

YPF SOCIEDAD ANONIMA  
Form 6-K  
August 08, 2014

**FORM 6-K**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**Report of Foreign Issuer**  
**Pursuant to Rule 13a-16 or 15d-16 of**  
**the Securities Exchange Act of 1934**  
**For the month of August, 2014**  
**Commission File Number: 001-12102**

**YPF Sociedad Anónima**  
**(Exact name of registrant as specified in its charter)**

**Macacha Güemes 515**  
**C1106BKK Buenos Aires, Argentina**  
**(Address of principal executive office)**

Indicate by check mark whether the registrant files or will file

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annual reports under cover of Form 20-F or Form 40-F:

Form 20-F       Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K

in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes       No

Indicate by check mark if the registrant is submitting the Form 6-K

in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes       No

**YPF Sociedad Anonima**

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2nd Quarter 2014  
Earnings Webcast  
August 8, 2014

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Disclaimer

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This document contains statements that YPF believes constitute forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995.

These forward-looking statements may include statements regarding the intent, belief, plans, current expectations or objectives of YPF and its management, including statements with respect to trends affecting YPF's future financial condition, financial, operating ratios, results of operations, business strategy, geographic concentration, business concentration, production and marketed volumes, YPF's plans, expectations or objectives with respect to future capital expenditures, investments, expansion and other projects, ownership interests, divestments, cost savings and dividend payout policies. These forward-looking statements may also include assumptions and other conditions, such as the future price of petroleum and petroleum products, refining and marketing margins and exchange rates, and do not guarantee future performance, prices, margins, exchange rates or other events and are subject to material risks, uncertainties, changing circumstances and other factors that may be beyond YPF's control or may be difficult to predict.

YPF's actual future financial condition, financial, operating, reserve replacement and other ratios, results of operations, business strategy, geographic concentration, business concentration, production and marketed volumes, reserves, capital expenditures, investments, expansion and other projects, ownership interests, divestments, cost savings and dividend payout policies, as well as actual future economic conditions, such as the future price of petroleum and petroleum products, refining margins and exchange rates, could differ materially from

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Revenues of ARS 35.3 bn (+61% vs. Q2 2013)

Crude oil production 240.9 Kbb/d (+5.6%)

Natural gas production 43.5 Mm<sup>3</sup>/d (+31.8%)

Crude processed 292 Kbb/d (+20%)

Operating Income was ARS 6 bn (+168%)

Net Income was ARS 1.5 bn (+40%)

Total Capex

was ARS 10.9 bn (+67%)

**Q2 2014 Results Highlights**

Adj. EBITDA

(1)

reached ARS 10.5 bn (+82%)

Operating Cash Flow topped 11.4bn (+251%)

(1)

See description of Adj. EBITDA in footnote (2) on page 5

Solid demand, market share:

Gasoline 59% and diesel 58%

4



5

Production and Sales volumes growth at higher margins, resulted in solid y-o-y financial performance.

Revenues

(1)

(MUSD)

Operating Income

(1) (3)

(MUSD)

Adj. EBITDA

(1) (2)

(MUSD)

(1)

YPF financial statement values in IFRS converted to USD using average FX of 5.2 and 8 for Q2 2013 and Q2 2014, respectively

(2)

Adjusted

EBITDA

=

Net  
income  
attributable  
to  
shareholders  
+  
Net  
income  
(loss)  
for  
non-controlling  
interest  
-  
Deferred  
income  
tax  
-  
Income  
tax  
-  
Financial  
income  
(losses)  
gains  
on  
liabilities  
-  
Financial  
income  
gains  
(losses)  
on  
assets  
-  
Income  
on  
investments  
in  
companies  
+  
Depreciation  
of  
fixed  
assets  
+  
Amortization  
of  
intangible  
assets.  
(3)

In Q2 2013 results do not include the impact of non cash provision relating to claims arising from the discontinuation of gas ex

+5%

+75%

+42%

Q2 2014 **Results Expressed in US Dollars**

920

1,307

Q2 2013

Q2 2014

425

743

Q2 2013

Q2 2014

4,203

4,413

Q2 2013

Q2 2014

6

In millions of ARS

Q2 2014 **Operating Income**

Operating Income increased by 168% in Q2 2014 driven mainly by higher revenues.

(1)

Does

not

include

the

impact

of

non

cash

provision

relating

to

claims

arising

from  
the  
discontinuation  
of  
gas  
export  
contracts  
to  
Brazil  
in  
2009.  
2,218  
5,950  
13,389  
477  
-5,656  
-1,881  
-1,317  
-723  
-557  
Q2 2013  
Revenues  
Others  
expenses  
Other costs  
of sales  
DD&A  
Purchases  
SG&A  
Exploration  
expenses  
Q2 2014  
(1)

7

**Q2 2014 Operating Income**

Solid performance across both business segments.

In millions of ARS

(1)

Does

not

include

the

impact

of

non

cash

provision

relating

to

claims

arising

from  
the  
discontinuation  
of  
gas  
export  
contracts  
to  
Brazil  
in  
2009.  
2,218  
5,950  
1,862  
1,711  
159  
Q2 2013  
Upstream  
Downstream  
Others  
Q2 2014  
(1)

8  
**Q2 2014 Upstream Results**  
Upstream Operating Income reached ARS 3.3 bn (+129%) due to higher revenues driven by the increase in production of both crude oil and natural gas and by higher prices in pesos.

In millions of ARS

(1)  
Does  
not  
include  
the  
impact  
of  
non  
cash  
provision  
relating  
to  
claims



arising  
from  
the  
discontinuation  
of  
gas  
export  
contracts  
to  
Brazil  
in  
2009.

(2)

Includes inventory variation and purchases of -131 MARS and SG&A of 472 MARS.

(2)

1,443

3,305

5,970

341

191

-2,035

-1,296

-752

-557

Q2 2013

Revenues

Other

expenses

Afiliates

Production

costs

DD&A

Royalties

Exploration

Expenses

Q2 2014

(1)

9

Crude oil production

(1)

(Kbbl/d)

Natural gas production

(1)

(Mm

3

/d)

**Q2 2014 Upstream Results**

Production

Total production

(1)

(Kboe/d)

+5.6%

+31.8%

+15.5%

Total y-o-y production growth of 15.5%, 5.6% in crude oil and 31.8% in natural gas.

(1)

Q2 2014 includes production of YSUR and Puesto Hernández acquired in Q1 2014.

228.2

240.9

Q2 2013

Q2 2014

33.0

43.5

Q2 2013

Q2 2014

481.4

555.8

Q2 2013

Q2 2014

10

**Q2 2014 Upstream Results**

Production

Crude oil production

(kbbbl/d)

Natural gas production

(Mm

3

/d)

Solid conventional y-o-y natural gas production increase of 4.4%, coupled with inorganic growth and continued shale and tight progress.

YSUR + Puesto Hernández

Tight + Shale

Conventional

226.3

228.2

235.1

239.3

241.6  
240.9  
31.4  
33.0  
35.6  
35.5  
37.2  
43.5  
222.1  
222.8  
227.2  
229.9  
229.2  
220.5  
6.0  
13.6  
4.2  
5.4  
7.9  
9.5  
6.4  
6.8  
Q1 13  
Q2 13  
Q3 13  
Q4 13  
Q1 14  
Q2 14  
30.7  
32.3  
34.7  
33.2  
32.9  
33.7  
1.3  
6.0  
0.7  
0.7  
0.9  
2.3  
3.1  
3.8  
Q1 13  
Q2 13  
Q3 13  
Q4 13  
Q1 14  
Q2 14

Confirming Well Productivity

Vaca Muerta

Vertical Well Production

Loma Campana -

Sweet Spots

Vaca Muerta Figures

> 2 bn USD invested

> 200 development wells drilled

21 drilling rigs in LC

40 exploration wells outside LC

Total Gross Production

(Kboe/d)

50,000

45,000

40,000  
35,000  
30,000  
25,000  
20,000  
15,000  
10,000  
5,000  
0  
H  
V  
5.9  
7.9  
9.8  
13.3  
17.3  
18.6  
23.2  
Q4 12  
Q1 13  
Q2 13  
Q3 13  
Q4 13  
Q1 14  
Q2 14  
0  
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
2011: 15 wells  
2012: 10 wells  
2013: 93 wells  
Type well curve  
Avg well West Sweet Spot: 15 wells  
2014 Sweet Spot: 24 wells

**Q2 2014 Downstream Results**

Downstream Operating Income grew 141% in Q2 2014, due to higher revenues in the domestic market.

In millions of ARS

1,210

2,921

11,044

177

-7,839

-1,084

-392

-195

Q2 2013

Revenues

Affiliates

Purchases

Production

costs



SG&A  
DD&A  
Q2 2014  
12

13  
20%  
Crude processed  
(kbbbl/d)  
Domestic sales of refined products  
+7%  
**Q2 2014 Downstream Results -**  
Sales  
+6%  
-0.7%  
Refinery output restored after La Plata Refinery incident in Q2 2013.  
+198%  
243  
292  
Q2 2013  
Q2 2014  
3,819  
4,087

Q2 2013  
Q2 2014  
Others  
LPG  
Fuel Oil  
JP1  
Gasoline  
Diesel  
(Km )  
3

14

**Q2 2014 Refined Products Demand**

Diesel volumes

(1)

(Jan-13 base = 100)

Strong YPF performance in a challenging domestic market.

Gasoline volumes

(1)

(Jan-13 base = 100)

(1)

Source: Argentine Secretariat of Energy (SEN)

YPF

Rest of the market

YPF

Rest of the market

15

**Q2 2014 Capex**

(1)

(1)

Economic capex figures as expressed in Note 2.g of Q2 2014 YPF financial statements.

(2)

Active rigs at end of period.

+66.9%

In millions of ARS

10,866

Downstream

Upstream

Progress of the new coke unit  
at the La Plata Refinery and  
other multi-year projects

Neuquina

basin:

Loma

La  
Lata,  
Loma Campana, Rincón del  
Mangrullo and Aguada Toledo  
Golfo San Jorge basin:  
Manantiales Behr, El Trébol,  
Barranca Baya and Los Perales  
Drilling  
rigs  
(2)  
+192%  
Q2 2013  
Q2 2014  
Upstream  
Downstream  
Others  
6,510  
25  
36  
42  
46  
52  
58  
63  
65  
69  
73  
Q1 12Q2 12Q3 12Q4 12Q1 13Q2 13Q3 13Q4 13Q1 14Q2 14

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In millions of ARS

(1)

Includes effect of changes in exchange rates.

(2)

Effective  
spendings

in

fixed

asset

acquisitions

during

the

quarter

.

(3)

Net

debt

to



Adj.EBITDA  
 calculated  
 in  
 USD,  
 Net  
 debt  
 at  
 period  
 end  
 FX  
 of  
 8.1  
 and  
 Adj.  
 EBITDA  
 LTM  
 at  
 6.8;  
 4,298  
 /  
 4,813  
 =  
 0.89.  
**Q2 2014 Cash Flow From Operations**  
 Cash flow from operations grew ARS 8 bn against Q2 2013.  
 Sound  
 capital  
 structure  
 (Net  
 Debt  
 /  
 Adj.  
 EBITDA  
 LTM  
 of  
 0.9x)  
 (3)  
 .  
 (1)  
 (2)  
 +251%  
 3,109  
 11,448  
 11,430  
 6,041  
 -9,132  
 Cash at the  
 beginning of Q2  
 2014  
 Cashflow from

operations  
Net financing  
Capex  
Cash at the end of  
Q2 2014  
3,253  
6,715  
11,430  
Q2 2013  
Q1 2014  
Q2 2014  
17

18

(1)

Converted to USD using average FX of: Q2 2012= 4.3, Q3 2012= 4.6, Q4 2012= 4.8, 5, Q1 2013= 5.2, Q2 2013= 5.6, Q4 2013= 5.6

(2)

Adj. EBITDA margin is Adj. EBITDA divided by Consolidated Revenues.

(3)

Operating margin is Operating Income divided by Consolidated Revenues.

**Q2 2014 Margin Evolution**

Healthy recovery based on production increase and pricing discipline.

Adj. EBITDA and Adj. EBITDA margin

(1) (2)

(MUSD -

%)

Operating Income and Operating margin

(1) (3)

(MUSD -

%)

886

865  
850  
948  
920  
1,182  
1,212  
1,101  
1,307  
23.8%  
22.9%  
21.5%  
25.4%  
21.9%  
27.1%  
28.9%  
27.3%  
29.6%  
Q2  
2012  
Q3  
2012  
Q4  
2012  
Q1  
2013  
Q2  
2013  
Q3  
2013  
Q4  
2013  
Q1  
2014  
Q2  
2014  
433  
368  
386  
507  
425  
619  
632  
578  
743  
11.6%  
9.7%  
9.8%  
13.6%  
10.1%  
14.2%

15.1%  
14.3%  
16.8%  
Q2  
2012  
Q3  
2012  
Q4  
2012  
Q1  
2013  
Q2  
2013  
Q3  
2013  
Q4  
2013  
Q1  
2014  
Q2  
2014

19

Peso denominated debt **32%**

Financial debt amortization schedule

(1) (2)

(MUSD)

Average interest rates of **28.04%**

in USD and **6.76%**

in ARS

(1)

As of June 30, 2014 / (2) Converted to USD using June 30, 2014 FX of 8.1

Cash position covers next 18-month debt maturities.

Continued to extend average life of debt.

Financial Situation Update

Average life of almost **4**

years

1,415

Cash

2014 (Jul-Dec)

2015

2016

2017

2018

2019

2020+

Trade facilities

Term Loans

Senior Bonds

and Notes

8%

13%

79%

1

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Summary

Continued to **increase results and expand margins** despite  
currency devaluation

Increased  
oil  
&  
gas  
production  
by  
15.5%  
as  
a  
result  
of  
a  
balanced  
mix  
of conventional and unconventional production coupled with inorganic growth

Strong operating cash flow  
allowed continued increase  
in capex without increasing leverage  
Solid capital structure with significant cash reserves  
provides stability regardless of the sovereign situation  
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2  
nd  
Quarter 2014 Earnings Webcast  
Questions and Answers

2nd Quarter 2014  
Earnings Webcast  
August 8, 2014

**SIGNATURE**

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

**YPF Sociedad Anónima**

Date: August 8, 2014

By: /s/ Alejandro Cherniacov  
Name: Alejandro Cherniacov  
Title: Market Relations Officer