YPF SOCIEDAD ANONIMA
Form 6-K
February 03, 2009
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# 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 February, 2009**

**Commission File Number: 001-12102**

# YPF Sociedad Anónima

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

**Av. Pte. R.S. Peña 777 8th Floor**

**1354 Buenos Aires, Argentina**

**(Address of principal executive office)**

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 __X__ 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 __X__

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 __X__

Indicate by check mark whether by furnishing the information

contained in this Form, the Registrant is also thereby furnishing the information to the Commission

pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes ______ No __X__

If Yes is marked, indicate below the file number assigned to the registrant

in connection with Rule 12g3-2(b): N/A

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This Form 6-K is incorporated by reference into the registration statements on Form F-3 filed by YPF Sociedad Anónima with the Securities and Exchange Comission (File Nos. 333-149313 and 333-149486).

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**YPF Sociedad Anónima**

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**ITEM 1. UPDATE OF SELECTED FINANCIAL AND OPERATING DATA**

The following tables present our selected financial and operating data. You should read this information in conjunction with our audited consolidated financial statements included in our amended Annual Report on Form 20-F/A for the year ended December 31, 2007, as filed on October 20, 2008 (the 2007 20-F ), our unaudited financial statements for the six-month periods ended June 30, 2008 and 2007, included as Item 5.A in this report, our unaudited financial statements for the nine-month periods ended September 30, 2008 and 2007, included as Item 5.B in this report, and their respective notes, as well as the information under Update of Management s Discussion and Analysis of Financial Condition and Results of Operations in this report. All financial data included in this report as of September 30, 2008 and for the nine-month periods ended September 30, 2008 and 2007 and as of June 30, 2008 and for the six-month periods ended June 30, 2008 and 2007 are unaudited. Results for the nine-month period ended September 30, 2008 and the six-month period ended June 30, 2008 are not necessarily indicative of results to be expected for the full year 2008 or any other period.

The financial data as of December 31, 2007, 2006 and 2005 and for the years then ended are derived from our audited consolidated financial statements included in our 2007 20-F (the Audited Consolidated Financial Statements ). The financial data as of June 30, 2008 and for the six-month periods ended June 30, 2008 and 2007 are derived from our unaudited financial statements for the six-month periods ended June 30, 2008 and 2007, included as item 5.A in this report (the Unaudited First Semester Financial Statements ). The financial data as of September 30, 2008 and for the nine-month periods ended September 30, 2008 and 2007 are derived from our unaudited financial statements for the nine-month periods ended September 30, 2008 and 2007, included as Item 5.B in this report (the Unaudited Nine-Month Financial Statements ). The Unaudited First Semester Financial Statements and the Unaudited Nine-Month Financial Statements reflect all adjustments which, in the opinion of our management, are necessary to present the financial statements for such periods on a consistent basis with the Audited Consolidated Financial Statements. Our Unaudited First Semester Financial Statements and Unaudited Nine-Month Financial Statements have been prepared in accordance with generally accepted accounting principles in Argentina, which we refer to as Argentine GAAP and which differ in certain significant respects from generally accepted accounting principles in the United States, which we refer to as U.S. GAAP. Notes 6, 7 and 8 to our Unaudited First Semester Financial Statements provide a description of the significant differences between Argentine GAAP and U.S. GAAP, as they relate to us, and a reconciliation to U.S. GAAP of net income for the six-month periods ended June 30, 2008 and 2007 and shareholders equity as of June 30, 2008 and December 31, 2007. Our Unaudited Nine-Month Financial Statements have not been reconciled to U.S. GAAP.

In this report, except as otherwise specified, references to $, U.S.$ and dollars are to U.S. dollars, and references to Ps. and pesos are to Argentine pesos. Solely for the convenience of the reader, peso amounts as of and for the nine-month period ended September 30, 2008 and as of and for the six-month period ended June 30, 2008 have been translated into U.S. dollars at the exchange rate quoted by the Argentine Central Bank (*Banco Central de la República Argentina,* or Central Bank) on September 30, 2008 of Ps.3.14 to U.S. $1.00, unless otherwise specified. The U.S. dollar equivalent information should not be construed to imply that the peso amounts represent, or could have been or could be converted into U.S. dollars at such rates or any other rate. See Item 3. Key Information Exchange Rates in our 2007 20-F.

Certain figures included in this report have been subject to rounding adjustments. Accordingly, figures shown as totals may not sum due to rounding.

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| | As of and for Nine-Month Period Ended September 30, | | |
|---|---|---|---|
| | 2008 (in millions of U.S.$, except for per share and per ADS data) | 2008 (in millions of pesos, except for per share and per ADS data) | 2007 |
| **Consolidated Income Statement Data:** | | | |
| *Argentine GAAP*(1) | | | |
| Net sales(2)(3) | 8,345 | 26,204 | 20,869 |
| Gross profit | 2,710 | 8,509 | 6,952 |
| Administrative expenses | (225) | (707) | (561) |
| Selling expenses | (549) | (1,724) | (1,541) |
| Exploration expenses | (139) | (435) | (356) |
| Operating income | 1,797 | 5,643 | 4,494 |
| Income on long-term investments | 26 | 82 | 38 |
| Other expenses, net | (100) | (313) | (171) |
| Interest expenses | (104) | (328) | (216) |
| Other financial income (expenses) and holding gains (losses), net | 188 | 591 | 615 |
| Reversal of impairment of other current assets | | | 69 |
| Income before income tax | 1,807 | 5,675 | 4,829 |
| Income tax | (728) | (2,287) | (1,849) |
| Net income | 1,079 | 3,388 | 2,980 |
| Earnings per share and per ADS(4) | | 8.61 | 7.58 |
| Dividends per share and per ADS(4) (in pesos) | n.a. | 17.26 | 6.00 |
| Dividends per share and per ADS(4)(5) (in U.S. dollars) | n.a. | 5.45 | 1.93 |
| **Other Consolidated Financial Data:** | | | |
| *Argentine GAAP*(1) | | | |
| Fixed assets depreciation | 1,050 | 3,297 | 3,105 |
| Cash used in fixed asset acquisitions | 1,475 | 4,631 | 4,076 |
| Current liquidity (Current assets divided by current liabilities) | n.a. | 1.034 | 1.696 |
| Solvency (Net worth divided by total liabilities) | n.a. | 1.389 | 2.230 |
| Capital Immobilization (Non-current assets divided by total assets) | n.a. | 0.725 | 0.720 |
| *Non-GAAP* | | | |
| EBITDA(6) | 2,929 | 9,196 | 7,891 |
| EBITDA margin(7) | 35% | 35% | 38% |

| | As of September 30, 2008 | |
|---|---|---|
| | (in millions of U.S.$) | (in millions of pesos) |
| **Consolidated Balance Sheet Data:** | | |
| *Argentine GAAP*(1) | | |
| Cash | 46 | 146 |
| Working capital | 113 | 354 |
| Total assets | 12,405 | 38,953 |
| Total debt(8) | 1,159 | 3,640 |
| Shareholders equity(9) | 7,212 | 22,645 |

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| | As of and for Six-Month Period Ended June 30, | | |
|---|---|---|---|
| | 2008 (in millions of U.S.$, except for per share and per ADS data) | 2008 (in millions of pesos, except for per share and per ADS data) | 2007 |
| **Consolidated Income Statement Data:** | | | |
| *Argentine GAAP*(1) | | | |
| Net sales(2)(3) | 5,237 | 16,443 | 13,099 |
| Gross profit | 1,765 | 5,542 | 4,800 |
| Administrative expenses | (137) | (429) | (361) |
| Selling expenses | (351) | (1,102) | (992) |
| Exploration expenses | (69) | (218) | (247) |
| Operating income | 1,208 | 3,793 | 3,200 |
| Income on long-term investments | 21 | 67 | 29 |
| Other expenses, net | (77) | (241) | (18) |
| Interest expenses | (60) | (189) | (145) |
| Other financial income (expenses) and holding gains (losses), net | 146 | 459 | 319 |
| Reversal of impairment of other current assets | | | 69 |
| Income before income tax | 1,239 | 3,889 | 3,454 |
| Income tax | (521) | (1,635) | (1,310) |
| Net income | 718 | 2,254 | 2,144 |
| Earnings per share and per ADS(4) | 1.82 | 5.73 | 5.45 |
| Dividends per share and per ADS(4) (in pesos) | n.a. | 17.26 | 6.00 |
| Dividends per share and per ADS(4)(5) (in U.S. dollars) | n.a. | 5.45 | 1.93 |
| *U.S. GAAP* | | | |
| Operating income | 884 | 2,777 | 2,742 |
| Net income | 479 | 1,504 | 1,915 |
| Earnings per share and per ADS(4) (in pesos) | 1.22 | 3.82 | 4.87 |
| **Other Consolidated Financial Data:** | | | |
| *Argentine GAAP*(1) | | | |
| Fixed assets depreciation | 652 | 2,046 | 2,012 |
| Cash used in fixed asset acquisitions | 897 | 2,816 | 2,529 |
| Current liquidity (Current assets divided by current liabilities) | n.a. | 0.902 | 1.554 |
| Solvency (Net worth divided by total liabilities) | n.a. | 1.410 | 2.111 |
| Capital Immobilization (Non-current assets divided by total assets) | n.a. | 0.763 | 0.718 |
| *Non-GAAP* | | | |
| EBITDA(6) | 1,926 | 6,049 | 5,451 |
| EBITDA margin(7) | 37% | 37% | 42% |

| | As of June 30, 2008 (in millions of U.S.$) | (in millions of pesos) |
|---|---|---|
| **Consolidated Balance Sheet Data:** | | |
| *Argentine GAAP*(1) | | |
| Cash | 33 | 105 |
| Working capital | (301) | (944) |
| Total assets | 11,708 | 36,764 |
| Total debt(8) | 1,036 | 3,252 |
| Shareholders equity(9) | 6,851 | 21,511 |
| *U.S. GAAP* | | |
| Total assets | 12,029 | 37,771 |
| Shareholders equity(9) | 7,339 | 23,043 |

(1)

The financial statements reflect the effect of changes in the purchasing power of money by the application of the method for inflation adjustment into constant Argentine pesos set forth in Technical Resolution No. 6 of the Argentine Federation of Professional Councils in Economic Sciences ( F.A.C.P.C.E. ) and taking into consideration General Resolution No. 441 of the National Securities Commission ( CNV ), which established the discontinuation of the inflation adjustment of financial statements into constant Argentine pesos as from March 1, 2003. See Note 1 to the Unaudited First Semester Financial Statements and the individual financial statements included in our Unaudited Nine-Month Financial Statements.

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(2) Includes Ps.1,245 million for the nine-month period ended September 30, 2008 and Ps.999 million for the nine-month period ended September 30, 2007 corresponding to the proportional consolidation of the net sales of investees jointly controlled by us and third parties. Includes Ps.903 million for the six-month period ended June 30, 2008 and Ps.647 million for the six-month period ended June 30, 2007 corresponding to the proportional consolidation of the net sales of investees jointly controlled by us and third parties.

(3) Net sales are net to us after payment of a fuel transfer tax, turnover tax and customs duties on hydrocarbon exports. Royalties with respect to our production are accounted for as a cost of production and are not deducted in determining net sales. See Note 2(f) to the Unaudited First Semester Financial Statements and the Unaudited Nine-Month Financial Statements.

(4) Information has been calculated based on outstanding capital stock of 393,312,793 shares. Each ADS represents one Class D Share. There were no differences between basic and diluted earnings per share and ADS for any of the periods disclosed.

(5) Amounts expressed in U.S. dollars are based on the exchange rate as of the date of payment. For periods in which more than one dividend payment was made, the amounts expressed in U.S. dollars are based on exchange rates at the date of each payment.

(6) EBITDA is calculated by excluding interest gains on assets, interest losses on liabilities, income tax and depreciation of fixed assets from our net income. For a reconciliation of EBITDA to net income, see EBITDA reconciliation.

(7) EBITDA margin is calculated by dividing EBITDA by our net sales.

(8) Total debt under Argentine GAAP includes nominal amounts of long-term debt of Ps.674 million as of September 30, 2008 and Ps.650 million as of June 30, 2008.

(9) Our subscribed capital as of September 30, 2008 and June 30, 2008 was represented by 393,312,793 shares of common stock and divided into four classes of shares, with a par value of Ps.10 and one vote per share. These shares are fully subscribed, paid-in and authorized for stock exchange listing.

***EBITDA reconciliation***

EBITDA is calculated by excluding interest gains on assets, interest losses on liabilities, income tax and depreciation of fixed assets from our net income. Our management believes that EBITDA is meaningful for investors because it is one of the principal measures used by our management to compare our results and efficiency with those of other similar companies in the oil and gas industry, excluding the effect on comparability of variations in depreciation and amortization resulting from differences in the maturity of their oil and gas assets. EBITDA is also a measure commonly reported and widely used by analysts, investors and other interested parties in the oil and gas industry. EBITDA is not a measure of financial performance under Argentine GAAP or U.S. GAAP and may not be comparable to similarly titled measures used by other companies. EBITDA should not be considered an alternative to operating income as an indicator of our operating performance, or an alternative to cash flows from operating activities as a measure of our liquidity.

The following table presents, for each of the periods indicated, our EBITDA reconciled to our net income under Argentine GAAP.

| | **For the Nine-Month Period Ended September 30,** | |
|---|---|---|
| | **2008** | **2007** |
| | **(in millions of pesos)** | |
| Net income | 3,388 | 2,980 |
| Interest gains on assets | (104) | (259) |
| Interest losses on liabilities | 328 | 216 |
| Depreciation of fixed assets | 3,297 | 3,105 |
| Income tax | 2,287 | 1,849 |
| EBITDA | 9,196 | 7,891 |

| | **For the Six-Month Period Ended June 30,** | |
|---|---|---|
| | **2008** | **2007** |
| | **(in millions of pesos)** | |
| Net income | 2,254 | 2,144 |
| Interest gains on assets | (75) | (160) |
| Interest losses on liabilities | 189 | 145 |
| Depreciation of fixed assets | 2,046 | 2,012 |
| Income tax | 1,635 | 1,310 |

| | | |
|---|---|---|
| EBITDA | 6,049 | 5,451 |

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***Production and other operating data***

The following tables present certain of our production and other operating data as of or for the nine-month and six-month periods indicated.

| | Nine Months Ended September 30, 2008 | Nine Months Ended September 30, 2007 |
|---|---|---|
| **Average daily production for the period** | | |
| Oil (mbbl) | 308 | 335 |
| Gas (mmcf) | 1,696 | 1,743 |
| Total (mboe) | 610 | 644 |
| **Refining capacity** | | |
| Capacity (mbbl/d)(1) | 320 | 320 |

| | Six Months Ended June 30, 2008 | Six Months Ended June 30, 2007 |
|---|---|---|
| **Average daily production for the period** | | |
| Oil (mbbl) | 307 | 335 |
| Gas (mmcf) | 1,653 | 1,743 |
| Total (mboe) | 601 | 645 |
| **Refining capacity** | | |
| Capacity (mbbl/d)(1) | 320 | 320 |

(1) Excluding Refinor, which has a refining capacity of 26 mbbl/d and in which we have a 50% interest.

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## ITEM 2. UPDATE OF MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion should be read in conjunction with, and is qualified in its entirety by reference to, our Unaudited First Semester Financial Statements and our Unaudited Nine-Month Financial Statements.*

### Overview

We are Argentina s leading energy company, operating a fully integrated oil and gas chain with leading market positions across the domestic upstream and downstream segments. Our upstream operations consist of the exploration, development and production of crude oil, natural gas and liquefied petroleum gas. Our downstream operations include the refining, marketing, transportation and distribution of oil and a wide range of petroleum products, petroleum derivatives, petrochemicals, liquefied petroleum gas and bio-fuels. Additionally, we are active in the gas separation and natural gas distribution sectors both directly and through our investments in several affiliated companies. In the nine-month period ended September 30, 2008, we had consolidated net sales of Ps.26,204 million (U.S.$8,345 million) and consolidated net income of Ps.3,388 million (U.S.$1,079 million).

Most of our predecessors were state-owned companies with operations dating back to the 1920s. In November 1992, the Argentine government enacted the Privatization Law (Law No. 24,145), which established the procedures for our privatization. In accordance with the Privatization Law, in July 1993, we completed a worldwide offering of 160 million Class D shares that had previously been owned by the Argentine government. As a result of that offering and other transactions, the Argentine government s ownership interest in our capital stock was reduced from 100% to approximately 20% by the end of 1993.

Since 1999, we have been controlled by Repsol YPF, an integrated oil and gas company headquartered in Spain with global operations. Repsol YPF owned approximately 99% of our capital stock from 2000 until February 21, 2008, when Petersen Energía purchased 58,603,606 of our ADSs, representing 14.9% of our capital stock, from Repsol YPF for U.S.$2,235 million. In addition, Repsol YPF also granted options to Enrique Eskenazi, Sebastián Eskenazi, Ezequiel Eskenazi Storey and Matías Eskenazi Storey, shareholders of Petersen Energía, or to companies that are, directly or indirectly, wholly-controlled by any of them (the Option Beneficiaries ) to purchase up to an additional 10.1% of our outstanding capital stock within four years. On May 20, 2008, Petersen Energía Inversora S.A. ( PEISA ) exercised an option to purchase shares representing 0.1% of our capital stock. Additionally, PEISA launched a tender offer to purchase all of the shares of YPF that were not already owned by them at a price of U.S.$ 49.45 per share or ADS. Repsol, pursuant to its first option agreement with Petersen Energía, had stated that it would not tender YPF shares to PEISA. The offer period commenced on September 11, 2008 and expired on October 20, 2008. A total of 461,868 shares, representing approximately 0.117% of our total shares outstanding, have been tendered.

#### *Upstream Operations*

- We operate more than 70 oil and gas fields in Argentina, accounting for approximately 42% of the country s total production of crude oil, excluding natural gas liquids, and approximately 42% of its total natural gas production, including natural gas liquids, in 2007, and approximately 41% and 42% of total crude oil and natural gas production, respectively, in the nine-month period ended September 30, 2008, according to information provided by the Secretariat of Energy.

- We had proved reserves, as estimated as of December 31, 2007, of approximately 623 mmbbl of oil and 3,708 bcf of gas, representing aggregate reserves of 1,283 mmboe.

- In 2007, we produced 120 mmbbl of oil (329 mbbl/d) and 635 bcf of gas (1,740 mmcf/d) and, in the nine-month period ended September 30, 2008, we produced 84 mmbbl of oil (308 mbbl/d) and 463 bcf of gas (1,696 mmcf/d).

#### *Downstream Operations*

- We are Argentina s leading refiner with operations conducted at three wholly owned refineries with combined annual refining capacity of approximately 116 mmbbl (319.5 mbbl/d). We also have a 50% interest in Refinor, an entity jointly controlled with and operated by Petrobras Energía S.A., which has a refining capacity of 26.1 mbbl/d.

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Our retail distribution network for automotive petroleum products as of June 30, 2008 consisted of 1,663 YPF-branded service stations, which we estimate represented approximately 31.0% of all service stations in Argentina.

We are one of the leading petrochemical producers in Argentina and in the Southern Cone of Latin America, with operations conducted through our Ensenada and Plaza Huincul sites. In addition, Profertil S.A. ( Profertil ), a company that we jointly control with Agrium Investments Spain S.L. ( Agrium ), is one of the leading producers of urea in the Southern Cone.

**Presentation of Financial Information**

We prepare our Unaudited First Semester Financial Statements in accordance with Argentine GAAP, which differ in certain significant respects from U.S. GAAP. Notes 6, 7 and 8 to the Unaudited First Semester Financial Statements provide a summary of the effect of these significant differences on net income and shareholders equity under Argentine GAAP and U.S. GAAP.

We fully consolidate the results of subsidiaries in which we have a sufficient number of voting shares to control corporate decisions and proportionally consolidate the results of companies that we control jointly. The financial information corresponding to Refinor and Profertil, both jointly controlled entities, includes the last financial information approved by those companies, which in each case corresponds to a date and period ending three months prior to the date of our consolidated financial statements; however, such information, if material, is adjusted according to applicable accounting principles to reflect these companies results as of the date of the issuance of our consolidated financial statements.

Under Argentine GAAP, we currently are not required to record the effects of inflation in our financial statements. However, because Argentina experienced a high rate of inflation in 2002, with the wholesale price index increasing by approximately 118%, we were required by Decree No. 1269/2002 and CNV Resolution No. 415/2002 to remeasure our financial statements in constant pesos in accordance with Argentine GAAP. On March 25, 2003, Decree No. 664/2003 rescinded the requirement that financial statements be prepared in constant currency, effective for financial periods on or after March 1, 2003. According to the Argentine statistics and census agency (*Instituto Nacional de Estadísticas y Censos*, or INDEC ), the wholesale price index increased 7.9% in 2004, 10.6% in 2005, 7.1% in 2006, 14.4% in 2007, and, based on preliminary data, 8.8% in the nine-month period ended September 30, 2008. As a result, our results of operations and financial position may not be directly comparable from period to period. We cannot assure you that in the future we will not be again required to record the effects of inflation in our financial statements (including those covered by the financial statements included in this report) in constant pesos. See Critical Accounting Policies U.S. GAAP Reconciliation for an explanation of how the effect of inflation is treated under U.S. GAAP.

Additionally, certain oil and gas disclosures as of December 31, 2007 are included in the Audited Consolidated Financial Statements included in our 2007 20-F under the heading Supplemental information on oil and gas producing activities (unaudited).

**Segment Reporting**

We organize our business into the following four segments: (i) exploration and production, which includes exploration and production activities, natural gas and crude oil purchases, sales of natural gas, and to a lesser extent crude oil, to third parties and intersegment sales of crude oil, natural gas and its byproducts and to a lesser extent electric power generation ( Exploration and Production ); (ii) the production, transport, purchase and marketing of refined products that we sell to third parties and other segments of our business ( Refining and Marketing ); (iii) the production, transport and marketing of petrochemical products ( Chemical ); and (iv) other activities not falling into the previously described categories ( Corporate and Other ), principally including corporate administration costs and assets, construction activities and environmental remediation activities related to YPF Holdings Inc.

Sales between business segments are made at internal transfer prices established by us, which generally seek to approximate market prices.

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**Summarized Income Statement**

| | For the Nine-Month Period Ended September 30, |
|---|---|