III and Class IV, respectively.

Following the balance sheet date, the Company made the sixth payment of interest on both classes of Non-Convertible, and the second amortization instalements. See Note 26 to the Financial Statements.

3. Issue of Class V, VI and VII Non-Convertible notes

On February 18, 2011 the Board of Directors approved a Pricing Supplement for the issuance of Class V, VI and VII Non-Convertible notes, under the Program.

Later on, between February 22 and March 3, 2011, the Third Series of simple (nonconvertible) Non-Convertible was subscribed. Finally, the Non-Convertible was issued on March 10, 2011.

Class V Non-Convertible notes, for a nominal value of Ps. 106.9 million due 21 months after the issue date, shall accrue interest at a variable rate (Badlar plus 375 basis points). Interest will be payable quarterly in arrears whereas the principal will be amortized in three consecutive equal payments on the 15, 18 and 21 months following the issue date.

Class VI Non-Convertible notes, for a nominal value of US$ 34.8 million due 24 months after the issue date shall be payable in pesos at the exchange rate prevailing on the payment date. Interest will accrue 7,50% annually, and shall be payable quarterly in arrears while the principal will be amortized in four consecutive and equal payments on the 15, 18, 21 and 24 month following the issue date.

Class VII Non-Convertible notes, for a nominal value of US$ 2.1 million due 24 months after the issue date and payable in pesos at the exchange rate prevailing on the payment date. Interest will accrue at a fixed minimum rate of 4% per annum plus a Premium Factor (40% of the appreciation of the soybean during the fiscal year), if applicable. Interest will be payable quarterly in arrears. Principal and premium factor will be repaid at maturity.

NOTE 19: (Continued)

On June 8, 2011, the first interest installment of Class V, Class VI and Class VII Non-Convertible Notes for Ps. 3,935, US$ 644,450 and US$ 20,509, respectively, related to the period March 10, 2011 and June 8, 2011 were paid.

On September 6, 2011, the second interest installment was paid for Class V, Class VI and Class VII Non-Convertible Notes for Ps. 4,071, US$ 644,450 and US$ 20,509, respectively, corresponding to the period between June 8 and September 5, 2011.

On December 5, 2011, the third interest installment was paid for Class V, Class VI and Class VII Non-Convertible Notes for Ps. 5,296, US$ 644,450 and US$ 20,509, respectively, corresponding to the period between September 6 and December 2, 2011.

4. Issuance of Non-convertible Notes Class VIII

On August 29, 2011, the Board of Directors approved the Pricing Supplement for the issuance of the Fourth Series of Non-convertible Notes Class VIII under the Program approved by the Shareholders' Meeting in an amount of up to US$ 150 million.

Later, between August 30 and September 2, 2011, the Fourth Series of simple Non-convertible Notes was subscribed. They were issued on September 7, 2011 and had already been collected at that date.

Non-Convertible Notes Class VIII, denominated in US$ for a nominal amount of US$ 60 million, are due 36 months after the issue date and fully repayable at maturity. They shall bear interest at a fixed rate of 7.5% payable semiannually on September 7 and March 7 each year.

NOTE 20: MINUTE OF RENEGOTIATION OF CONCESSION AGREEMENT

On July 2, 2008, ANTA (incorporated by merge according to Note 14) executed a memorandum of understanding renegotiating the concession agreements for the northern and southern areas of the real estate property of Salta Forestal S.A. The agreements establish that the concessionaire should pay a concession fee.

For the purposes of determining the concession fee, 2,000 hectares in the southern area rented out to Compañía Argentina de Granos are excluded.

On August 29, 2008, the Memorandum of Understanding was approved by Decree No. 3,766 of the Executive Power of the Province of Salta. Consequently, the disposals contained in the mentioned decree will have effect from the referred date.

NOTE 20: (Continued)

Additionally, ANTA committed to reduce the concession area through the return of 30,000 hectares and its location will come up from a sketch agreed by the parties involved.

On July 6, 2011, Resolution 363 was issued in relation to the ANTA Concession Contract, whereby the consideration payable to the Province for such concession shall not be less than 10% of the annual turnover obtained by development of the premises.

NOTE 21: CAPITALIZATION PROGRAM FOR EXECUTIVE MANAGEMENT AND LONG-TERM INCENTIVE PROGRAM

Capitalization Program for executive management

The Company has developed during the fiscal year ended June 30, 2007 a capitalization program for executive management staff through contributions made by employees and by the Company.

Such Plan is addressed to employees selected by those Companies with the purpose of keeping them in the company and increasing their total compensation through an extraordinary reward, provided that certain specific conditions are complied with.

Participation and contributions to the plan are on a voluntary basis. Once the beneficiary has accepted, he will be able to make two types of contributions: a monthly one (based on the salary) and an extraordinary one (based on the annual bonus). The suggested contribution is up to 2.5% of the salary and up to 15% of the annual bonus. On the other hand, the Company contribution will be 200% of the monthly contributions and 300% of the employee´s extraordinary contributions.

Funds collected from participants´ contributions will initially be sent to an independent financial means especially created for such purpose and placed in Argentina as a Common Investment Fund, which will be approved by the C.N.V. Such funds will be freely redeemed under the requirement of the participants.

The funds arising from the Company contributions will flow to other independent financial means separated from the previous one.

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NOTE 21: (Continued)

In the future, the participants will have access to 100% of the Program Benefits (that is, including Company contributions made in favor of the financial means especially created) under the circumstances that follow:

§ ordinary retirement in line with the applicable working regulations
§ total or permanent disability or inability
§ death

In case of resignation or dismissal without justifiable cause, the participant will be entitle to collect the amounts from the contributions made by Company only if the beneficiary has been in the program for at least five years, subject to certain conditions.

During the current period, the Company has made contributions to the program for an amount of Ps. 1,696.

Long-term incentive program

The Company has developed a long-term shared-based incentive and withholding plan for managerial staff and key personnel, by means of contributions that will be made by the mentioned employees together with the Company. The Company intends, at its sole decision, to repeat the plan for one or two fiscal years with the same or different conditions, with the possibility of granting a share-based unrestricted extraordinary compensation to be paid uniquely in September 2014.
Participation in this plan comes from an invitation from the Board of Directors and it can be freely accepted by the invited participants. Once an employee accepts their participation, they will be able to make a single annual contribution (based on their annual bonus). The suggested contribution is up to 7.5% of their bonus, being the Company's contribution for the first year 10 times the employee's contribution. Contributions and/or the Company's shares purchased with these funds will be transferred to vehicles specially constituted with this purpose. The Company's and employees' contributions for the following fiscal years will be defined after the fiscal year-end.
In the future, the participants or their successors will have access to 100% of the Benefit (Company's contributions made in their favor) under the following circumstances:

- if the employee resigns or leaves the Company unexpectedly, he/she will be entitled to the benefit only if 5 years have passed since each contribution was made
- retirement
- total or permanent disability
- death

NOTE 22: SHAREHOLDERS' AND THE BOARD OF DIRECTORS' MEETINGS

The Ordinary and Extraordinary Shareholders Meeting held on October 31, 2011, approved, among others issues, the following:

- Annual report and financial statements ended June 30, 2011;

- Ratification of the advance dividend settled by the Board of Director for Ps. 69,000 and payment of the amount of Ps. 63,800 in cash. (which were available as from November 21, 2011).

- Corporate reorganization by merger into Agrology;

- Allocation of treasury stock to the incentive plan aimed at the Company's employees for up to 1% of the Company's Equity through the allocation of the equivalent amount in treasury stocks, delegating on the Board of Directors the most extensive powers to fix the price, term, form, methods, time and the rest of the conditions to implement the plan; and

- Extending the amount of the Global Program to Issue Non-Convertible Notes in place for up to a further US$ 150 million (or its equivalent in other currencies)

The General Shareholders meeting held on December 9, 2010 approved the following by majority of votes:

- Distributing dividends exclusively in cash for Ps. 69,000 to the shareholders in the proportion of their respective interests.

- And reversing the "New Project Reserve", prior to such distribution and previously provided by the shareholders meeting for Ps. 69,000.

On March 11, 2011, in view that the Company has realized net income as of December 31, 2010 and based on the financial statements prepared in accordance with applicable laws, the Company's bylaws and applicable regulations governing listed companies, the Board of Directors unanimously approved the reallocation of the dividend approved by the Shareholders' Meeting held on December 9, 2010 as dividend in advance for the current year. This reallocation was ratified by the Regular Shareholders Meeting held on April 12, 2011.

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NOTE 23: SALE OF IRSA'S AND APSA'S NON-CONVERTIBLE NOTES

During second quarter of fiscal year 2011, Cresud sold in two transactions on the secondary market, IRSA Class I Non-convertible Notes that it held, which accrue interest at fixed rate and fall due in 2017. As these are Non-convertible Notes issued under Regulation S, US Securities Act, transactions were carried out complying with the requirements established in such regulation.

On November 29, 2010, the Company sold Non-convertible Notes for a face value of US$ 18,000,000 at an average price of 100.04%. As a result from such sale, Cresud received revenues for the principal and accrued interest for US$ 18,471,883.

On December 10, 2010, the Company sold Non-convertible Notes for a face value of US$ 15,152,000 at an average price of 100.17%. As a result from such sale, Cresud received revenues for the principal and accrued interest for US$ 15,625,791.

On April 18, 2011, APSA repurchased its Class I Non-Convertible notes from Cresud in a nominal amount of US$ 5,000,000, held by Cresud in its investment portfolio, which accrue interest at a fixed rate and mature in 2017. As a result from such sale, Cresud received revenues for the principal and accrued interest of US$ 5.1 million.

NOTE 24: ASSIGNMENT OF RIGHTS AGREEMENT BETWEEN IRSA AND CRESUD

On October 15, 2010, the Company and IRSA entered into an agreement to assign rights, for a one-year term, automatically renewable except for an express notification stating otherwise, whereby the Company assigned to Cresud the financial and voting economics and politics rights associated to 8,817,259 non-endorsable, registered, common shares of par value Ps. 0.10 per share and equivalent to 0.70% of APSA's subscribed capital stock. In exchange, Cresud must pay, as from the third month counted from the date of execution of the agreement, interest equivalent to an annual LIBOR at three months plus 150 bp rate.

NOTE 25: COMPLIANCE WITH CURRENTLY APPLICABLE ENVIRONMENTAL RULES AND REGULATION

The Company has assumed a permanent commitment to the sustainable conduct of business in line with currently applicable environmental rules and regulations.

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NOTE 26: SUBSEQUENT EVENTS

Class III and IV Negotiable Bonds

On January 16, 2012, the sixth interest installment was paid for Class III and Class IV Non-Convertible Notes for Ps. 1,357 and US$ 259, respectively, corresponding to the period between October 17, 2011 and January 15, 2012. Likewise, on that date Ps. 11.9 million and US$ 4.5 million were paid, corresponding to the second principal amortization of Class III and Class IV Non-Convertible Notes, respectively.

Purchase of Agro Managers S.A. shares

During January 2012, the Company purchased 492,758 nominative, non-endorsable, ordinary shares of face value one Argentine Peso (Ps. 1) each of the company Agro Managers S.A., equivalent to 23.53% of its capital stock, paying US$ 260 for them. Agro Managers' main activity is investment and as of January 31, 2012, its interest in Brasilagro is equivalent to 0.24% of the latter's capital stock.

Financial loan from Banco Ciudad

On January 10, 2012, the Company agreed with Banco Ciudad a loan for a total amount of US$ 20,000, whose principal will be disbursed in several installments.

The funds received will be allocated to an investment project which consists in converting a total of 15,934 hectares, currently used for cattle raising, located in "Los Pozos", into a land to be used with agricultural purposes.

The principal will accrue compensatory interests which will be calculated at the highest rate between an annual nominal rate equivalent to the 180-day LIBOR rate plus 300 basis points or an annual nominal rate of 6%. The interests will be paid every six months.

The principal will be amortized annually, starting 2 years after the first disbursement.

On January 18, the first disbursement was received for a total of US$ 8,200.

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Property and equipment
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and fiscal year ended June 30, 2011
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Schedule A

					Depreciation							
Principal Account	Value at the beginning of the period/year	Additions and/or Transfers	Deductions and/or Transfers	Value at the end of the period/year	Rate %	Accumulated at the beginning of period/year	Additions	Decreases of the period/year	Current period/year (1)	Accumulated At the end of the period/year	Net carrying value as of December 31, 2011	N car va a Jun 20
Real estate	218,151	2,056	-	220,207	-	-	-	-	-	-	220,207	21
Wire fences	13,317	92	-	13,409	3	1,629	-	-	202	1,831	11,578	11
Watering troughs	13,623	110	-	13,733	5	1,968	-	-	334	2,302	11,431	11
Alfalfa fields and meadows	7,150	-	-	7,150	12-25-50	4,033	-	-	548	4,581	2,569	3,1
Buildings and constructions	47,896	-	-	47,896	2	7,302	-	-	368	7,670	40,226	40
Machinery	13,997	527	-	14,524	10	9,279	-	-	373	9,652	4,872	4,7
Vehicles	4,151	484	483	4,152	20	2,202	-	103	276	2,375	1,777	1,9
Tools	289	-	-	289	10	191	-	-	7	198	91	98
Furniture and equipment	1,039	81	-	1,120	10	944	-	-	23	967	153	95
Feeder and drinking troughs	228	-	18	210	20	17	-	-	5	22	188	21
Corral and leading lanes	2,331	270	-	2,601	3	232	-	-	49	281	2,320	2,0
Roads	2,635	-	-	2,635	10	1,476	-	-	135	1,611	1,024	1,1
Facilities	20,498	1,021	-	21,519	10-20-33	10,747	-	-	653	11,400	10,119	9,7
Computer equipment	2,838	230	-	3,068	20	2,266	-	-	105	2,371	697	57
Silo plants	1,342	-	-	1,342	5	691	-	-	38	729	613	65
Constructions in progress	1,741	21,313	96	22,958	-	-	-	-	-	-	22,958	1,7
Advances to suppliers	1,298	1,680	-	2,978	-	-	-	-	-	-	2,978	1,2
Improvement in third´s real estate	34,124	106	-	34,230	3	2,330	-	-	787	3,117	31,113	31
Tree plantations (wood)	4,320	-	-	4,320	3	576	-	-	72	648	3,672	3,7
	390,968	27,970	597	418,341		45,883	-	103	3,975	49,755	368,586	-

Total as of December 31, 2011												
Total as of June 30, 2011	329,805	99,683	38,520	390,968		39,814	2,934	3,822	6,957	45,883	-	34
Total as of December 31, 2010	329,805	66,727	23,212	373,320		39,814	2,934	3,309	3,396	42,835	-	-

(1) Included in Schedule H.

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Intangible assets
Corresponding to the six-month periods ended December 31, 2011 and 2010
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(In thousands of pesos – Notes 1 and 2)

Schedule B

					Depreciation						
Principal Account	Values at beginning of period	Additions of the period/year	Values at the end of the period/year	Rate %	Accumulated at the beginning of the year	Additions	Amount (1)	Accumulated at the end of the period/year	Net carrying value as of December 31, 2011	Net carrying value as of June 30, 2011	Net carrying value as of December 31, 2010
Pre-operating expenses (Bolivia)	842	-	842	20	420	-	84	504	338	422	506
Pre-operating expenses (Paraguay)	671	-	671	20	324	-	67	391	280	347	414
Concession rights	23,582	-	23,582	3	3,011	-	376	3,387	20,195	20,571	20,948
Totals as of December 31, 2011	25,095	-	25,095	-	3,755	-	527	4,282	20,813	-	-
Totals as of June 30, 2011	1,513	23,582	25,095	-	442	2,258	1,055	3,755	-	21,340	-
Totals as of December 31, 2010	1,513	23,582	25,095	-	442	2,258	527	3,227	-	-	21,868

(1) Preoperative expenses are included in gain on equity investees in the Statements of Income. Concession Rights are included in Depreciation of Intangible Assets in Schedule H.

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Schedule C

Securities	Amount	% of participation on the capital	Value as of December 31, 2011	Value as of June 30, 2011	Value as of December 31, 2010	Market value December 31, 2011	INFORMATION ON THE ISSUER According to the latest balance sheet: Principal activity	Capital	Income (loss) of the period	Shareholders' equity
CURRENT ASSETS										
Current Investments										
Mutual Funds:										
Fondo Bony Hamilton (US$)	896,123		3,821	27	44					
Deutsche Managed Euro Fund (US$)	-		-	-	-					
Deutsche Managed Dollar Fund (US$)	1,937,418		8,261	19,065	17,712					
Rj Delta 169	354,086		659	-	-					
Subtotal			12,741	19,092	17,756					
Bonds and Notes (1)										
Bonds IRSA 2017 (US$)-Interests	-		-	-	-					
Bonds APSA 2017 (US$) Interests	-		-	-	217					
Global 2010 bonds	-		-	-	-					
Bocon Pro 1 bonds	-		-	-	-					
Subtotal			-	-	217					
Total current investments			12,741	19,092	17,973					

NON-CURRENT ASSETS										
Investments on controlled and related companies										
Agro – Uranga S.A.						Unlisted	Agricultural livestock	2,500	7,593	31,310
Shares	893,069	35.72	11,185	11,924	9,754					
Higher value of property			11,179	11,179	11,179					
			22,364	23,103	20,933					
Cactus						Unlisted	Exploitation and administration of agriculture products and raising cattle			
Shares (3)	11,745,190	100.00	5,004	(8,720)	5,693			11,745	(11,652)	5,004
			5,004	(8,720)	5,693					
FyO.Com						Unlisted	Gives information about markets through internet, Brokerage and intermediation on spot and future markets			
Shares	987,426	65.85	8,504	7,962	6,081					
Irrevocable contributions			-	-	-					
			8,504	7,962	6,081			1,500	824	12,914

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Schedule C (Continued)

								INFORMATION ON THE ISSU		
								According to the latest ba sheet		
Securities	Amount	% of participation on the capital	Value as of December 31, 2011	Value as of June 30, 2011	Value as of December 31, 2010	Market value December 31, 2011	Principal activity	Capital	Income (loss) of the period	Share e
Agrology (2)						Unlisted	Investing	-	-	-
Shares	268,559,946	100.00	-	313,079	278,419					
Irrevocable contributions			-	-	-					
			-	313,079	278,419					
FyO Trading						Unlisted	Brokerage	20	-	20
Shares	726	3.63	1	1	1					
			1	1	1					
EAASA						Unlisted	Meat packing industry	11,195	(9,945)	5,3
Shares	2,507	0.01	1	1	1					
			1	1	1					
IRSA						4.65	Real estate	578,676	133,052	2,4
Shares	365,815,967	63.22	1,535,709	1,255,802	1,252,834					
Higher values (4)			163,985	158,244	169,366					
			1,699,694	1,414,046	1,422,200					
BrasilAgro						(5) 9.66	Agricultural and Real Estate	875,381	37,278	1,3
Shares	20,883,916	35.75	545,018	609,397	455,669					
Higher values (6)			119,065	122,974	32,170					
Warrants	260,702		10,786	10,786	10,786					
			674,869	743,157	498,625					
Agrotech S.A. (3)										
Shares	50,000	100.00	(8,609)	15	32	Unlisted	Investing	50	(5,567)	(6,
			(8,609)	15	32					

Pluriagro											
Shares	50,000	100.00	463	517	107	Unlisted	Investing	50	(201	)	46
			463	517	107						
Northagro						Unlisted	Investing	50	(201	)	46
Shares	50,000	100.00	463	517	107						
			463	517	107						

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Schedule C (Continued)

							INFORMATION ON THE ISSUER			
								According to the latest balance sheet		
Securities	Amount	% of participation on the capital	Value as of December 31, 2011	Value as of June 30, 2011	Value as of December 31, 2010	Market value December 31, 2011	Principal activity	Capital	Income (loss) of the period	Shareholders' equity
Agricultural livestock Acres del Sud S.A.						Unlisted	Agricultural	11,670	(3,509)	9,822
Shares	368,541	95.12	9,343	-	-					
			9,343	-	-					
Ombu Agricultural livestock S.A.						Unlisted	Agricultural	10,723	(1,663)	10,604
Shares	162,783	95.12	10,087	-	-					
			10,087	-	-					
Yuchan Agricultural livestock S.A.						Unlisted	Agricultural	7,527	313	9,003
Shares	25,137	95.12	8,563	-	-					
			8,563	-	-					
Yatay Agricultural livestock S.A.						Unlisted	Agricultural	4,291	2,304	3,512
Shares	63,363	95.12	3,341	-	-					
			3,341	-	-					
Helmir S.A.						Unlisted	Investing	73,939	7,845	99,386
Shares	424,708	100	99,386	-	-					
			99,386	-	-					
			2,533,474	2,493,678	2,232,199					

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Schedule C (Continued)

Securities	Amount	% of participation on the capital	Value as of December 31, 2011	Value as of June 30, 2011	Value as of December 31, 2010	Market Value December 31, 2011	INFORMATION ON THE ISSUER
BrasilAgro negative goodwill (7)			(64,956)	(73,947)	(11,592)		
BrasilAgro goodwill			6,965	23,889	6,965		
IRSA negative goodwill (8)			(313,074)	(296,278)	(316,232)		
IRSA Goodwill			14,895	6,712	6,712		
Cactus goodwill			14,927	4,978	4,978		
Allowance for impairment of goodwill Cactus			(14,927)	(4,978)	(4,978)		
			(356,170)	(339,624)	(314,147)		
Subtotal			2,177,304	2,154,054	1,918,052		
OTHER INVESTMENTS							
Non-Convertible Notes APSA 2017 (US$)			-	-	10,688		
Coprolán			21	21	21	Unlisted	
Subtotal			21	21	10,709		
Total Non-current investments			2,177,325	2,154,075	1,928,761		

(1) Not considered as cash equivalents for Statement of Cash Flow purpose.
(2) Since July 1, 2011, is effective the merger of Cresud with Agrology (See Note 14 to the financial statements).
(3) Included in Other liabilities.
(4) Consist of Ps. 5,542 higher value of inventory, Ps. 73,384 higher value of investments, Ps. 110,581 higher value of fixed assets, Ps. 31,096 higher value of intangible assets, Ps.18,154 less value of loans Ps. (74,772) higher value of tax effect.
(5) Total in reais
(6) Consist of Ps. 183,236 higher value of fixed assets and Ps. (64,171) higher value of tax effect.
(7) The change as regards the previous year corresponds to amortization for Ps. 8,891.
(8) The change as regards the previous year corresponds to an addition because of the merger by absorption of Agrology for Ps. 28,496 and amortization for Ps.11,700.

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Allowances
Corresponding to the six-month periods
ended December 31, 2011 and 2010 and fiscal year ended June 30, 2011
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(In thousands of pesos - Notes 1 and 2)

Schedule E

Item	Balances at beginning of the fiscal year	Increases	Decreases/ Applications	Value as of December 31, 2011	Value as of June 30, 2011	Value as of December 31, 2010
Deducted from assets						
For Doubtful accounts	619	(1) 7	(117)	509	619	638
Included in liabilities						
For pending lawsuits	1,681	(2) 163	(2) -	1,844	1,681	1,674
Total as of December 31, 2011	2,300	170	(117)	2,353	-	-
Total as of June 30, 2011	2,398	52	(150)	-	2,300	-
Total as of December 31, 2010	2,398	43	(129)	-	-	2,312

(1) Included in Schedule H.
(2) Included in other income and expenses in the Statements of Income – Others.

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Cresud Sociedad Anónima,
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Cost of sales
Corresponding to the six-month periods
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(In thousands of pesos - Notes 1 and 2)

Schedule F.1

	Crops		Beef Cattle		Milk		Other		Total	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31 , 2010	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Inventories at the beginning of the fiscal year:										
Beef Cattle	-	-	206,745	138,807	-	-	-	-	206,745	138,807
Crops	95,501	41,566	-	-	-	-	-	-	95,501	41,566
Seeds and fodder	982	758	-	-	-	-	-	-	982	758
Materials and others	-	-	39	614	-	-	1,962	873	2,001	1,487
	96,483	42,324	206,784	139,421	-	-	1,962	873	305,229	182,618
Unrealized gain on inventories - Beef cattle	-	-	4,082	40,880	-	-	-	-	4,082	40,880
Unrealized gain on inventories – Crops and raw materials	(118)	6,101	-	-	-	-	595	-	477	6,101
Production	69,462	28,189	31,822	14,669	14,803	16,981	-	-	116,087	59,839
Transfer of inventories sold	-	-	979	8,059	-	-	-	-	979	8,059
Transfer of inventories to property and equipment	-	-	-	-	-	-	(148)	(628)	(148)	(628)
Transfer of inventories to expenses	(6,516)	(8,040)	(325)	(161)	(146)	(202)	(3,092)	(2,313)	(10,079)	(10,716)

Incorporated by merger with ANTA	-	10,073	-	-	-	-	-	84	-	10,157
Purchases	3,089	3,190	17,803	1,040	-	-	4,838	3,899	25,730	8,129
Operating Expenses - Schedule H	-	-	-	-	-	-	1,344	2,495	1,344	2,495
Inventories at the end of the period:										
Beef Cattle	-	-	(206,525)	(166,813)	-	-	-	-	(206,525)	(166,813)
Crops	(37,232)	(18,060)	-	-	-	-	-	-	(37,232)	(18,060)
Seeds and fodder	(1,691)	(700)	-	-	-	-	-	-	(1,691)	(700)
Materials and others	-	-	(875)	(569)	-	-	(3,802)	(2,013)	(4,677)	(2,582)
Cost of sales	123,477	63,077	53,745	36,526	14,657	16,779	1,697	2,397	193,576	118,779

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Cresud Sociedad Anónima,
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Cost of Production
Corresponding to the six-month periods
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(In thousands of pesos - Notes 1 and 2)

Schedule F.2

	Crops		Beef Cattle		Milk		Totals	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Inventories at the beginning of the fiscal year:								
Beef Cattle	-	-	-	-	20,134	18,848	20,134	18,848
Unharvested crops and other unharvested	30,897	11,166	-	-	-	-	30,897	11,166
Seeds and fodder	-	-	6,072	2,190	955	499	7,027	2,689
Materials and others	50,930	25,477	857	876	256	382	52,043	26,735
	81,827	36,643	6,929	3,066	21,345	19,729	110,101	59,438
Unrealized gain on inventories-Beef cattle	-	-	-	-	1,476	6,919	1,476	6,919
Unrealized gain on inventories – Crops and raw materials	5,399	4,414	91	-	333	-	5,823	4,414
Production	-	-	2,146	459	2,741	1,313	4,887	1,772
Transfer of inventories sold	-	-	-	-	(979)	(8,059)	(979)	(8,059)
Transfer of inventories to property and equipment	(96)	(62)	-	-	-	-	(96)	(62)
Transfer of inventories to expenses de Materials and others	(30,956)	(34,884)	(5,645)	(2,990)	(5,883)	(4,908)	(42,484)	(42,782)
Incorporated by merger with IGSA	-	-	-	-	-	-	-	-
Incorporated by merger with ANTA	-	4,252	-	-	-	-	-	4,252

Purchases / increase in Unharvested crops by consume	89,584	128,102	1,458	845	5,153	4,846	96,195	133,793
Operating Expenses – Schedule H	53,518	27,318	26,923	13,489	13,092	13,387	93,533	54,194
Inventories at the end of the period								
Beef Cattle	-	-	-	-	(23,370)	(18,990)	(23,370)	(18,990)
Unharvested crops and other unharvested	(98,304)	(94,689)	-	-	-	-	(98,304)	(94,689)
Seeds and fodder	-	-	(3,712)	(410)	(651)	(557)	(4,363)	(967)
Materials and others	(47,590)	(43,283)	(1,267)	(932)	(197)	(327)	(49,054)	(44,542)
Cost of Production	53,382	27,811	26,923	13,527	13,060	13,353	93,365	54,691

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Cresud Sociedad Anónima,
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Foreign currency assets and liabilities
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Schedule G

Item	December 31, 2011				June 30, 2011				December 31, 2010			
	Type and amount of foreign currency		Current exchange Rate	Amount in local currency	Type and amount of foreign currency		Current exchange Rate	Amount in local currency	Type and amount of foreign currency		Exchange Rate	Amount in local currency
CURRENT ASSETS												
CASH AND BANKS												
Cash and banks in dollars	US$	130	4.3	553	US$	136	4.070	552	US$	463	3.936	1,821
Cash and banks in brazilian reais	Rs	7	2.1	15	Rs	6	2.51	16	Rs	4	2.320	10
Cash and banks in euros	€	6	5.5	31	€	9	5.906	52	€	10	5.219	51
Cash and banks in yens	JPY	-	-	-	JPY	79	0.050	4	JPY	83	0.048	4
INVESTMENTS												
Mutual Funds	US$	2,833	4.3	12,082	US$	4,691	4.070	19,092	US$	4,511	3.936	17,756
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties	-	-	-	-	-	-	-	-	US$	55	3.976	217
TRADE ACCOUNTS RECEIVABLES												
Trade Accounts Receivables	US$	1,302	4.3	5,552	US$	8,057	4.070	32,794	US$	7,235	3.936	28,478
Receivables – Real estate		-	4.3	-	-	-		-	US$	1,000	3.936	3,936
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties	US$	873	4.3	3,730	US$	8,191	4.110	33,347	US$	1,418	3.976	5,588
OTHER RECEIVABLES												
Guarantee deposits	US$	433	4.3	1,846	US$	156	4.070	633	US$	388	3.936	1,526
Premiums paid	US$	27	4.3	114	US$	717	4.070	2,919	US$	19	3.936	73

Subsidiaries, related companies Law No. 19,550 Section 33 and related parties	US$	6,232	4.3	26,824	US$	14,801	4.110	60,830	US$	12,828	3.976	51,002
NON-CURRENT ASSETS												
OTHER RECEIVABLES												
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties	US$	18,778	4.3	80,819	-	-		-	-	-	-	-
OTHER INVESTMENTS												
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties	-	-	-	-	-	-		-	US$	2,688	3.976	10,688
Total US$	US$	30,608		131,520	US$	36,749		150,167	US$	30,605		121,085
Total Rs	Rs	7		15	Rs	6		16	Rs	4		10
Total €	€	6		31	€	9		52	€	10		51
Total JPY	JPY	-		-	JPY	79		4	JPY	83		4
TOTAL ASSETS		30,621		131,566		36,843		150,239				121,150

US$: US Dollars
Rs: Brazilian Reais
€: Euros
JPY: Yenes

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Schedule G (Continued)

	December 31, 2011				June 30, 2011				December 31, 2010			
Item	Type and amount Foreign currency		Current exchange Rate	Amount in local currency	Type and amount foreign currency		Current exchange Rate	Amount in local currency	Type and amount foreign currency		Current exchange Rate	Amount in local currency
CURRENT LIABILITIES												
TRADE ACCOUNTS PAYABLE												
Suppliers	US$	6,203	4.3	26,699	US$	7,357	4.110	30,239	US$	7,582	3.976	30,145
Accrual for inputs and other expenses	US$	1,045	4.3	4,499	US$	33	4.110	137	US$	1,726	3.976	6,864
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties	US$	41	4.3	178	US$	6,009	4.110	24,787	US$	-	-	-
LOANS												
Bank Loans	US$	43,067	4.3	185,360	US$	28,027	4.110	115,191	US$	37,346	3.976	148,486
- Interest payable Bank Loans	US$	198	4.3	852	US$	44	4.110	180	US$	254	3.976	1,010
Non-convertible notes class II	US$	-	4.3	-	-	-	-	-	-	-	-	-
Non-convertible notes class IV	US$	13,382	4.3	57,594	US$	13,382	4.110	54,998	-	4,461	3.976	17,735
Non-convertible notes Clase VI	US$	26,136	4.3	112,489	US$	8,712	4.110	35,806	-	-	-	-
Interest payable – Non-convertible notes	US$	1,829	4.3	7,874	US$	439	4.110	1,805	US$	276	3.976	1,099
Subsidiaries, related companies Law No. 19,550		13		57								

Section 33 and related parties												
OTHER LIABILITIES												
Premiums collected	US$	-	4.3	-	US$	164	4.110	672	US$	1,935	3.976	7,695
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties	US$	80	4.3	344	US$	44	4.110	179	US$	109	3.976	432
Advances for concession of rights	US$	814	4.3	3,502		-		-		-		-
NON-CURRENT LIABILITIES												
LONG SHORT DEBTS												
Non-convertible notes class IV	US$	-	4.3	-	US$	4,461	4.110	18,333	US$	13,382	3.976	53,205
Non-convertible notes Clase VI	US$	6,837	4.3	29,426	US$	24,261	4.110	99,712	-	-	-	-
Non-convertible notes Clase VII	US$	2,079	4.3	8,949	US$	2,079	4.110	8,546	-	-	-	-
Non-convertible notes Clase VIII	US$	60,000	4.3	258,240						-	-	-
Subsidiaries, related companies Law No. 19,550 Section 33 and related parties	US$	1,875	4.3	8,070	US$	1,875	4.110	7,706	-	-	-	-
OTHER LIABILITIES												
Advances for concession of rights	US$	-	4.3	-	US$	813	4.110	3,344	US$	813	3.976	3,235
TOTAL LIABILITIES	US$	163,599		704,133	US$	97,700		401,635	US$	67,884		269,906

US$: US Dollars

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Information submitted in compliance with Section 64, subsection B of Law No. 19,550
Corresponding to the six-month periods ended December 31, 2011 and 2010
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(In thousands of pesos - Notes 1 and 2)

Schedule H

Operating Expenses

Item	Crops	Beef Cattle	Milk	Other	Total	Selling Expenses	Administrative Expenses	Total as of December 31, 2011	Total as of December 31, 2010
Directors' fees	-	-	-	-	-	-	1,081	1,081	948
Fees and payments for services	-	-	-	-	-	189	2,425	2,614	1,340
Salaries, annual bonus and social security	1,293	3,741	2,159	48	7,241	2,155	14,657	24,053	16,134
Taxes, rates and contributions	221	671	45	-	937	3	107	1,047	2,636
Gross sales taxes	-	-	-	-	-	6,037	-	6,037	4,904
Doubtful accounts	-	-	-	-	-	7	-	7	27
Office and administrative expenses	-	-	-	-	-	195	3,773	3,968	3,713
Bank commissions and expenses	-	-	-	-	-	-	587	587	427
Depreciation of Property and equipment	2,214	1,106	466	4	3,790	19	166	3,975	3,396
Depreciations of Intangible Assets	-	-	-	-	-	-	376	376	376
Vehicle and traveling expenses	144	293	84	3	524	197	930	1,651	1,317
Spare parts and repairs	188	653	696	-	1,537	9	28	1,574	1,474
Insurance	58	74	24	2	158	11	236	405	518
Benefits to Employees	88	498	201	-	787	80	965	1,832	1,189

Livestock expenses (1)	-	18,729	-	-	18,729	2,516	-	21,245	8,370
Dairy farm expenses (2)	-	-	9,101	-	9,101	101	-	9,202	8,911
Agricultural expenses (3)	48,651	-	-	1,284	49,935	26,047	-	75,982	42,462
General expenses	603	1,131	313	3	2,050	-	-	2,050	1,414
Health and safety costs	58	27	3	-	88	-	14	102	246
Total as of December 31, 2011	53,518	26,923	13,092	1,344	94,877	37,566	25,345	157,788	-
Total as of December 31, 2010	27,318	13,489	13,387	2,495	56,689	22,755	20,358	-	99,802

(1) Includes cattle food and additives, lodging, animal health and others.
(2) Includes cattle food and additives, animal health and others.
(3) Includes seeds, agrochemical, irrigation, services hired, leases and others.

Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria
Additional Information to the Notes to the Financial Statements (Continued)
(In thousands of pesos)

1. LEGAL FRAMEWORK

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

2. RELEVANT MODIFICATONS IN THE COMPANY'S ACTIVITIES

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

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

a. Trade accounts receivable and Other receivables without a due date as of December 31, 2011:

			Section 33 Law 19,550 Agro-Uranga S.A.
	Trade Account Receivable	Other receivables	Other receivables
Current	322	199	749
Not current	-	62,040	-

b. Trade accounts receivable and other receivables to fall due as of December 31, 2011:

		Law No. 19,550 Section 33							
		FyO.Com	Cyrsa S.A.	Cactus	Acres	Cresca S.A.	EAASA	Agro-Uranga S.A.	BrasilAgro
Maturity	Trade account receivable	Trade account receivable	Trade account receivable	Trade account receivable	Trade account receivable	Trade account receivable	Trade account receivable	Trade account receivable	Trade account receivable
03.31.12	43,689	9,008	22	126	1,937	440	235	1,435	73

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Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria
Additional Information to the Notes to the Financial Statements (Continued)
(In thousands of pesos)

3. (Continued)

Law No. 19,550 Section 33

Maturity	Other receivables	Ombú Other receivables	Yuchan Other receivables	Yatay Other receivable	Acres Other receivables	IRSA Other receivables	APSA Other receivables	Helmir Other receivables	IRSA Internacional Other receivables	Northagro Other receivables	Pluriagro Other receivables	Agrotech Other receivables	Cactus Other receivables
03.31.12	36,166	-	-	-	-	3,945	10,939	-	220	-	-	-	1,522
06.30.12	1,123	-	-	-	-	-	-	25,806	-	-	-	-	-
09.30.12	2,181	-	-	-	-	-	-	-	-	412	412	54	-
12.31.12	22,174	-	-	-	-	-	-	-	-	-	-	-	-
09.30.14	-	20,627	11,038	9,762	10,973	-	-	-	-	-	-	28,419	-

Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria
Additional Information to the Notes to the Financial Statements (Continued)
(In thousands of pesos)

4. CLASSIFICATION OF DEBTS ACCORDING TO THEIR MATURITY

a. There are no past due debts as of December 31, 2011.

b. Debts without a due date as of December 31, 2011.

					Section 33 Law No.19,550		
					Cactus	Agrotech	
	Trade accounts payable	Short-term debts	Taxes payable	Other liabilities	Other liabilities	Other liabilities	Provisions
Current	-	148,053	-	3,502	-	-	-
Not current	-	-	75,131	104	-	8,609	1,844

c. Debts to fall due as of December 31, 2011.

		Law No. 19,550 Section 33							
		Agro-Uranga S.A.	FyO.Com.	Panamerican Mall S.A.	Cresca	Emprendimiento Recoleta S.A.	Cactus	IRSA	APSA
Maturity	Trade accounts payable	Trade accounts payable	Trade accounts payable	Trade accounts payable	Trade accounts payable	Trade accounts payable	Trade accounts payable	Trade accounts payable	Trade accounts payable
03.31.12	87,555	-	82	-	96	-	2,937	10,213	6,969

Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria
Additional Information to the Notes to the Financial Statements (Continued)
(In thousands of pesos)

4. (Continued)

		Law No. 19,550 Section 33						Law No. 19,550 Section 33				
Maturity	Short-term debts	Emprendimiento Recoleta S.A. Short-term debts	Salaries and social security payable	Taxes payable	Other liabilities	IRSA Other liabilities	APSA Other liabilities	Nuevas Fronteras S.A. Other liabilities	Panamerican Mall S.A. Other liabilities	Cyrsa S.A. Other liabilities	Cactus Other liabilities	Cresca Other liabilities
03.31.12	71,932	57	9,723	10,136	5,618	344	10,420	51	5	46	32	105
06.30.12	247,993	-	-	76	14	-	-	-	-	-		-
09.30.12	102,592	-	10,502	-	14	-	-	-	-	-		-
12.31.12	72,108	-	-	-	1,539	-	-	-	-	-		-
03.31.13	38,245	8,070	-	-	-	-	-	-	-	-		-
09.30.14	255,860	-	-	8	-	-	-	-	-	-		-

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Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria
Additional Information to the Notes to the Financial Statements (Continued)
(In thousands of pesos)

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

a.

		Law No. 19,550 Section 33							
		FyO.Com	Cyrsa S.A.	BrasilAgro	Cactus	Acres	Cresca S.A.	Agro-Uranga S.A.	EAASA
	Trade account receivable	Trade account receivable	Trade account receivable	Trade account receivable	Trade account receivable	Trade account receivable	Trade account receivable	Trade account receivable	Trade account receivable
In Pesos	38,433	5,754	12	73	126	1,937	-	1,435	235
In US Dollars	5,578	3,254	10	-	-	-	440	-	-

					Law No. 19,550 Section 33									
		Agro-Uranga	IRSA Internacional	Ombú	Acres	Helmir	Yuchan	Yatay	APSA	IRSA	Northagro	Pluriagro	Cactus	Empr Agrote
	Other receivables	Other receivables	Other receivable	Other receivable	Others receivables	Other receivables	Other receivable	Other receivables	Other receivable	Other receivables	Other receivables	Other receivables	Other receivables	Other receivab
In Pesos	121,874	-	-	-	-	-	-	-	10,939	3,945	412	412	1,522	54
In US Dollars	2,009	749	220	20,627	10,973	25,806	11,038	9,762	-	-	-	-	-	28,419

b. All Accounts receivable and Other receivables are not subject to adjustment clauses.

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Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria

Additional Information to the Notes to the Financial Statements (Continued)
(In thousands of pesos)

5. (Continued)

c.

		Law No. 19,550 Section 33							
	Trade account receivable	FyO.Com Trade account receivable	Cyrsa S.A. Trade account receivable	BrasilAgro Trade account receivable	Cactus Trade account receivable	Acres Trade account receivable	Cresca S.A. Trade account receivable	Agro-Uranga S.A. Trade account receivable	EAASA Trade account receivable
Outstanding balances accruing interests	-	-	-	-	-	-	-	-	-
Outstanding balances not accruing interests	44,011	9,008	22	73	126	1,937	440	1,435	235

							Law No. 19,550 Section 33							
	Other receivables	IRSA Internacional Other receivables	Ombú Other receivables	Agro-Uranga Other receivables	Helmir Other receivables	Acres Other receivables	Yuchan Other receivables	Yatay Other receivables	APSA Other receivables	IRSA Other receivables	Northagro Other receivables	Pluriagro Other receivables	Agrotech Other receivables	Ca O recei
Outstanding balances accruing interests	4,904	-	19,463	-	25,317	10,345	10,425	9,210	-	-	-	-	27,845	-
Outstanding balances not accruing interests	118,979	220	1,164	749	489	629	613	551	10,939	3,945	412	412	628	1

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Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria

Additional Information to the Notes to the Financial Statements (Continued)
(In thousands of pesos)

6. CLASSIFICATION OF DEBTS ACCORDING TO THEIR FINANCIAL EFFECTS

a.

		Law No. 19,550 Section 33				
	Trade account Payable	FyO.Com Trade account Payable	Cresca Trade account Payable	IRSA Trade account Payable	APSA Trade account Payable	Cactus Trade account Payable
In Pesos	56,357	-	-	10,213	6,969	2,937
In US Dollars	31,198	82	96	-	-	-

		Company Law No. 19,550 Section 33				Law No. 19,550 Section 33							
		Emprendimiento Recoleta S.A.				IRSA	Nuevas Fronteras S.A.	Panamerican Mall S.A.	Cactus	Cyrsa S.A.	EAASA	APSA	
	Short-term debts	Short-term debts	Salaries and social security payable	Taxes payable	Other Liabilities	Other Liabilities	Other Liabilities	Other Liabilities	Other Liabilities	Other Liabilities	Other Liabilities	Other Liabilities	Provisions
In Pesos	275,999	-	20,225	85,702	7,289	-	51	5	32	46	8,609	10,420	1,844
In US Dollars	660,784	8,127	-	-	3,502	344	-	-	-	-	-	-	-

Cresud Sociedad Anónima,
Comercial, Inmobiliaria, Financiera y Agropecuaria

Additional Information to the Notes to the Financial Statements (Continued)
(In thousands of pesos)

6. (Continued)

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

		Law No. 19,550 Section 33				
	Trade account Payable	IRSA Trade account Payable	FyO.Com Trade account Payable	Cresca Trade account Payable	APSA Trade account Payable	Cactus Trade account Payable
Outstanding balances accruing interests	-	-	-	-	-	-
Outstanding balances not accruing interests	87,555	10,213	82	96	6,969	2,937

		Law No. 19,550 Section 33 Emprendimiento Recoleta S.A.				Law No. 19,550 Section 33								
						IRSA	Cactus	Nuevas Fronteras S.A.	Cyrsa S.A.	Cresca	Panamerican Mall S.A	Agrotech	APSA	
	Short-term debts	Short-term debts	Salaries and social security payable	Taxes payable	Other Liabilities	Other Liabilities	Other Liabilities	Other Liabilities	Other Liabilities	Other Liabilities	Other Liabilities	Other Liabilities	Other Liabilities	Provisions
Outstanding balances accruing interests	927,808	8,070	-	-	454	-	-	-	-	-	-	-	-	-
Outstanding balances not accruing interests	11,355	57	20,225	85,351	10,337	344	32	51	46	105	5	8,609	10,420	1,844

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7. INTEREST IN OTHER COMPANIES (Law No. 19,550 Section 33)

Interests in other companies' capital and the number of votes held in those companies governed by Law No. 19,550 Section 33 are explained in Note 2 to the consolidated financial statements and intercompany balances as of December 31, 2011 are described in captions 3,4,5 and 6 above.

8. RECEIVABLES FROM OR LOANS TO DIRECTORS AND STATUTORY AUDIT COMMITTEE MEMBERS

As of December 31, 2011 there were advance payments to directors for Ps. 466, and there were no receivables due from or loans to Statutory Auditors and relatives up to and including second degree, of directors and Statutory Auditors.

9. PHYSICAL INVENTORIES

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

10. VALUATION OF INVENTORIES

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

a. Cattle for fattening, valued at the market value net of estimated sale expenses: quotation in Mercado de Hacienda de Liniers and other representative of the market.

b. Cattle for raising and daily production valued at its replacement cost: according to specific appraisals made by renowned experts.

c Crops: official quotation of the Cámara Arbitral de Cereales for the port closest to the warehouse, published by media of wide circulation (Diario La Nación) net of estimated sale expenses.

d. The remaining inventory stated at its replacement cost:

- Seeds, forage and materials: replacement cost published by a well-known magazine ("Revista Márgenes Agropecuarios").

- Unharvested crops: replacement cost of goods and services needed to obtain similar assets, which does not exceed the net realization value as of each period/year.

11. TECHNICAL REVALUATION OF FIXED ASSETS

There are no fixed assets subject to technical revaluation.

12. OBSOLETE FIXED ASSETS

There are no obsolete fixed assets with accounting value.

13. EQUITY INTERESTS IN OTHER COMPANIES

There are no equity interests in other companies in excess of the provisions of Law No. 19,550 Section 31.

14. RECOVERABLE VALUES

The recoverable value of the inventory under consideration is the higher between the net realizable value (selling price at the end of the period / year less estimated selling expenses) and the economic use value determined.

15. INSURANCES

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

Insured property	Risk covered	Amount insured (in pesos)	Book value (in pesos)
Buildings, machinery, silos, installation and furniture and equipment	Theft, fire and technical insurance	207,409	46,617
Vehicles	Third parties, theft, fire and civil liability	4,985	1,943

16. CONTINGENCIES

As of December 31, 2011 there are no contingent situations that have not been accounted for or adequately exposed in notes according to accounting standards.

17. IRREVOCABLE CONTRIBUTIONS TO CAPITAL ON ACCOUNT OF FUTURE SUBSCRIPTIONS

None.

18. DIVIDENDS ON PREFERED STOCK

There are no cumulative dividends not paid on preferred stock.

19. LIMITATIONS OF PROFIT DISTRIBUTIONS

See Note 11 to the Financial Statements.

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BUSINESS HIGHLIGHTS

Comparative Shareholders' Equity Structure

	As of December 31, 2011	As of December 31, 2010	As of December 31, 2009	As of December 31, 2008	As of December 31, 2007
Current Assets	2,082,028	1,545,652	1,151,572	1,110,114	177,617
Non-current Assets	7,532,717	6,299,143	5,216,642	4,349,390	1,013,752
	9,614,745	7,844,795	6,368,214	5,459,504	1,191,369
Current Liabilities	2,466,956	2,198,842	1,479,883	1,043,581	280,414
Non-current Liabilities	2,921,634	2,190,179	1,415,748	1,456,623	59,038
	5,388,590	4,389,021	2,895,631	2,500,204	339,452
Minority Interest	2,092,876	1,413,009	1,549,847	1,283,078	934
Shareholders' Equity	2,133,279	2,042,765	1,922,736	1,676,222	850,983
	9,614,745	7,844,795	6,368,214	5,459,504	1,191,369

Comparative Income Structure

	As of December 31, 2011	As of December 31, 2010	As of December 31, 2009	As of December 31, 2008	As of December 31, 2007
Operating income (loss)	404,420	359,445	280,475	32,250	22,412
Financial and holding results	(300,756)	(121,121)	(61,073)	38,468	(7,276)
Other income and expenses, net and gain equity investees	59,601	57,458	150,539	(52,486)	6,591
Management agreement fees	(4,612)	(11,886)	(15,820)	(1,496)	(1,583)
Operating Net income	158,653	283,896	354,121	16,736	20,144
Income tax expense:	(47,624)	(58,000)	(70,501)	(23,348)	(5,632)
Minority interest	(69,521)	(118,925)	(141,775)	18,908	(40)
Net income	41,508	106,971	141,845	12,296	14,472

Production volume

	Six-month period December 31, 2011	Accumulated July 1, 2011 to December 31, 2011	Six-month period December 31, 2010	Accumulated July 1, 2010 to December 31, 2010	Six-month period December 31, 2009	Accumulated July 1, 2009 to December 31, 2009	Six-month period December 31, 2008	Accumulated July 1, 2008 to December 31, 2008	Six-month period December 31, 2007
Beef Cattle (in Kgs.)	3,270,793	4,486,099	2,087,809	3,005,809	1,830,000	2,243,000	2,126,023	2,956,333	3,246,421
Butyraceous (in Kgs.)	205,524	380,111	237,942	468,786	231,083	439,248	221,446	423,337	207,581
Crops (in quintals)	1,064,653	8,006,878	367,063	876,699	280,721	432,136	225,743	382,743	209,913

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Sales volume

	Six-month period December 31, 2011	Accumulated July 1, 2011 to December 31, 2011	Six-month period December 31, 2010	Accumulated July 1, 2010 to December 31, 2010	Six-month period December 31, 2009	Accumulated July 1, 2009 to December 31, 2009	Six-month period December 31, 2008	Accumulated July 1, 2008 to December 31, 2008	Six-month period December 31, 2007
Beef Cattle (in Kgs.)	3,775,151	6,928,557	2,465,690	4,918,439	1,262,756	3,344,597	1,392,709	2,900,260	1,287,585
Butyraceous (in Kgs.)	205,524	380,111	237,942	468,786	231,083	439,248	221,446	423,337	207,581
Crops (in quintals)	608,098	6,301,640	519,480	1,350,400	414,567	1,031,069	326,618	1,090,135	282,850

Local Market

	Six-month period December 31, 2011	Accumulated July 1, 2011 to December 31, 2011	Six-month period December 31, 2010	Accumulated July 1, 2010 to December 31, 2010	Six-month period December 31, 2009	Accumulated July 1, 2009 to December 31, 2009	Six-month period December 31, 2008	Accumulated July 1, 2008 to December 31, 2008	Six-month period December 31, 2007
Beef Cattle (in Kgs.)	3,775,151	6,928,557	2,465,690	4,918,439	1,262,756	3,344,597	1,392,709	2,900,260	1,287,585
Butyraceous (in Kgs.)	205,524	380,111	237,942	468,786	231,083	439,248	221,446	423,337	207,581
Crops (in quintals)	587,098	6,280,640	519,480	830,920	414,567	1,031,069	326,618	1,090,135	282,850

Export

	Six-month period December 31, 2011	Accumulated July 1, 2011 to December 31, 2011	Six-month period December 31, 2010	Accumulated July 1, 2010 to December 31, 2010	Six-month period December 31, 2009	Accumulated July 1, 2009 to December 31, 2009	Six-month period December 31, 2008	Accumulated July 1, 2008 to December 31, 2008	Six-month period December 31, 2007	Accumulated July 1, 2007 to December 31, 2007
Beef Cattle (in Kgs.)	-	-	-	-	-	-	-	-	-	-
Butyraceous (in Kgs.)	-	-	-	-	-	-	-	-	-	-
Crops (in quintals)	21,000	21,000	-	-	-	-	-	-	-	-

Ratios

	As of December 31, 2011	As of December 31, 2010	As of December 31, 2009	As of December 31, 2008	As of December 31, 2007
Liquidity	0.84	0.70	0.78	1.064	0.633

Solvency	0.40	0.47	0.66	0.670	2.507
Non-current assets to assets	0.78	0.80	0.82	0.797	0.851
Return on Equity (1)	0.02	0.06	0.08	0.007	0.017

(1) Result of the period divided average shareholder's equity.

BUSINESS HIGHLIGHTS

Progress in complying with the IFRS implementation plan

On April 29, 2010, the Company's Board of Directors approved a specific plan to implement the IFRS (International Financial Reporting Standards). As established in such plan, the Company ended training its personnel from its accounting and tax areas, and the personnel from most of its affiliates and related companies. In addition, as it was provided, the process for the initial identification of regularly differences is already finished and also evaluating the necessary changes in procedures and systems in order to adapt them to the new requirements, as well as the different possible alternatives referred to the measurement and disclosure of certain financial statements items.

As a result of monitoring the specific IFRS implementation plan, the Board of Directors has not become aware of any circumstance requiring amendments to such plan or indicating a significant departure from the proposed goals and terms.

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Cresud S.A.C.I.F. y A.
Business Highlights as of December 31, 2011

Buenos Aires, February 13, 2012 - Cresud S.A.C.I.F. y A. (Nasdaq: CRESY – BASE: CRES), one of the leading agricultural companies in Argentina, announces today its results for the first six months of fiscal year 2012 ended December 31, 2011.

In ARS MM	IIQ 12	IIQ 11	YoY Var	6M 12	6M 11	YoY Var
Agribusiness segment sales	185.6	96.2	93.0 %	509.7	257.9	97.7 %
Agribusiness production income	97.9	54.7	78.9 %	238.7	89.9	165.6 %
Real estate segment sales	395.7	390.7	1.3 %	739.2	698.0	5.9 %
Gross income	324.8	246.5	31.8 %	614.4	505.9	21.4 %
Operating income	212.7	175.8	21.0 %	404.4	359.4	12.5 %
Net income	40.5	55.1	-26.6 %	41.5	107.0	-61.2 %

During the past fiscal year we increased our interest in BrasilAgro to 35.75%. Therefore, we present our financial statements in consolidated form to include the accounts of BrasilAgro. This consolidation impacts significantly on the results of our agribusiness segment.

During this semester, sales from the Agricultural business segment increased 97.7% compared to the same period of fiscal year 2011. This was driven mainly by a 217.1% increase in the sale of Crops (as a result of the consolidation of BrasilAgro and sales of 2010/2011 season's production performed during last quarter) which exceeded by ARS 234 million the sales recorded in the first semester of fiscal year 2011. The Beef Cattle business recorded a 53.2% rise in sales, thanks to the increase in ton production and sustained price levels in the domestic market.

Production from the Agricultural business segment grew strongly thanks to the consolidation of our subsidiary BrasilAgro and the late harvesting of corn crops in our Argentine farms. All this led to a 813.3% increase in Crop production during the semester and a 231.5% increase in Production Income. In addition, we increased the tons of Beef Cattle Production by 49.2% and, consequently a 121.8% Production Income.

Sales from the Real Estate segment rose 5.9% thanks to the good performance of the rental segments, offset by the deconsolidation of the consumer finance business and lower revenues from the "Sales and Developments" segment, which had reflected the sale of the Beruti Plot in more than USD 10 million during the previous fiscal year.

Gross profit grew by 21.4% during the semester, explained by an increase of 65.8% in gross profit from the Agricultural business segment (which reached ARS 141.9 million), a 13.2% increase in gross profit from the Real Estate segment (which totaled ARS 475.8 million) and a gross loss of ARS 3.3 million from the Feed Lot/Slaughter segment. Gross profit for the first six months of fiscal year 2012 totaled ARS 614.4 million.

Operating income totaled ARS 404.4 million during the first six months of fiscal year 2012, increasing by ARS 45 million. The increase recorded during the first six months of fiscal year 2012 is explained by a fall of ARS 8.5 million in operating income from the Agricultural business segment due to higher Selling and Administrative expenses and lower Holding Results from the Beef Cattle Production Segment; an ARS 13 million loss generated by the Feed Lot/Slaughter segment; offset by an increase of ARS 66.5 million in operating income from the Real Estate business (mainly shopping centers and office rental).

Net income for the second quarter of fiscal year 2012 amounted to ARS 41.5 million, a 61.2% decrease compared to the same period of fiscal year 2011. Considering that operating income was ARS 45.0 million higher than in the previous period, the fall in net income before taxes was mainly caused by a net financial loss that was ARS 179.6 million higher, reaching ARS 300.8 million as compared to ARS 121.1 million in the same period of the previous fiscal year. The main reason for this decrease was a net loss from changes in exchange rates for ARS 100.3 million (vs. ARS 13.9 million in the first six months of fiscal year 2011), net interest loss of ARS 168.8 million (vs. ARS 117.2 million for the first six months of fiscal year 2011) and a net loss from other financial assets for ARS 31.7 million (vs. a net income of ARS 9.9 million) mostly due to the revaluation of the purchase option held by our subsidiary IRSA over the shares of Hersha Hospitality Trust.

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Cresud S.A.C.I.F. y A.
Business Highlights as of December 31, 2011

Description of Operations1

Crop Production

Income Statement (in ARS MM)	IIQ 12 Local	IIQ 12 Int.	IIQ 12 Total	IIQ 11 Local	IIQ 11 Int.	IIQ 11 Total	YoY Var Local	YoY Var Int.	YoY Var Total
Production revenues	8.3	55.8	64.1	8.4	25.5	33.8	-0.4%	119.2%	89.6%
Cost of production	-11.7	-25.3	-37.0	-8.2	-17.1	-25.3	43.7%	47.7%	46.4%
Gross production income	-3.4	30.5	27.1	0.2	8.3	8.5	-	266.1%	217.8%
Sales	35.1	99.5	134.6	27.9	26.5	54.4	25.7%	276.0%	147.5%
Cost of sales	-27.1	-86.5	-113.6	-20.5	-25.1	-45.7	32.0%	244.1%	148.8%
Gross sales income	8.0	13.0	21.0	7.4	1.3	8.7	8.2%	(+++)%	141.0%
Gross profit	4.6	43.5	48.1	7.6	9.7	17.2	-39.4%	350.3%	179.0%
Selling expenses	-9.1	-4.5	-13.6	-10.5	-3.0	-13.4	-13.0%	51.1%	1.1%
Holding results	-1.0	10.7	9.8	-13.8	1.0	-12.9	-93.1%	(+++)%	-176.0%
Activity margin	-5.5	49.8	44.3	-16.7	7.7	-9.1	-67.3%	549.4%	-589.1%
Administrative expenses	-4.5	-17.0	-21.4	-4.8	-1.5	-6.3	-6.0%	(+++)%	240.8%
Operating income (loss)	-10.0	32.8	22.9	-9.1	6.6	-2.5	9.9%	401.3%	

Income Statement (in ARS MM)	6M 12 Local	6M 12 Int.	6M 12 Total	6M 11 Local	6M 11 Int.	6M 11 Total	YoY Var Local	YoY Var Int.	YoY Var Total
Production revenues	71.6	117.0	188.6	28.6	28.2	56.9	150.0%	314.3%	231.5%
Cost of production	-53.5	-90.4	-143.9	-27.7	-20.5	-48.2	93.6%	341.0%	198.9%
Gross production income	18.1	26.6	44.7	1.0	7.7	8.7	(+++)%	243.7%	411.7%
Sales	151.5	190.5	342.0	77.0	30.9	107.9	96.8%	517.3%	217.1%
Cost of sales	-123.5	-179.1	-302.5	-63.1	-29.4	-92.4	95.8%	509.8%	227.3%
Gross sales income	28.0	11.4	39.4	13.9	1.5	15.4	101.4%	664.1%	155.9%
Gross profit	46.1	38.0	84.1	14.9	9.2	24.1	209.3%	311.6%	248.4%
Selling expenses	-30.4	-7.0	-37.3	-18.9	-3.4	-22.2	61.0%	108.0%	68.1%
Holding results	5.3	12.0	17.3	-17.9	1.0	-16.9		(+++)%	
Business margin	21.1	43.0	64.1	-21.8	6.9	-15.0		527.7%	
Administrative expenses	-11.8	-34.3	-46.1	-8.3	-2.7	-11.0	42.0%	(+++)%	318.1%
Operating income (loss)	9.3	8.7	18.0	-30.2	4.1	-26.0		110.8%	-169.2%

Production (in thousands of tons)	IIQ12	IIQ11	YoY Var		6M12	6M11	YoY Var	
Wheat	15.9	14.0	13.0	%	16.9	15.7	7.2	%
Corn	11.4	8.4	36.4	%	118.2	50.7	133.2	%
Sunflower	1.1	0.0	(	+++)%	1.3	0.9	50.3	%
Soybean	13.1	13.8	-5.0	%	15.3	14.2	7.9	%
Sugarcane	203.2	-	-		619.0	-	-	
Other	2.0	0.4	345.8	%	30.0	6.2	383.5	%

Total Crop Production	246.6	36.7	572.0 %	800.7	87.7	813.3 %

Sales (in thousands of tons)	IIQ12	IIQ11	YoY Var	6M12	6M11	YoY Var
Wheat	2.0	5.9	-66.0 %	4.7	8.5	-44.9 %
Corn	33.3	16.1	106.0 %	120.6	74.9	61.0 %
Sunflower	1.1	0.1	741.3 %	8.0	1.7	373.7 %
Soybean	21.1	25.1	-15.8 %	64.7	29.2	121.4 %
Sugarcane	-	-	-	415.8	-	-
Other	3.3	4.7	-29.1 %	16.3	20.7	-21.2 %
Total Crop Sales	60.8	51.9	17.1 %	630.2	135.0	366.6 %

Since the end of 2011, beginning of the summer, Argentina has suffered a severe drought in its Corn Belt caused by "La Niña" effect. As consequence of this, the USDA has published new estimations for season 2011/2012 harvest. According to the "World Agricultural Production"2 report Corn projected production for Argentina fell from 26 million tons to 22 million tons and projected production for Soybean fell from 50.5 million tons to 48 million tons. Moreover, Soybean projected production in Brazil and Paraguay is expected to fall 2 million tons and 1.2 million tons respectively. Fortunately, most of our farms are located in marginal areas which are expected to be mildly affected.

1 Excludes Agro-Uranga S.A. (35.72% of 8,299 has). As of December 31, 2011 it includes information on BrasilAgro as a result of its consolidation as of June 30, 2011.
2 USDA Foreign Agricultural Service. "Circular Series WAP 02-12". February 2012

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Cresud S.A.C.I.F. y A.
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As from the past quarter we have started to consolidate results from our subsidiary BrasilAgro. For this reason, our Production Income has been much higher than in the past year (with 231.5% increase compared to the first six months of fiscal year 2011), mainly reflecting the production of sugarcane, which contributed approximately 619,000 additional tons during the first six months of fiscal year 2012.

Moreover, revenues from production of crops at domestic level reached ARS 71.6 million due to the fact that corn harvesting was completed after the closing of fiscal year 2011.

In addition, sales revenues were affected by the same reasons, namely, the consolidation of BrasilAgro and the impact of the 2010/2011 season during this period.

The delay in completing harvesting results from our diversification policy, not only in terms of geographic regions and crops, but also in planting timing. In this way, we diversify the weather risks to which our crops are exposed. Thanks to this, we managed to mitigate the effects of the drought that affected Argentina during the summer season.

Area in Operation- Crops (has)3	As of 12/31/11	As of 12/31/10	YoY Var
Own farms4	133,607	59,561	124.3 %
Leased farms	44,601	51,927	-14.1 %
Farms under concession	8,768	10,467	-16.2 %
Own farms leased to third parties	22,870	8,705	162.7 %
Total Area Assigned to Crop Production	209,846	130,660	60.6 %

The 60.6% increase in total area in operation results from the fact that, as disclosed in our previous earnings release, during this period we fully consolidated all the farms of our subsidiary BrasilAgro (which contributed nearly 59,600 agricultural hectares into our portfolio). Therefore, we report our Brazilian subsidiary's total portfolio within our own portfolio.

In addition, as previously disclosed, due to the transformation and land development processes carried out in our "La Esmeralda" and "La Suiza" farms in Argentina and our "Jerovía" farm in Paraguay, we added around 6,400 new hectares to our portfolio. Besides, following a series of real estate transactions we increased by 2,200 hectares our presence in Bolivia.

During this season, we have reduced the area of leased farms assigned to crop production, driven mostly by our decision to apply a strict criterion regarding the target margin in each farm, given the higher volatility observed in the crops market.

The decrease in the area in operation assigned to crop production in the farms of Agropecuaria Anta (long term concession granted to Cresud) results from the fact that we have increased the area in operation in this farm which we lease to third parties.

In line with the foregoing, the increase to 22,870 hectares of farms leased to third parties is broken down as follows: 4,400 hectares correspond to BrasilAgro's farm "Preferencia", 14,004 hectares from the concession and 5,609 from farms that Cresud has in Argentina, mainly "Los Pozos".

3 Includes surface area under double cropping totaling 24,101 hectares.
4 Includes the "San Cayetano", "San Rafael", "La Fon Fon" and "Las Londras" farms, respectively, located in Santa Cruz, Bolivia, and the “Jerovia” farm, located in the District of Boquerón, Republic of Paraguay. Includes our proportional interest in Agrouranga and Cresca and Brasilagro farms. As of December 31, 2011 includes the “Cremaq”, “Jatoba”, “Alto Taquari”, “Araucaria”, “Chaparral”, “Nova Buriti”, “Preferencia” and “Horizontina” farms located in the Republic of Brazil.

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During this quarter, the core agricultural region of Argentina experienced severe drought conditions. This drought, caused by La Niña, affected the planting period and initial development stages of the crops, and it is expected to have adverse effects on total Corn and Soybean output at national level. Fortunately, during the last weeks prior to the publication of these financial statements it has rained in the region, attenuating the above mentioned consequences.

As mentioned in our previous releases, in anticipation of this weather effect, the Company postponed planting and applied specific processes suited to this eventuality. Also, Cresud's portfolio is located in marginal areas that are far from the region affected by the drought which have recorded good rainfall levels, and only a small portion of our portfolio has been affected. Given its location, the portfolio of farms lased from third parties might be somewhat affected. Anyway, during the next quarter we will be able to assess in further detail the impact caused by the summer drought, both at company level and in Argentina at large.

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Cresud S.A.C.I.F. y A.
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Beef Cattle Production

Income Statement (in ARS MM)	IIQ 12	IIQ 11	YoY Var		6M 12	6M 11	YoY Var	
Production revenues	23.3	11.9	95.5	%	32.5	14.7	121.8	%
Production revenues	23.3	11.9	95.5	%	32.5	14.7	121.8	%
Cost of production	-11.0	-7.8	40.9	%	-20.2	-13.5	49.5	%
Gross Production Income	12.3	4.1	200.2	%	12.3	1.1	977.9	%
Sales	34.4	22.2	54.5	%	57.4	37.4	53.2	%
Cost of sales	-33.8	-21.2	59.4	%	-57.1	-36.5	56.4	%
Gross Sales Income	0.6	1.1	-43.7	%	0.2	0.9	-72.7	%
Gross profit	12.9	5.1	149.9	%	12.6	2.0	512.9	%
Selling expenses	-3.4	-0.7	368.1	%	-5.2	-1.3	311.9	%
Holding results	-3.4	31.7	-110.8	%	5.5	47.8	-88.4	%
Business margin	6.1	36.1	-83.2	%	12.8	48.6	-73.5	%
Administrative expenses	-6.2	-4.1	50.2	%	-12.2	-6.7	80.8	%
Operating income (loss)	-0.2	31.9	159.3	%	0.7	41.8	-98.4	%

Beef Cattle (in thousand tons)	IIQ 12	IIQ 11	YoY Var		6M 12	6M 11	YoY Var	
Beef cattle production	3.2	2.1	54.6	%	4.5	3.0	49.2	%
Beef cattle sales	3.8	2.4	54.6	%	6.9	4.9	40.7	%

Production revenues increased by 121.8% as compared to first six months of fiscal year 2011. This increase is explained by a 49.2% rise in tons produced and an increase of approximately 51% in the average price per ton produced.

Sales revenues increased 53.2% compared to the first six months of fiscal year 2011. This rise was driven by a 40.7% increase in tons sold and an 8.9% rise in prices, reaching an average sales price of ARS 8.28 per kilo.

Gross profit from this segment reached ARS 12.6 million for the first six months of fiscal year 2012, mainly because production and sales costs increased to a lesser extent than revenues.

Our holding results were lower than in the same quarter of the previous fiscal year as prices did not increase at the same rate as at that moment. This is why the business margin is 73.5% lower.

Along with an increase in administrative expenses, the operating income for this segment was ARS 0.7 million for the first six months of fiscal year 2012, much lower than for the same period of the previous fiscal year.

Area in Operation- Beef Cattle (has)	As of December	As of December	YoY Var

	31, 2011	31, 2010		
Own farms5	85.649	89.087	-3,9	%
Leased farms	12.635	12.635	0,0	%
Own farms leased to third parties	5.543	1.143	385,0	%
Total Area - Beef Cattle Production	103.827	102.865	0,9	%

The decrease in the area of own farms assigned to beef cattle production is explained by the transformation of "La Esmeralda" and "La Suiza" farms into agricultural lands, carried out in the previous fiscal year.

5 Includes all Cresca farms.

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Cresud S.A.C.I.F. y A.
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Stock of Cattle Heads	As of December 31, 2011	As of December 31, 2010	YoY Var	
Breeding stock	59,809	64,197	-6.8	%
Winter grazing stock	18,777	8,735	115.0	%
Milk farm stock	6,550	7,211	-9.2	%
Total Stock	85,136	80,143	6.2	%

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Milk Production

Income Statement (in ARS MM)	IIQ 12	IIQ 11	YoY Var	6M 12	6M 11	YoY Var
Production revenues	10.5	9.0	16.6 %	17.5	18.3	-4.1 %
Production revenues	10.5	9.0	16.6 %	17.5	18.3	-4.1 %
Cost of production	-6.6	-6.6	0.2 %	-13.1	-13.4	-2.2 %
Gross Production Income	3.9	2.4	61.0 %	4.5	4.9	-9.2 %
Sales	8.1	8.5	-4.8 %	14.7	16.8	-12.5 %
Cost of sales	-8.1	-8.5	-5.1 %	-14.7	-16.8	-12.6 %
Gross Sales Income	0.0	-	0.0 %	0.0	-	0.0 %
Gross profit	3.9	2.4	62.2 %	4.5	4.9	-8.7 %
Selling expenses	-0.4	-0.6	-42.4 %	-0.6	-0.9	-35.0 %
Holding results	-	-	0,0 %	-	-	0.0 %
Business margin	3.5	1.8	99.7 %	4.0	4.1	-3.2 %
Administrative expenses	-0.6	-0.6	-5.8 %	-0.9	-0.9	-1.1 %
Operating income (loss)	3.0	1.2	152.0 %	3.0	3.1	-3.8 %

Gross profit from the milk segment for the first six months of fiscal year 2012 was similar to the one recorded in the same period of the previous fiscal year. The fall in production volumes resulting from the sale of “La Juanita” farm was slightly offset by the 16% improvement in average prices and a higher daily output per milking cow in our farm “El Tigre”

Area in Operation – Dairy Business (has)	As of December 31, 2011	As of December 31, 2010	YoY Var
Own farms	2,958	2,486	19.0 %

Milk Production	IIQ 12	IIQ 11	YoY Var	6M 12	6M 11	YoY Var
Milk Production (liters)	5,117	6,229	-17.9 %	9,210	12,028	-23.4 %
Milk Sales (liters)	5,041	6,161	-18.2 %	9,063	11,826	-23.4 %
Daily average milking cows (heads)	2,368	3,384	-30.0 %	2,198	3,357	-34.5 %
Milk Production / Milking Cow / Day (liters)	23.5	20.0	15.90 %	22.8	19.5	15.90 %

Following the consolidation of our milk production in El Tigre farm, we increased its production by 50% as we added a new milking shift, thus achieving around-the-clock operation.

The first quarter of fiscal year 2012 had shown good results in terms of production, reaching 22.2 liters per milking cow per day. However, during the second quarter of fiscal year 2012 we reached 23.5 liters per milking cow per day, bringing up the average for the six-month period to 22.8 liters (15.9% higher compared to same period last year). Our goal for this fiscal year is to ensure a minimum of 20 liters per day, surpassing the 19 liters per day average recorded in the previous fiscal year.

In addition to the good production performance, sustained prices have been observed in the domestic market. It is expected that this trend will continue during the following months.

Cresud S.A.C.I.F. y A.
Business Highlights as of December 31, 2011

Land Development

During this fiscal year we will continue to develop new agricultural areas, as we have done during the past years. We expect to add nearly 28,500 new hectares in the whole region, 19,800 of which will be developed in Brazil in six of the farms we own in that country. In Argentina, we will add 7,850 hectares in our “Los Pozos” and “La Suiza” farms and the farm we have in concession. Moreover, we will add 750 new hectares in Paraguay and 100 hectares in Bolivia.

Purchase and Sale of Farms and Other

Income Statement (in ARS MM)	6M 12	6M 11	YoY Var	
Sales	59.9	71.1	-15.8	%
Sales	59.9	71.1	-15.8	%
Cost of sales	-32.1	-21.7	48.4	%
Income (loss) from sales	27.8	49.4	-43.9	%
Gross income (loss)	27.8	49.4	-43.9	%
Business margin	27.8	49.4	-43.9	%
Administrative expenses	-	-3.5	-100.0	%
Operating income (loss)	27.8	46.0	-39.6	%

During this quarter, our subsidiary BrasilAgro sold its “Sao Pedro” farm, a 2,447 hectare property with 1,724 hectares suitable for crops. Located in the State of Goiás, this farm had been acquired in 2006 for BRL 9.9 million and during the years in which BrasilAgro had possession of it, it received investments for BRL 0.4 million. As the transaction was agreed for BRL 23.3 million (at discounted values), it generated a 153% gain over the invested amount. This transaction is yet another example of this company’s sound business model in terms of land development. After increasing its potential, the income resulting from its sale was more than 100% of its purchase value.

Results from this segment are lower, as during the first quarter of fiscal year 2011 we had sold “La Juanita” farm for USD 18 million as part of our process of consolidating milk production in our El Tigre farm.

Land Reserves (in has)	As of December 31, 2011	As of December 31, 2010	YoY Var	
Own farms6	351,158	224,242	56.6	%
Farms under concession	109,228	114,397	-4.5	%

Surface area under irrigation (in has)	As of December 31, 2011	As of December 31, 2010	YoY Var

Own farms	2,403	2,305	4.3	%
Own farms leased to third parties	1,441	1,457	-1.1	%
Total surface area under irrigation	3,844	3,762	2.2	%

6 Includes all Cresca and Brasilagro farms

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IRSA Inversiones y Representaciones S.A.

As of December 31, 2011, our equity interest in IRSA was 63.22%.

IRSA is one of Argentina's leading real estate companies in terms of total assets. IRSA is engaged, directly or indirectly through subsidiaries and joint ventures, in a range of diversified real estate related activities in Argentina, including:

The acquisition, development and operation of shopping centers, through its 94.9% interest in Alto Palermo S.A. ("APSA") (Nasdaq: APSA, BCBA: APSA). APSA is one of Argentina's leading operators of shopping centers and holds a controlling interest in 13 shopping centers with more than 300,000 square meters of Gross Leaseable Area.

The acquisition, development and exploitation of office buildings and other non-shopping center properties primarily for rental, for which purpose it has over 150,000 square meters of office leaseable space.

The acquisition and development of residential properties and the acquisition of undeveloped land reserves for future development or sale.

The acquisition and exploitation of luxury hotels.

Moreover, IRSA currently owns a 29.77% interest in Banco Hipotecario, one of the leading financial institutions in Argentina.

The following information has been extracted from the financial statements of our controlled company IRSA as of December 31, 2011:

In ARS MM	IIQ 12	IIQ 11	YoY Var	6M 12	6M 11	YoY Var
Revenues	395.9	390.9	1.3 %	739.6	697.7	6.0 %
Operating Income	202.4	162.7	24.4 %	366.1	300.7	21.8 %
Depreciation and Amortization	42.8	39.5	8.4 %	87.0	79.1	10.0 %
EBITDA7	245.1	202.2	21.3 %	453.0	379.8	19.3 %
Net Income	127.4	114.4	11.4 %	133.1	170.6	-22.0 %

Our stake in IRSA has a high impact on our results, therefore we recommend the reading of detailed information on IRSA provided in its webpage (www.irsa.com.ar), in the Argentine Comisión Nacional de Valores website (www.cnv.gob.ar) and in the Securities and Exchange Commission website (www.sec.gov).

7EBITDA represents operating income plus depreciation and amortization (included in operating income). Our presentation of EBITDA does not reflect the methodology suggested by its acronym. We believe EBITDA provides investors with meaningful information with respect to our operating performance and facilitates comparisons to our historical operating results. However, our EBITDA measure has limitations as an analytical tool, and should not be considered in isolation, as an alternative to net income or as an indicator of our operating performance or as a substitute for analysis of our results as reported under Argentine GAAP. Some of these limitations include:

- it does not reflect our cash expenditures, or future requirements for capital expenditures or contractual commitments;
- it does not reflect changes in, or cash requirements for, our working capital needs;
- it does not reflect our interest expense, or the cash requirements to service the interest or principal payments of our debt;
- it does not reflect any cash income taxes or employees' profit sharing we may be required to pay;
- it reflects the effect of non-recurring expenses, as well as investing gains and losses;
- it is not adjusted for all non-cash income or expense items that are reflected in restatements of changes in financial position; and
- other companies in our industry could calculate this measure differently than we do, which may limit its usefulness as a comparative measure.

Because of these limitations, our EBITDA measure should not be considered a measure of discretionary cash available to us to invest in the growth of our business or as a measure of cash that will be available to us to meet our obligations. EBITDA is not a recognized financial measure under Argentine GAAP. You should compensate for these limitations by relying principally on our Argentine GAAP results and using our EBITDA measurement supplementally.

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Financial Indebtedness and Other

As of December 31, 2011 Cresud had a total indebtedness of USD 853.75 million, consolidating IRSA. The following table contains a breakdown of Cresud's indebtedness8:

Description	Issue Currency	Outstanding Amount 1	Rate	Maturity
Bank overdraft	ARS	42.34	Variable	< 14 days
Export prefinancing	USD	43.58	Variable	< 365 days
Cresud's Tranche II Series III Notes	ARS	5.52	Badlar + 400 bps	Apr-12
Cresud's Tranche II Series IV Notes	USD	13.38	7.75%	Jul-12
Bolivia farms 2	USD	3.60	-	Oct-12/Jun-13
Cresud's Tranche III Series V Notes	ARS	24.83	Badlar + 375 bps	Dec-12
Cresud's Tranche III Series VI Notes	USD	34.85	7.50%	Mar-13
Cresud's Tranche III Series VII Notes	USD	2.08	4.00%	Mar-13
Cresud's Tranche IV Series VIII Notes	USD	60.00	7.50%	Sep-14
Cresud' Total Debt		230.18		
Other loans	ARS/USD	170.17	Variable / Fixed	Long / Short Term
IRSA's Notes due 2017 (int.)	USD	150.00	8.50%	Feb-17
IRSA's Notes due 2020 (int.)	USD	150.00	11.50%	Jul-20
IRSA's Total Debt		470.17		
Other loans	ARS/USD	28.29	Variable / Fixed	Long / Short Term
APSA's Series II Notes due 2012 (int.) 3	ARS	5.11	11.00%	Jun-12
APSA's Series I Notes due 2017 (int.) 4	USD	120.00	7.88%	May-17
APSA's Total Debt 5		153.40		
Total Consolidated Debt		853.75		
Consolidated Cash		130.56		
Net Debt		723.19		

1 Principal face value in USD at an exchange rate of 4.304 ARS = 1 USD, without considering elimination of balances with subsidiaries.
2 Acquisition of farmlands in Bolivia by Acres del Sud.
3 As of 12/31/11 IRSA held a face value of US$ 15.1 million and APSA had repurchased a face value of US$ 4.8 million.
4 As of 12/31/11 APSA had repurchased a face value of US$ 10.0 million.
5 APSA excludes Convertible Notes due 2014. Outstanding principal: USD 31,746,502

Shareholders’ Meeting dated October 31, 2011

On October 31, 2011 our General Shareholders’ Meeting was held, where the following resolutions, among others, were adopted:

- to ratify the dividend approved by the Board of Directors for an amount of ARS 69.0 million;
- to allocate 5% of the income for fiscal year 2011 (ARS 10.6 million) to the “Legal Reserve” account;
- to pay a cash dividend of ARS 63.8 million and to allocate the balance to the “Freely Available Reserves” account;
- to allocate the treasury shares to an incentive plan for certain employees of Cresud for an amount of up to 1% of Cresud’s outstanding stock capital and to delegate to the Board of Directors the power to determine the price, term, form, methods, opportunities and further conditions applicable to the plan;

[8] Excludes BrasilAgro’s consolidated debt.

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- that the personal asset tax amount paid, for an amount equivalent to ARS 9.3 million, be fully absorbed by the Company, for as long as such decision is not modified by the shareholders' meeting.

Payment of Dividends by Cresud

On November 10, 2011, our Board of Directors resolved to make available, as from November 21, 2011, a cash dividend of ARS 63.8 million equivalent to 12.8% of the stock capital, representing an amount per share of ARS 0.128 and an amount per ADR of ARS 1.28, as resolved upon by our Shareholders' Meeting dated October 31, 2011.

IRSA's Shareholders' Meeting dated October 31, 2011

On October 31, 2011 our subsidiary IRSA (in which we hold a 63.22% equity interest) held its General Shareholders' Meeting, where the following resolutions, among others, were adopted:

- to allocate 5% of the income for fiscal year 2011 (ARS 14.1 million) to the "Legal Reserve" account;

- to pay a cash dividend of ARS 211.6 million and to allocate the balance to the "Freely Available Reserves" account;

- that the personal asset tax amount paid, for an amount equivalent to ARS 4.3 million, be fully absorbed by the Company, for as long as such decision is not modified by the shareholders' meeting;

- to allocate an amount of up to 1% of IRSA's outstanding stock capital to an incentive plan for certain employees of IRSA providing for the repurchase of shares, and to delegate to the Board of Directors the power to determine the price, term, form, methods, opportunities and further conditions applicable to the plan.

Payment of Dividends by IRSA

On November 14, 2011, IRSA's Board of Directors resolved to make available, as from November 21, 2011, a cash dividend of ARS 211.6 million equivalent to 36.6% of the stock capital, representing an amount per share of ARS 0.366 and an amount per ADR of ARS 3.66, as resolved upon by IRSA's Shareholders' Meeting dated October 31, 2011.

IRSA's new USD 300 million Global Note Program and issuance of Class III and Class IV notes

Under the new USD 300 Million Global Note Program approved by IRSA's Shareholders' Meeting dated October 31, 2011, on February 10, 2012 our subsidiary IRSA closed the period of issuance and placement through public offering of Notes for a total amount of ARS 300 million, to be issued in two series, Series III and IV:

- Series III Notes, accruing interest at variable rate (Badlar plus 249 bps) for a principal amount of ARS 153.1 million, due 18 months after their issue date and repayable in 3 consecutive payments within 12, 15, and 18 months.

Series IV Notes, accruing interest at fixed rate (7.45%), for a U.S. dollar amount of USD 33.8 million (equivalent to ARS 146.9 million), to be subscribed and paid in pesos at the applicable rate of exchange, due 24 months after their issue date and repayable in 4 equal consecutive payments within 15, 18, 21 and 24 months.

The proceeds of this issue of notes will be used to repay short term debt and for working capital in Argentina.

Cresud S.A.C.I.F. y A.
Business Highlights as of December 31, 2011

As of the date of issuance of these financial statements, IRSA is closing the process of issuance of the notes that will take place on February 14, 2012.

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Business Highlights as of December 31, 2011

Prospects for the Next Period

When planting activities started there were optimum soil humidity conditions in most of the areas where the coarse crop planting process (including soybean, corn and sunflower) was set to begin. Yet, as we had foreseen some months ago, during the last months of 2011 the "La Niña" effect caused droughts in large areas of the Pampa region, as it had happened in the previous year. Fortunately, nearly all our portfolio is located away from the most severely affected area, and has received good rainfall. The consequences that this weather condition will have on our production and in the whole region, and its ensuing effects on crop prices, will be assessable in the next months.

In the past months crop market prices have shown to be volatile, and the government has persistently intervened in the domestic market, leading to a certain degree of uncertainty. We do not expect that this scenario will change in the near future, and have thus maintained a more conservative position in connection with our hedging strategies.

In addition, the "La Niña" effect has caused severe drought conditions in the core productive region of Argentina. In this sense, the USDA February report has estimated a fall of 4 million tons in the production of corn and of 2.5 million tons in the production of soybean, down to 22 million and 48.5 million, respectively. This was read by the global markets, causing an upward trend in the price of these commodities.

Beef cattle and milk prices are expected to remain steady, following the trend observed in the past months, and we project that production from our businesses will mirror the levels attained during this quarter.

As concerns agricultural development, we will continue to make progress in our transformation plans, as we expect to bring more than 28,500 additional hectares to production for the 2012/13 season.

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

Interim review report

To the Shareholders, President and Board of Directors of
Cresud Sociedad Anónima Comercial,
Inmobiliaria, Financiera y Agropecuaria
Legal address: Moreno 877 - floor 23
Autonomous City of Buenos Aires
CUIT 30-50930070-0

1. We have reviewed the balance sheets of Cresud Sociedad Anónima Comercial, Inmobiliaria, Financiera y Agropecuaria at December 31, 2011 and the related statements of income, of changes in shareholders' equity and of cash flows for the six-month periods ended December 31, 2011 and the complementary notes 1 to 26 and schedules A, B, C, E, F.1, F.2, G and H. Furthermore, we have reviewed the consolidated financial statements of Cresud Sociedad Anónima Comercial, Inmobiliaria, Financiera y Agropecuaria, at December 31, 2011 and the related consolidated statements of income and of cash flows for the six-month periods ended December, 2011 and notes 1 to 17, which are presented as complementary information. These financial statements are the responsibility of the Company's management.

2. We conducted our review in accordance with standards established by Technical Resolution No. 7 of the Argentine Federation of Professional Councils of Economic Sciences for limited reviews of financial statements. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion over the balance sheet, statements of income, of changes in shareholders´equity and of cash flows and the consolidated financial statements ended December 31, 2011.

3. Based on our work and our examinations of the financial statements of this Company and the consolidated financial statements for the years ended June 30, 2011, on which we issued our unqualified report dated September 8, 2011, we report that:

a) The financial statements of Cresud Sociedad Anónima Comercial, Inmobiliaria, Financiera y Agropecuaria at December 31, 2011 and its consolidated financial statements at this date, set out in point 1, prepared in accordance with accounting standards prevailing in the Autonomous City of Buenos Aires, include all significant facts and circumstances of which we are aware, and we have no observations to make on them.

b) The comparative information included in the basic and consolidated balance sheets and the supplementary notes and schedules to the attached financial statements arise from Company financial statements at June 30, 2011.

c) the comparative information included in the basic and consolidated balance sheets and in the basic and consolidated statements of income and of cash flows and the supplementary notes and exhibits to the attached financial statements arise from the Company´s audited special financial statements at December 31, 2010, on which we issued our unqualified report on March 4, 2011.

4. In accordance with current regulations, we report that:

a) the financial statements of Cresud Sociedad Anónima Comercial, Inmobiliaria, Financiera y Agropecuaria and its consolidated financial statements were transcribed to the "Inventory and Balance Sheet Book" and comply, within the field of our competence, with the Corporations Law and pertinent resolutions of the National Securities Commission;

b) the financial statements of Cresud Sociedad Anónima Comercial, Inmobiliaria, Financiera y Agropecuaria arise from official accounting records carried in all formal respects in accordance with legal requirements, that maintain the security and integrity conditions based on which they were authorized by the National Securities Commission;

c) we have read the business highlights, except for the chapter entitled "Progress in complying with the IFRS implementation plan", and the additional information to the notes to the financial statements required by sect. 68 of the Buenos Aires Stock Exchange Regulations, on which, as regards those matters that are within our competence, we have no observations to make;

d) At December 31, 2011, the debt of Cresud Sociedad Anónima Comercial, Inmobiliaria, Financiera y Agropecuaria accrued in favor of the Argentine Integrated Social Security System according to the accounting records amounted to Ps. 2,651,852 none of which was claimable at that date.

Autonomous City of Buenos Aires, February 13, 2012.

PRICE WATERHOUSE & CO. S.R.L.

(Partner)
C.P.C.E.C.A.B.A. T° 1 F° 17
Dr. Norberto Fabián Montero
Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. Tº 167 Fº 179

SIGNATURES

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

Cresud Sociedad Anónima, Comercial, Inmobiliaria, Financiera y Agropecuaria

By: /S/ Saúl Zang
Name: Saúl Zang
Title: Responsible for Relationships with the Markets

Dated: June 22, 2012