

YPF SOCIEDAD ANONIMA  
Form 6-K  
February 27, 2015

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 6-K**

**Report of Foreign Issuer**

**Pursuant to Rule 13a-16 or 15d-16  
of the Securities Exchange Act of 1934**

**For the month of February, 2015**

**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)**

Edgar Filing: YPF SOCIEDAD ANONIMA - Form 6-K

Indicate by check mark whether the registrant files or will file 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**

TABLE OF CONTENTS

**ITEM**

- 1 Translation of Full Year 2014 & Q4 2014 Earnings Presentation.

2

Full Year 2014  
Earnings Webcast  
February 27, 2015 Buenos Aires, Argentina

2

Disclaimer

Safe harbor statement under the US Private Securities Litigation Reform Act of 1995.

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, including statements with respect to YPF's future financial condition, financial, operating, reserve replacement and other ratios, business strategy, geographic concentration, business concentration, production and marketed volumes and reserves, as well as YPF's plans and objectives with respect to future capital expenditures, investments, expansion and other projects, exploration activities, ownership interests, savings and dividend payout policies. These forward-looking statements may also include assumptions regarding future economic conditions, such as future crude oil and other prices, refining and marketing margins and exchange rates. These statements are not guarantees of performance and are subject to material risks, uncertainties, changes and other factors which 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, exploration activities, ownership interests, divestments, cost savings and dividend payout policies, as well as actual future economic conditions, such as future crude oil and other prices, refining margins and exchange rates, could differ materially from those expressed or implied in these forward-looking statements. Important factors that could cause such differences include, but are not limited to, oil, gas and other price fluctuations.

demand levels, currency fluctuations, exploration, drilling and production results, changes in reserves estimates, success in part of market share, industry competition, environmental risks, physical risks, the risks of doing business in developing countries, regulatory developments, economic and financial market conditions in various countries and regions, political risks, wars and disasters, project delays or advancements and lack of approvals, as well as those factors described in the filings made by YPF and Securities and Exchange Commission, in particular, those described in Item 3. Key Information Risk Factors and Item 5. and Prospects in YPF's Annual Report on Form 20-F for the fiscal year ended December 31, 2013 filed with the US Securities and Exchange Commission. In light of the foregoing, the forward-looking statements included in this document may not occur.

Except as required by law, YPF does not undertake to publicly update or revise these forward-looking statements even if experience indicates that it is clear that the projected performance, conditions or events expressed or implied therein will not be realized.

These materials do not constitute an offer for sale of YPF S.A. bonds, shares or ADRs in the United States or otherwise.

3	
Contents	
Highlights 2014	
Financial Results	
Financial Situation	
Outlook	
1	
3	
4	
5	
Review of Operations	
2	

4

Increased sales by 6.4% in USD driven by volume and price increase across most products

Continued development of shale and tight opportunities

Executed selected acquisitions that enhance our asset base

Upstream production increase of 13.5% to 560.1 KBOE/d

Increased Proven Reserves by 11.9%; RRR was 163%

Highlights 2014

Increased Adj. EBITDA by 16.8% in USD, Operating Income by

11.0% in USD and operating cash flow by 120% in USD,

expanding Adj. EBITDA margin to 29.2%

Raised USD 1 billion in the international markets and

maintained sound capital structure: Net Debt / EBITDA = 0.9x



5	
Contents	
Review of Operations	
Financial Results	
Financial Situation	
Outlook	
2	
3	
4	
5	
Highlights 2014	
1	

6

Volume and sales growth resulted in margin expansion.

Adj. EBITDA grew by 17% and operating income by 11% y-o-y.

Revenues

(1)

(millions of USD)

Operating Income

(1)

(millions of USD)

Adj. EBITDA

(1) (2)

(millions of USD)

(1)

YPF

financial

statement

values

in

IFRS  
converted  
to  
USD  
using  
an  
average  
exchange  
rate  
of  
Ps  
5.5  
and  
Ps  
8.1  
to  
U.S.\$1.00  
for  
2013  
and  
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

+

Unproductive  
exploratory drillings.

+6.4%

+11%

+16.8%

Review of Operation

Results Expressed in US Dollars

16,514

17,576

2013

2014

4,391

5,128

2013

2014

2,202

2,445

2013

2014

7  
Crude  
Oil  
Production  
(Kbbl/d)  
Natural  
Gas  
Production  
(Mm  
3  
/d)  
Review of Operations  
Production  
Total  
Production  
(Kboe/d)  
+5.3%  
+25.1%

+13.5%  
Production  
increase  
resulting  
from  
development  
of  
shale  
+  
tight,  
conventional  
fields  
and  
acquisitions.

YSUR  
Tight + Shale  
Conventional

232.3

244.6

2013

2014

33.9

42.4

2013

2014

471.6

472.8

38.6

21.8

48.7

493.4

560.1

2013

2014

8  
Liquids  
(Mbbbl)  
Natural  
Gas  
(Mboe)  
Review of Operations  
Reserves

Total  
Hydrocarbon  
(Mboe)

+6.4%

+18.0%

+11.9%

Boosted proved reserves by 11.9%. Solid results coming from secondary recovery projects, tight gas and shale formations, extension of concessions and acquisitions.

163%

144%

184%  
1,083  
1,212  
2013  
2014  
455  
537  
2013  
2014  
628  
675  
2013  
2014  
RRR  
RRR  
RRR



9

Progress on  
Shale Oil & Gas Developments

182

Shale wells  
drilled in 2014

Horizontal well sweet spot identified in Loma Campana

Three distinct horizons evaluated with delineation wells

2015

focus

shifting

to

more

cost

effective

horizontal

wells

290

Shale wells in production

41.2

KBOE/D Shale Production

First operated shale gas pilot started, with positive initial results

2015 focus on completing the pilot project with vertical and horizontal wells

Sufficient gas processing capacity available

Loma Campana (Oil)

El Orejano (Gas)

(1)

January 2015 gross production.

10

Shale Development **Main Challenges**

Ongoing Initiatives

Increase  
the  
extension  
and  
number  
of  
fractures  
of  
horizontal  
wells.

Optimize costs by using national sand and new stimulation service contracts.

Low-cost monobore 3 ½  
horizontal wells for areas with low productivity.

Future Challenges

Development

of  
the  
horizontal  
sweet  
spot  
in  
factory  
mode,  
across  
different  
horizons.

Understanding the subsurface to resolve interferences detected between wells.

Vertical supply chain integration (sand, distribution, etc.).

11

Renewed Focus on **Natural Gas**

42.4

Mm

3

/d

Gas

Production\*

110

Gas wells drilled in 2014

25%

Production Growth Y-o-Y

(\*) Includes YSUR, MAXUS and Ramos YEE

Gas production boosted mainly due to YSUR and Tight Gas performance

0

5

10

15

20  
25  
30  
35  
40  
45  
50

CONVENTIONAL  
YSUR  
TIGHT GAS  
SHALE

12  
Stay the course on **Mature Fields**  
10%  
Production Growth Y-o-Y  
40%  
Of total Oil Production  
Focus on Secondary Recovery of Mature Fields  
1 billion  
Barrels of water Injected  
50  
100  
150  
200  
250  
Q1-12  
Q2-12  
Q3-12  
Q4-12

Q1-13

Q2-13

Q3-13

Q4-13

Q1-14

Q2-14

Q3-14

Q4-14

PRIMARY

SECONDARY

YSUR

SHALE



13  
+4.3%  
Crude  
processed  
(kbbbl/d)  
Domestic  
sales  
of  
refined  
products  
(Km  
3  
)  
+6%  
Review of Operations **Downstream Performance**  
+4%  
+1%  
Crude processing up 4% to 91% of capacity.

Sales volume growth across most products.

+54%

15,988

16,916

2013

2014

Others

LPG

Fuel Oil

JP1

Gasoline

Diesel

278

290

2013

2014

14

Review of Operations **Refined Products Demand**

Monthly

Gasoline

Sales

(Km

3

)

Brand recognition; solid demand based on slight market share growth.

2014

2013

Monthly

Diesel

Sales

(Km

3

)

2014

2013

54.6%

57.7%

57.7%

60.0%

Gasoline Market Share

2013

2014

Diesel Market Share

2013

2014

+ 3.9%

+ 0.8%

300

320

340

360

380

400

420

440

Jan

Feb

Mar

Apr

May

Jun

Jul

Aug

Sep

Oct

Nov

Dec

500

550

600

650

700

750

800

Jan

Feb

Mar

Apr

May

Jun

Jul

Aug

Sep

Oct

Nov  
Dec

15

5% reduction of gasoline and diesel prices at the pump,  
partially supported by federal taxes reduction. (Dec. 2579/14)

Recent changes in domestic prices

Understanding among various sectors and the Argentine Federal  
Government to reduce domestic crude oil prices by U.S.\$7/Bbl.

Lower cost for YPF on domestic crude oil purchases  
(~20% of total processed crude)

Reduction on royalties paid amounts to provinces due  
to lower wellhead prices

Additional U.S.\$3/Bbl compensation for producers that maintain or  
increase production from one year to another.

Reduction of export taxes for all products to 1%, while Brent price  
is  
below  
U.S.\$71/Bbl.

(Resolution  
1077/14

-

Ministry  
of  
Economy)

16	
Contents	
Highlights 2014	
Financial Results	
Financial Situation	
Outlook	
1	
3	
3	
4	
Review of Operations	
2	



17  
Revenues  
(millions  
of  
Ps)  
Adj.EBITDA  
(millions  
of  
Ps)  
(1)  
**FY 2014 Financial Results**  
Operating  
Income  
(millions  
of  
Ps)  
+57.5%  
+72.8%

+64.3%

Production and sales volume growth, coupled with pricing discipline, led to solid financial results and healthy margins.

(1)

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  
+  
Unproductive  
exploratory drillings.  
23,962  
41,412  
2013  
2014  
90,113  
141,942  
2013  
2014  
12,015  
19,742  
2013  
2014

18

In million of Ps

**FY 2014 Financial Results**

Operating income reached Ps 19.7 billion during 2014, 64% above 2013, despite Ps 1.2 billion of non-cash provision at Maxus

12,015

19,742

51,829

-17,859

-10,105

-8,700

-4,121

-2,112

-1,205

2013

Revenues

Other costs of  
sales

Purchases  
DD&A  
SG&A  
Others  
expenses  
Exploration  
expenses  
2014

19

**FY2014 Upstream Financial Results**

Upstream

operating

income

grew

72%

due

to

higher

revenues

driven

by

an

increase

of

production and better prices for crude oil and natural gas.

In millions of Ps

7,179  
12,353  
28,000  
-10,973  
-7,589  
-3,617  
-647  
2013  
Revenues  
Production  
costs  
DD&A  
Royalties  
2014

20

**FY2014 Downstream Financial Results**

Downstream operating income was positively impacted by higher sales volume and prices.

In millions of Ps

6,721

10,978

46,972

-32,399

-4,406

-2,906

-2,011

-993

2013

Revenues

Purchases

Production costs

SG&A

Other expenses



DD&A  
2014

21

In millions of Ps

**Q4 2014 Financial Results**

Although operating income decreases, mainly because of the impact of two one-time charges, recurring results were positive by 10.7%.

2,341

3,820

1,364

2,591

1,479

12,445

-3,674

-3,535

-2,997

-2,829

-1,366

-500

1,227

Recurring  
Operating  
Income  
Q4 2013  
One-time Q4  
2013  
Insurance  
recovery  
Q4 2013  
Revenues  
Other costs  
of sales  
Purchases  
Others  
expenses  
DD&A  
SG&A  
Exploration  
expenses  
Q4 2014  
One-time Q4  
2014 Maxus  
provision  
Recurring  
Operating  
Income  
Q4 2014

22  
Crude  
oil  
production  
(kbbbl/d)  
Natural  
gas  
production  
(Mm  
3  
/d)  
**Q4 2014 Upstream Results**  
Production  
Total  
production  
(kboe/d)  
+4.4%  
+23.1%

+12.7%

Total production grew by 12.7% boosted by a strong increased of 23% in natural gas.

35.5

43.7

Q4 2013

Q4 2014

239.3

249.8

Q4 2013

Q4 2014

517.0

582.8

Q4 2013

Q4 2014

23  
+4.3%  
Crude  
processed  
(kbb/d)  
Domestic  
sales  
of  
refined  
products  
(Km  
3  
)  
+9.2%  
**Q4 2014 Downstream Results -**  
Sales  
+0.4%  
0%

Refinery utilization reached 93% helped by lighter crude coming from unconventional production.  
All product demand grew by 9%.

+34%

287

296

Q4 2013

Q4 2014

4,094

4,472

Q4 2013

Q4 2014

Others

LPG

Fuel Oil

JP1

Gasoline

Diesel

24	
Contents	
Highlights 2014	
Review of Operations	
Financial Results	
Financial Situation	
1	
2	
3	
4	
Outlook	
5	



25

(1)

Includes effect of changes in exchange rates.

(2)

Effective  
spendings  
in  
fixed  
asset  
acquisitions  
during  
the  
year  
net  
of  
the  
insurance  
recovery

of  
Ps  
1,818  
million.

(3)

Net debt to Adj. EBITDA calculated in USD, Net debt at period end exchange rate of Ps 8.5 to U.S.\$1.00 and Adj. EBITDA at  
5,128 / 4,652 = 0.9.

**FY 2014 Financial Situation**

Cash flow from operations grew Ps 25 billion against 2013.

Sound  
capital  
structure;

Net  
Debt

/

Adj.  
EBITDA

LTM  
down

to  
0.9x

(3)

.  
(1)

(2)

+120%

Consolidated statement of cash flows

(in millions of Ps)

Cash flow from operations

(in millions of Ps)

20,964

46,154

2013

2014

10,713

9,758

46,154

6,296

-53,405

Cash at the  
beginning 2014

Cashflow from  
operations

Net financing

Capex

Cash at the end of  
2014

26

Peso denominated debt **35%**

Financial debt amortization schedule

(1) (2)

(in millions of USD)

Average interest rates of **6.84%**

in USD and **23.05%**

in Pesos

(1)

As of December 31, 2014, does not include consolidated companies

(2)

Converted

to

USD

using

the

December

31,

2014  
exchange  
rate  
of  
Ps  
8.5  
to  
U.S.\$1.00  
and  
February  
10,  
2015  
of  
Ps  
8.7  
U.S.\$1.00  
for  
pro-  
forma figures of Notes series XXXVI and XXXVII.  
Cash position strengthened  
by additional indebtedness in the international and local markets  
during Q1 2015.  
Financial  
Situation  
Update  
1  
Trade facilities  
Term Loans  
Senior Bonds  
and Notes  
Average life of almost **3.5**  
years  
Overdraft  
Includes additional issuances in the international market of Notes Series XXVI and XXXVII of U.S.\$175 million and  
U.S.\$325  
million,  
respectively  
and  
Series  
XXXVI  
and  
XXXVII  
of  
Ps  
950  
million  
and  
Ps  
250  
million

respectively

5%

11%

10%

74%

Cash

2015

2016

2017

2018

2019

2020+

1,624

27	
Contents	
Highlights 2014	
Review of Operations	
Financial Results	
Outlook	
1	
2	
3	
4	
Financial Situation	
4	

28

Maintaining activity to avoid compromising long term growth

Focusing on cost reduction opportunities

Executing our JV projects

Finalizing our new coke project to increase gasoline and diesel production by 10%

Maintaining leverage below 1.5x (Net Debt / Adj. EBITDA)

Adapt to a new business environment by:

Outlook 2015

Delivered 2012, 2013 and 2014 results ahead of expectations and built a strong base to face the challenges of a transition year

Track

Record  
2015



Full  
Year  
2014  
&  
4  
th  
Quarter  
2014  
Earnings  
Webcast  
Questions and Answers

Full Year 2014  
Earnings Webcast  
February 27, 2015. Buenos Aires, Argentina

**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: February 27, 2015

By: /s/ Diego Celaá  
Name: Diego Celaá

Title: Market Relations Officer