YPF SOCIEDAD ANONIMA
Form 6-K
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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 August, 2018

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 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

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Yes No

YPF Sociedad Anónima

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YPF S.A.

Consolidated Results

Q2 2018

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Adj. EBITDA for Q2 2018 was Ps 24.8 billion, 53.2% higher than Q2 2017.

Q2 2017	Q1 2018	Q2 2018	Var.% Q2 18/ Q2 17		Jan-Jun 2017	Jan-Jun 2018	Var.% 2018/2017
60,162	75,823	**93,034**	54.6%	**Revenues** (Million Ps)	117,165	**168,857**	44.1%
3,466	17,354	**1,746**	-49.6%	**Operating income** (Million Ps)	7,977	**19,100**	139.4%
272	5,986	**1,508**	454.4%	**Net income** (Million Ps)	464	**7,494**	1515.1%
16,177	36,492	**24,782**	53.2%	**Adj. EBITDA** (Million Ps)	33,003	**61,274**	85.7%
16,177	24,512	**24,782**	53.2%	**Recurring Adj. EBITDA**	33,003	**49,294**	49.4%
0.54	15.47	**5.08**	835.5%	**Earnings per share** (Ps per Share)	0.60	**20.55**	3307.3%
13,029	14,874	**19,338**	48.4%	**Capital Expenditures** (Million Ps)	24,979	**34,212**	37.0%

Adjusted EBITDA = Operating Income + Depreciation and Impairment of Property, Plant and Equipment and Intangible Assets + Amortization of Intangible Assets + Unproductive Exploratory Drillings.

Recurring Adjusted EBITDA: It is Adjusted EBITDA excluding the profit from the revaluation of YPF S.A. s investment in YPF Energía Eléctrica (YPF EE) for Ps 12.0 billion in Q1 2018.

(Amounts are expressed in billions of Argentine pesos, except where indicated)

1. MAIN MILESTONES AND ECONOMIC MAGNITUDES FOR Q2 2018

Revenues for Q2 2018 were Ps 93.0 billion, 54.6% higher than Q2 2017.

Operating income for Q2 2018 was Ps 1.7 billion, 49.6% lower than Q2 2017.

Net income for Q2 2018 was a gain of Ps 1.5 billion compared to net income of Ps 0.3 billion recorded for Q2 2017.

Hydrocarbon production for Q2 2018 was 544.6 Kboed, 1.0% lower than Q2 2017.

Refinery processing levels in the Downstream business segment for Q2 2018 were 86.1%, 6.6% lower than the same quarter last year.

Capital expenditures in property, plant and equipment for Q2 2018 were Ps 19.3 billion, 48.4% higher than Q2 2017.

2. ANALYSIS OF RESULTS FOR Q2 2018

Revenues for Q2 2018 were Ps 93.0 billion, 54.6% higher than Q2 2017, due primarily to the following factors:

Diesel revenues increased Ps 9.8 billion, 50.9% higher than Q2 2017, due to a 45.8% increase in diesel mix prices and a 3.5% increase in sales volumes. Sales volumes of Infinia Diesel, a premium diesel product, increased by 21.6%;

Gasoline revenues increased Ps 6.6 billion, 50.9% higher than Q2 2017, due to a 42.9% increase in gasoline mix prices and a 5.6% increase in sales volumes. Sales volumes of Infinia Gasoline, a premium gasoline product, increased by 2.6%;

Natural gas revenues increased Ps 4.7 billion, 44.8% higher than Q2 2017, due to a 49.0% increase in prices in Argentine peso terms, partially offset by a 2.8% decrease in sales volumes due to the lower production and demand of this product;

Retail natural gas revenues (residential and small business and companies) increased Ps 2.1 billion, 63.0% higher than Q2 2017, mainly due to YPF s controlled company Metrogas S.A. (Metrogas), which recorded a 78.8% increase in prices and a 4.2% increase in volumes sold through its distribution network;

Fuel oil revenues in the Argentine domestic market decreased Ps 1.5 billion, 94.3% lower than Q2 2017, due to a 96.3% decrease in sales volumes to power generation plants which was partially offset by a 53.4% increase in prices;

Remaining domestic sales increased Ps 5.8 billion, 74.9% higher than Q2 2017. We highlight the higher sales of jet fuel by 77.2%, of petrochemical products by 44.4%, lubricants by 40.1%, asphalts by 36.0%, LPG by 35.2%, in each case mainly due to the higher prices of these products and the larger traded volumes of petroleum coal and virgin naphtha;

Export revenues increased Ps 5.4 billion, 115.1% higher than Q2 2017. This was primarily due to a 121.8% increase of sales of jet fuel, due to an increase in average sales prices measured in Argentine pesos of 93.6% and 14.6% in the volumes sold, as well as the higher volumes traded and better prices obtained in virgin naphtha, LPG and gas oil, with increases of 346.5%, 192.4% and 83.7%, respectively. Exports of petrochemical products increased by 148.7% due to higher sales volumes. Crude oil exports were also recorded for Ps 0.3 billion and for petroleum coal for Ps 0.4 billion, which had not been registered in Q2

2017. Exports of soybean flour and oil had an increase of Ps 0.9 billion, 54.7% higher than Q2 2017, driven by an increase of 90.8% in the prices obtained, partially offset by a decrease in volumes of 18.9%.

Cost of sales for Q2 2018 was Ps 82.0 billion, 65.0% higher than Q2 2017. This includes a 58.5% increase in production costs, substantially affected by the increase in depreciations, and a 59.1% increase in purchases. Cash costs, which include costs of production and purchases but exclude depreciation and amortization, increased by 49.4%. This increase was driven by the following factors:

a) *Costs of production:*

Depreciation of property, plant and equipment increased Ps 10.5 billion, 90.3% higher than Q2 2017, due to an increase in the value of assets based on their valuation in U.S. dollars, which is the functional currency of the Company, and an increase in the depreciation rate due to decreased net reserves of crude oil and natural gas recorded during Q3 and Q4 2017 as a consequence of a reduction in the average domestic price over that year;

Royalties and other production related costs increased Ps 3.4 billion, 89.0% higher than Q2 2017. Of this increase, Ps 2.6 billion was related to an increase in royalties for crude oil production, and Ps 0.8 billion was related to an increase in royalties for natural gas production, due to higher wellhead values of these products;

Lifting costs increased Ps 3.2 billion, 32.1% higher than Q2 2017, reflecting a 32.7% increase in the unit indicator in Argentine peso terms. These increased costs are in line with the general increase in prices in the economy, weighted by the lower production of the period;

Transportation costs increased Ps 0.7 billion, 33.2% higher than Q2 2017, due primarily to increases in rates and higher transported volumes;

Refining costs increased Ps 0.4 billion, 15.5% higher than Q2 2017, due primarily to higher costs for repair and maintenance services, for the consumption of materials, spare parts and other supplies, reflecting a 23.7% increase in the unit indicator in Argentine peso terms.

b) *Purchases:*

Purchases of natural gas from other producers for resale in the retail distribution segment (residential and small businesses and industries) increased Ps 2.1 billion, 105.4% higher than Q2 2017due to an increase in the purchase prices of approximately 129.6%, partially offset by a decrease in volumes purchased of 10.5%;

Crude oil purchases from third parties increased Ps 1.7 billion, 35.1% higher than Q2 2017, due to an 84.8% increase in the average purchase price from third parties in Argentine peso terms. This increase in purchase price was mainly due to the increase in the international reference price, partially offset by a decrease in purchased volumes of approximately 26.9%;

Fuel imports increased Ps 1.7 billion, 79.3% higher than Q2 2017, mainly due to imports of diesel and jet fuel due to higher international prices of these products;

Biofuel purchases increased Ps 1.1 billion, 27.0% higher than Q2 2017, due to higher FAME and ethanol biofuel prices of 34.4% and 9.4%, respectively, and a 5.3% increase in volumes purchased of ethanol biofuel, while FAME recorded an increase of 2.4%;

Grain purchases in the agricultural sales segment through the form of barter, which were recorded as purchases for accounting purposes, increased Ps 0.8 billion, 41.5% higher than Q2 2017, primarily due to a 78.6% increase in prices and a 20.8% decrease in volumes.

Administration expenses for Q2 2018 were Ps 3.0 billion, 47.5% higher than Q2 2017. The increase was principally due to higher personnel expenses, higher IT costs, higher charges related to institutional advertising and higher depreciation of fixed assets.

Selling expenses for Q2 2018 were Ps 5.9 billion, 39.9% higher than Q2 2017. This was driven primarily by increases in transport expenses, primarily due to higher volumes sold and higher rates paid for domestic transport of fuels, as well as higher export taxes mainly of flours and oils, higher charges for depreciation of fixed assets, higher personnel expenses and higher charges in allowances for bad debt and environmental contingencies.

Exploration expenses for Q2 2018 were Ps 0.5 billion, 44.3% lower than Q2 2017.

Other operating results, net, for Q2 2018 was a loss of Ps 17 million, compared to a gain of Ps 22 million for Q2 2017. In Q2 2018, the Company recorded a profit of Ps 0.3 billion as a result of the total assignment of its participation in the Cerro Bandera area, which more than offset by the effect of higher charges in the provision for judicial contingencies.

Financial results for Q2 2018 were a gain of Ps 22.8 billion compared to a gain of Ps 0.9 billion in Q2 2017. This change was driven primarily by a positive foreign exchange effects on net liabilities in Argentine peso terms of Ps 23.0 billion, generated by the depreciation of the Argentine peso in Q2 2018 compared to Q2 2017 when the devaluation of the local currency had been substantially lower. Higher interest expenses of Ps 1.9 billion were also recorded in Q2 2018 due to higher average indebtedness, measured in Argentine pesos, compared to Q2 2017.

Income tax for Q2 2018 resulted in an expense of Ps 21.9 billion compared to the resulting expense of Ps 4.2 billion in Q2 2017. This difference is mainly due to the higher negative charge of Ps 17.6 billion for deferred tax recorded in both periods, resulting from the effects of the exchange rate movements in both periods, as previously mentioned.

Net income for Q2 2018 was a gain of Ps 1.5 billion, compared to a gain of Ps 0.3 billion in Q2 2017.

Capital expenditures for property, plant and equipment in Q2 2018 were Ps 19.3 billion, 48.4% higher than Q2 2017.

3. ANALYSIS OF OPERATING RESULTS BY BUSINESS SEGMENT FOR Q2 2018

3.1 UPSTREAM

Q2 2017	Q1 2018	Q2 2018	Var.% Q2 18/ Q2 17		Jan-Jun 2017	Jan-Jun 2018	Var.% 2018/2017
-884	2,148	**2,868**	*N/A*	**Operating income** (Million Ps)	15	**5,016**	33340.0%
26,606	38,704	**46,308**	74.1%	**Revenues** (Million Ps)	54,383	**85,012**	56.3%
218.3	227.6	**226.3**	3.6%	**Crude oil production** (Kbbld)	226.1	**226.9**	0.4%
51.4	47.0	**41.6**	-19.2%	**NGL production** (Kbbld)	53.1	**44.3**	-16.6%
44.6	43.7	**44.0**	-1.3%	**Gas production** (Mm3d)	44.9	**43.9**	-2.4%
550.1	549.6	**544.6**	-1.0%	**Total production** (Kboed)	561.7	**547.0**	-2.6%
833	323	**464**	-44.3%	**Exploration costs** (Million Ps)	1,426	**787**	-44.8%
9,905	13,033	**16,099**	62.5%	**Capital Expenditures** (Million Ps)	19,353	**29,132**	50.5%
10,079	16,300	**19,689**	95.3%	**Depreciation** (Million Ps)	20,014	**35,989**	79.8%
				Realization Prices			
52.5	65.1	**64.6**	22.9%	**Crude oil prices in domestic market** Period average (USD/bbl)	52.8	**64.8**	22.8%
4.99	4.76	**4.90**	-1.9%	**Average gas price (*)** (USD/Mmbtu)	4.96	**4.83**	-2.6%

(*) The average price of gas for Q2 2017 and Q1 2018 has been recalculated. The price for Q2 2018 is preliminary.
Operating income for the Upstream business segment for Q2 2018 was Ps 2.9 billion, in comparison to the negative result of Ps 0.9 billion in Q2 2017.

Revenues were Ps 46.3 billion for Q2 2018, 74.1% higher than Q2 2017, due primarily to the following factors:

- Crude oil revenues totaled Ps 30.2 billion, 87.8% or Ps 14.1 billion higher than Q2 2017. The average realization price for crude oil in Q2 2018 increased by 22.9% to US$64.6/bbl. Crude oil volumes transferred between segments increased 1.6%, while those sold to third parties increased by 26.9%;

- Natural gas revenues reached Ps 16.4 billion, 50.0% or Ps 5.5 billion higher than Q2 2017. The average realization price for natural gas in Q2 2018 decreased 1.8% to US$4.90/Mmbtu and natural gas volumes decreased by 2.8% in Q2 2018, compared to Q2 2017 as a result of the lower production and demand of natural gas in the quarter. However, prices in terms of pesos increased significantly, resulting in the increase of revenues.

Hydrocarbon production for Q2 2018 was 544.6 Kboed, 1.0% lower than Q2 2017. Crude oil production for Q2 2018 was 226.3 Kbbld, 3.6% higher than Q2 2017. It should be noted that, in Q2 2017, crude oil production had been adversely affected by heavy rain and snow storms that had mainly affected the province of Chubut and, to a lesser extent, the province of Santa Cruz. Natural gas production for Q2 2018 was 44.0 Mm3d, 1.3% lower than Q2 2017 due to the lower demand in the quarter.

NGL production for Q2 2018 was 41.6 Kbbld, 19.2% lower than Q2 2017.

With respect to development activity, 97 wells were put in production in Q2 2018, including the shale and tight wells mentioned below.

Hydrocarbon production in shale areas, net to YPF, for Q2 2018 was 55.9 Kboed, 52.8% higher than Q2 2017. This includes 20.3 Kbbld of crude oil, 7.2 Kbbld of NGL and 4.5 Mm3d of natural gas. During Q2 2018, 18 wells were put in production targeting the Vaca Muerta formation, for a total of 632 wells, including 12 active drilling rigs and 9 workovers.

With respect to tight development, net production in Q2 2018 reached a total of 13.6 Mm3d of natural gas, plus 4.8 Kbbld of NGL and 6.1 Kbbld of crude oil, of which 88.6% comes from YPF operated areas. During Q2 2018, 17 new wells were put into production, 5 in Estación Fernández Oro, 4 in Loma la Lata Sierra Barrosa, 3 in Río Neuquén, 3 in Octógono, 1 in Rincón del Mangrullo and 1 in Dadín.

Operating costs for Q2 2018 were Ps 43.3 billion, 64.3% higher than Q2 2017 (excluding exploration expenses), mainly due to the following:

- Depreciation of property, plant and equipment increased by Ps 9.6 billion, 95.3% higher than Q2 2017, primarily due to an increase in the value of assets based on their valuation in U.S. dollars, which is the functional currency of the Company, and the increase in the depreciation rate due to the decrease in net reserves of crude oil and natural gas recorded during Q3 and Q4 2017 as a consequence of a reduction in the average domestic price over that year;

- Royalties and other production related costs increased Ps 3.4 billion, 89.0% higher than Q2 2017. Of this increase, Ps 2.6 billion was related to an increase in royalties for crude oil production, and Ps 0.8 billion was related to an increase in royalties for natural gas production, due to higher wellhead values of these products;

- Lifting costs increased Ps 3.2 billion, 32.1% higher than Q2 2017, reflecting a 32.7% increase in the unit indicator in Argentine peso terms in line with the general increase in prices in the economy, weighted by the drop in production mentioned above;

- Transportation costs related to production (truck, pipelines and polyducts in deposit) increased Ps 0.3 billion, 40.3% higher than Q2 2017.

It is noteworthy that the exploratory investment for Q2 2018 was 110.9% higher Q2 2017. Exploration expenses for Q2 2018 were Ps 0.5 billion, a decrease of 44.3% compared to Ps 0.8 billion for Q2 2017. This variation was mainly due to a Ps 0.5 billion decrease in negative results from unproductive exploratory wells in Q2 2018 compared to Q2 2017. Expenses for the development of geological and geophysical studies increased Ps 0.1 billion between Q2 2018 and Q2 2017.

In Q2 2018, the results of this segment also included a profit of Ps 0.3 billion related to the total cession of participation in the Cerro Bandera area.

Unit cash costs in U.S. dollars decreased 3.8% to US$20.5/boe for Q2 2018 from US$21.3/boe for Q2 2017, including taxes of US$6.8/boe and US$5.6/boe, respectively. In turn, the average lifting cost for YPF in Q2 2018 was US$11.2/boe, 13.2% lower than US$12.9/boe for Q2 2017.

CAPEX

Capital expenditures for the Upstream business segment for Q2 2018 were Ps 16.1 billion, 62.5% higher than Q2 2017.

Of these capital expenditures, 69.8% were invested in drilling and workover activities, 18.7% in facilities, 8.1% in exploration and the remaining 3.4% in other activities of the Upstream business segment.

In the Neuquina basin area, activities for Q2 2018 were focused on the development of the Loma Campana, Estación Fernandez Oro, El Orejano, La Amarga Chica, Rincón del Mangrullo, Río Neuquén, Aguada Toledo-Sierra Barrosa (Lajas), Chachahuén, Octógono, Volcán Auca Mahuida, Filo Morado, Loma La Lata and Loma Alta Sur blocks. Activity continues with the pilots targeting Vaca Muerta in the following blocks: Rincón del Mangrullo, La Ribera, Bajada de Añelo and Aguada de la Arena. Development activities continued at the Cuyana basin, mainly in the Mesa Verde, Ugarteche, Barrancas, La Ventana and Los Cavaos blocks. In the Golfo San Jorge basin, activity was focused on the following blocks: Manantiales Behr, El Trébol-Escalante, Cañadón Yatel, Cañadón León, Barranca Baya, El Guadal, Los Perales, Zona Central, Cañadón Vasco and Restinga Ali. In the Austral basin, drilling activity continues at Lago Fuego.

Exploration activities for Q2 2018 covered the Neuquina, Golfo San Jorge, Austral, Noroeste Argentino and Cuyana basins. In the Neuquina basin, exploratory activity was focused in the Estación Fernández Oro, Agua Salada, Filo Morado, Los Caldenes, Señal Picada-Punta Barda y Loma la Lata blocks. In the Golfo San Jorge basin, exploration activity was focused in the Los Perales-Las Mesetas, Cerro Piedra y Cañadón Vasco blocks. In the Austral basin, exploration activity continues in Cañadón Piedra-Cabo Nombre y Lago Fuego blocks. As for the Cuyana basin, exploratory activity was carried out in the Mesa Verde block. Additionally, in the Noroeste Argentino basin the activity was concentrated in the Aguaragüe block. Additionally, activity was carried out in San Sebastián block (Tierra del Fuego-Chile).

During Q2 2018, 4 (four) natural gas exploratory wells, 3 (three) natural gas workovers and 1 (one) crude oil exploratory well, were completed.

3.2 DOWNSTREAM

Q2 017	Q1 2018	Q2 2018	Var.% Q2 18/ Q2 17		Jan-Jun 2017	Jan-Jun 2018	Var.% 2018/201
,093	4,009	**361**	-88.3%	**Operating income** (Million Ps)	7,457	**4,370**	-41.4
,611	60,337	**70,273**	54.1%	**Revenues** (Million Ps)	89,791	**130,610**	45.5
,172	3,911	**4,048**	-3.0%	**Sales of refined products in domestic market** (Km3)	8,124	**7,959**	-2.0
289	512	**393**	36.1%	**Exportation of refined products** (Km3)	708	**905**	27.9
214	207	**208**	-3.0%	**Sales of petrochemical products in domestic market (*)** (Ktn)	387	**415**	7.1
52	60	**138**	164.7%	**Exportation of petrochemical products** (Ktn)	96	**198**	106.0
94.6	290.7	**275.0**	-6.6%	**Crude oil processed** (Kboed)	292.8	**282.8**	-3.4
92%	91%	**86%**	-6.6%	**Refinery utilization** (%)	92%	**89%**	-3.4
,935	1,255	**2,673**	38.1%	**Capital Expenditures** (Million Ps)	3,214	**3,928**	22.2
,621	2,076	**2,596**	60.1%	**Depreciation** (Million Ps)	3,190	**4,672**	46.5
655	691	**634**	-3.2%	**Average domestic market gasoline price (**)** (USD/m3)	661	**663**	0.3
624	664	**613**	-1.7%	**Average domestic market diesel price (**)** (USD/m3)	633	**638**	0.7

(*) Fertilizer sales not included.
(**) Includes gross income and net of deductions, commissions and other taxes.
Operating income for the Downstream business segment for Q2 2018 was Ps 0.4 billion, 88.3% lower than Q2 2017.

Revenues were Ps 70.3 billion in Q2 2018, 54.1% higher than Q2 2017, due primarily to the following factors:

Diesel revenues increased Ps 9.8 billion, 50.9 % higher than Q2 2017, due to a 45.8% increase in diesel mix prices and a 3.5% increase in sales volumes, including a 21.6% increase in sales volumes of Infinia Diesel, a premium diesel product;

Gasoline revenues increased Ps 6.6 billion, 50.9% higher than Q2 2017, due to a 42.9% increase in gasoline mix prices and a 5.6% increase in sales volumes. Sales volumes of Infinia Gasoline, a premium gasoline product, increased by 2.6%;

Fuel oil revenues in the Argentine domestic market decreased Ps 1.5 billion, 94.3% lower than Q2 2017, due to a 96.3% decrease in sales volumes to power generation plants partially offset by a 53.4% increase in prices;

The remaining revenues in the domestic market increased by Ps 4.4 billion, 62.2% higher than Q2 2017. We highlight the higher sales of jet fuel by 77.2%, of petrochemical products by 44.4%, lubricants by 40.1%, asphalts by 36.0%, LPG by 35.2%, in each case mainly due to the higher prices of these products and also the larger traded volumes of petroleum coal and virgin naphtha;

Export revenues in the Downstream segment increased by Ps 5.4 billion, 115.6% higher than Q2 2017. The most notable items were the 121.8% increase in exports of jet fuel, due to an increase in average sales prices measured in Argentine pesos of 93.6%, and an increase of 14.6% in volumes sold, as well as the higher volumes traded and better prices obtained in virgin naphtha, LPG and gas oil, with increases of 346.5%, 192.4% and 83.7%, respectively. Exports of petrochemical products increased by 148.7% due to higher sales volumes. Crude oil exports were also recorded for Ps 0.3 billion and for petroleum coal for Ps 0.4 billion, which had not been registered in Q2 of the previous year. Exports of soybean flour and oil had an increase of Ps 0.9 billion, 54.7% higher compared to Q2 2017, driven by an increase of 90.8% in the prices obtained, partially offset by a decrease in volumes of 18.9%.

Cost of sales and operating expenses for Q2 2018 were Ps 64.5 billion with an increase of Ps 26.2 billion, or 68.3%, compared to Q2 2017, due primarily to the following factors:

Crude oil purchases increased Ps 15.7 billion, 76.2% higher than Q2 2017, due to an increase in prices in Argentine peso terms of crude oil purchased of 85.3%, mainly due to the increase in the international reference price. Crude oil volumes purchased from third parties decreased 26.9% and volumes transferred from the Upstream business segment increased 1.6%;