

YPF SOCIEDAD ANONIMA

Form 6-K

March 07, 2014

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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 March, 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)

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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

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**YPF Sociedad Anonima**

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**ITEM**

1 Translation of Consolidated Results Full Year 2013 & Q4 2013.

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Item 1 - Explanatory Note

We are filing the attached Translation of Consolidated Results Full Year 2013 & Q4 2013 to correct an erroneous figure inadvertently included in the same document filed earlier today. This attachment corrects the End of year Worldwide Proved developed and undeveloped natural gas reserves figure included on p. 17 of the document.

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**YPF S.A.**

**Consolidated Results**

**FULL YEAR 2013 & Q4 2013**

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Consolidated Results Full Year 2013 & Q4 2013

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Consolidated Results Full Year 2013 &amp; Q4 2013

**The year 2013 closed with increases in Revenues of 34%, in Operating Income of 52%, in EBITDA of 63%, in Production of 1.7% and in Proved Reserves of 11%.**

Q4 2012	Q3 2013	Q4 2013	Var.% 2013/2012	(Unaudited Figures)	Jan-Dec 2012	Jan-Dec (*) 2013	Var.% 2013/2012
<b>Revenues</b>							
18,862	24,244	<b>25,294</b>	34.1%	(MARS)	67,174	<b>90,113</b>	34.1%
<b>Operating income</b>							
1,846	3,444	<b>3,820</b>	106.9%	(MARS)	7,903	<b>12,015</b>	52.0%
<b>Net income (**)</b>							
1,019	1,414	<b>1,918</b>	88.2%	(MARS)	3,902	<b>5,681</b>	45.6%
<b>EBITDA</b>							
5,039	7,690	<b>10,574</b>	109.8%	(MARS)	18,053	<b>29,394</b>	62.8%
<b>Earnings per share ARS</b>							
2.59	3.60	<b>4.89</b>	88.2%	(MARS)	9.92	<b>14.44</b>	45.6%
<b>Comprehensive Income</b>							
2,364	4,573	<b>7,539</b>	218.9%	(MARS)	8,143	<b>17,666</b>	116.9%
<b>Capital Expenditures (***)</b>							
6,812	8,028	<b>11,028</b>	61.9%	(MARS)	16,485	<b>29,848</b>	81.1%

Data presented in accordance with International Financial Reporting Standards ( IFRS ). Includes consolidated companies.

EBITDA = Net Income + net interest + income tax + deferred income tax + amortization

(\*) Jan-Dec 2013 recurring results are presented as part of cumulated results, except for the impact of provisions relating to claims arising from arbitration proceedings concerning AES Uruguaiana Empreimientos S.A. (AESU) and Transportadora de Gas del Mercosur S.A. (TGM).

(\*\*) Attributable to controlling shareholder.

(\*\*\*) Purchase of Metrogas fixed assets (ARS 3,137 million) and YPF Energía Eléctrica (ARS 1,878 million) not included.

**1. MAIN MILESTONES AND ECONOMIC MAGNITUDES OF THE FULL YEAR 2013 AND FOURTH QUARTER 2013**

Ordinary revenues for 2013 were ARS 90,113 million, a 34.1% increase compared to 2012, primarily as a result of increased sales of gasoline, diesel and natural gas in the domestic market. Revenues for fourth quarter 2013 were ARS 25,294 million, a 34.1% increase compared to fourth quarter 2012.

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In 2013, recurring operating income was ARS 12,015 million, a 52% increase compared to 2012, primarily as a result of substantially higher operating income from both our Upstream (an increase of 25.3%) and Downstream (an increase of 64.1%) business segments. Operating income for fourth quarter 2013 was ARS 3,820 million, a 106.9% increase compared to fourth quarter 2012.

Recurring EBITDA for 2013 was ARS 29,394 million, a 62.8% increase compared to 2012. EBITDA for fourth quarter 2013 was ARS 10,574 million, a 109.8% increase compared to fourth quarter 2012.

Recurring net income for 2013 was ARS 5,681 million, a 45.6% increase compared to 2012. Net income for fourth quarter 2013 was ARS 1,918 million, an 88.2% increase compared to fourth quarter 2012.

Operating cash flow for 2013 was ARS 20,964, a 21% increase compared to ARS 17,301 million for 2012.



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Consolidated Results Full Year 2013 & Q4 2013

Capex for 2013 was ARS 29,848 million, a 81.1% increase compared to 2012. Capex for fourth quarter 2013 was ARS 11,028 million, a 61.9% increase compared to ARS 6,812 million for fourth quarter 2012. Our largest investments were related to increase development activity in our Upstream business segment, both with respect to production from conventional and unconventional hydrocarbon resources, and also progress in projects in our Downstream business segment.

Hydrocarbon proved reserves additions in 2013 were 284 Mboe<sup>1</sup>, consisting of 140 Mbbl of liquids and 144 Mboe of natural gas. Proved reserves increased by 10.6% in 2013, from 979 Mboe to 1,083 Mboe. In 2013, our reserve replacement ratio was 158%.

Total hydrocarbon production for 2013 was 493.4 Kboed, a 1.7% increase compared to 2012. This increase in production indicates a continued reversal of the downward trend in production recorded in previous years. Crude oil production for 2013 was 232.3 Kbbld, a 2.2% increase compared to 2012, and natural gas production for 2013 was 33.9 Mm3d, a 1.5% increase compared to 2012. Total hydrocarbon production for fourth quarter 2013 increased by 7.5% compared to fourth quarter 2012; crude oil production for fourth quarter 2013 was 239.3 Kbbld, a 6.3% increase compared to fourth quarter 2012, and natural gas production for fourth quarter 2013 was 35.5 Mm3d, a 10.2% increase compared to fourth quarter 2012.

During 2013, we drilled over 100 wells targeting unconventional formations. In fourth quarter 2013, average production from unconventional formations net to YPF was 15.1 Kboed (as from December 2013, only 50% of net production from the Loma Campana field is allocated to YPF). In the Loma Campana field, over 30 wells have been drilled, and 19 drilling and 8 workover rigs are currently in operation.

The average utilization rate of our refineries during 2013 was 87%, a 3.5% decrease compared to 2012. This decrease was primarily the result of the unprecedented storm that affected the La Plata refinery during second quarter 2013, which crippled refinery processing levels for that period. The average utilization rate of our refineries for fourth quarter 2013 was 90%, a 2% decrease compared to fourth quarter 2012.

In 2013, we issued bonds in the local capital markets for a total principal amount equivalent to approximately ARS 7.6 billion and USD 650 million in the international capital markets. As a result of these issuances, the average debt maturity of the Company was extended to three and a half years (as of December 31, 2013). As of December 31, 2013, 41% of our outstanding debt was denominated in Argentine pesos, and the rest was denominated in US dollars.

<sup>1</sup> Approximately 6.5 Mboe were transferred to affiliates that we consolidate in our financial statements as a result of YPF Energía Eléctrica's working interest in the Ramos field. This working interest was previously owned by Pluspetrol Energy, and is thus included under Equity-accounted Entities Reserves in our consolidated financial statements.

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Consolidated Results Full Year 2013 &amp; Q4 2013

**2. ANALYSIS OF OPERATING RESULTS****2.1 UPSTREAM**

Q4 2012	Q3 2013	Q4 2013	Var.% 2013/2012	(Unaudited Figures)	Jan-Dec 2012	Jan-Dec (*) 2013	Var.% 2013/2012
<b>Operating income</b>							
1,222	2,135	<b>1,729</b>	41.5%	(MARS)	5,730	<b>7,179</b>	25.3%
<b>Revenues</b>							
8,235	10,963	<b>12,673</b>	53.9%	(MARS)	31,314	<b>42,697</b>	36.3%
<b>Crude oil production (**)</b>							
225.2	235.1	<b>239.3</b>	6.3%	(Kbbld)	227.4	<b>232.3</b>	2.2%
<b>NGL production (**)</b>							
53.2	37.7	<b>54.7</b>	2.8%	(Kbbld)	47.6	<b>48.2</b>	1.3%
<b>Gas production (**)</b>							
32.2	35.6	<b>35.5</b>	10.2%	(Mm3d)	33.4	<b>33.9</b>	1.5%
<b>Total production (**)</b>							
480.9	496.5	<b>517.0</b>	7.5%	(Kboed)	485.0	<b>493.4</b>	1.7%
<b>Exploration costs</b>							
118	279	<b>304</b>	157.6%	(MARS)	582	<b>829</b>	42.4%
<b>Capital Expenditures</b>							
5,085	6,642	<b>8,682</b>	70.7%	(MARS)	12,111	<b>24,492</b>	102.2%
<b>Depreciation</b>							
(MARS)							
1,794	2,675	<b>2,902</b>	61.7%	International Prices <b>Brent (***)</b>	6,878	<b>9,591</b>	39.4%
<b>Gas Henry Hub (***)</b>							
(USD/bbl)							
110.1	110.3	<b>109.2</b>	-0.8%		111.7	<b>108.6</b>	-2.8%
<b>Gas Henry Hub (***)</b>							
(USD/Mmbtu)							
3.5	3.6	<b>3.6</b>	1.6%	Realization Prices	2.8	<b>3.7</b>	32.1%
<b>Crude oil prices in domestic market</b>							
69.3	70.8	<b>74.7</b>	7.8%	Period average (USD/bbl)	70.0	<b>71.4</b>	2.0%
2.82	3.91	<b>4.16</b>	47.5%	<b>Average gas price (****)</b>	2.22	<b>3.94</b>	77.5%

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(USD/Mmbtu)

Data presented in accordance with IFRS. Includes consolidated companies.

(\*) Jan-Dec 2013 recurring results are presented as part of cumulated results, except for the impact of provisions relating to claims arising from arbitration proceedings concerning AES Uruguiana Emprendimientos S.A. (AESU) and Transportadora de Gas del Mercosur S.A. (TGM).

(\*\*) Production includes, as from August 1, 2013, a 27% stake in the Ramos Joint Venture for exploration and production of hydrocarbons, currently held by YPF Energía Eléctrica.

(\*\*\*) Source: Reuters

Upstream **operating income** for fourth quarter 2013 was ARS 1,729 million, a 41.5% increase compared to fourth quarter 2012.

Sales revenues for fourth quarter 2013 increased by 53.9% compared to fourth quarter 2012, primarily as a result of increased crude oil and natural gas sales. Crude oil sales revenues for fourth quarter 2013 increased by ARS 3,219 million, or 52.4%, compared to fourth quarter 2012, primarily as a result of a 36.1%

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Consolidated Results Full Year 2013 & Q4 2013

increase in the price per barrel in Argentine peso terms and a 6.3% increase in production. Natural gas sales revenues for fourth quarter 2013 increased by 92.5% compared to fourth quarter 2012, primarily as a result of a 10.2% increase in production and a 47.5% increase in the average sale price. The Incentive Scheme for Additional Injection of Natural Gas positively impacted sales revenues in the amount of ARS 983 million for fourth quarter 2013.

The dollar-denominated price for crude oil in the local market for fourth quarter 2013 was 74.7 USD/bbl, a 7.8% increase compared to fourth quarter 2012, primarily as a result of increased demand for medanita light crude oil in the local market. The dollar-denominated average sale price of natural gas for fourth quarter 2013 was 4.16 USD/Mmbtu.

Hydrocarbon production for fourth quarter 2013 was 517 Kbped, a 7.5% increase compared to fourth quarter 2012, reflecting the impact of our increased investment in production over the last 21 months. Crude oil production for fourth quarter 2013 was an average of 239.3 Kbbld, natural gas production was an average of 35.5 Mm3d and LNG production was an average of 54.7 Kbbld. Compared to third quarter 2013, crude oil production for fourth quarter 2013 increased by 4.2 Kbbld, or 1.8%, while natural gas production was substantially the same.

Costs for fourth quarter 2013 increased by ARS 3,931 million, or 56%, compared to fourth quarter 2012, primarily as a result of increased amounts and higher charges in Argentine peso terms for contracted services by ARS 765 million. Amortization for fourth quarter 2013 increased by ARS 1,108 million compared to fourth quarter 2012, primarily as a result of increased investment activity and increased value of peso-denominated assets, a ARS 496 million increase crude oil royalties for fourth quarter 2013 compared to fourth quarter 2012 due higher Argentine peso-denominated price at the wellhead, and increased taxes and contributions resulting from a ARS 370 million adjustment attributable to the full year 2013 and a ARS 186 million increase in exploration expenses due to the permanent abandonment of three test wells.

Operating income for fourth quarter 2013 from Upstream related companies, including mainly YPF Holdings, YPF International, YPF Energía Eléctrica (including solely Ramos oil field) and YPF Servicios Petroleros, was ARS 41 million compared to ARS-32 million for fourth quarter 2012.

**ANNUAL RESULTS**

Upstream recurring operating income for 2013 was ARS 7,179 million, a 25.3% increase compared to 2012. This increase was primarily the result of a price adjustment for crude oil, its equivalent of which in pesos was positively impacted by increased movements in the exchange rate during the year and an increased sale price for natural gas, together with increased production throughout the year. Costs grew primarily as a result of increased amounts and higher charges in Argentine peso terms for contracted services, higher amortization, as a result of increased investment activity and increased value of peso-denominated assets, and higher increase in royalties paid due higher Argentine peso-denominated price at the wellhead and increased production.

Hydrocarbon production for 2013, which amounted to 493.4 Kbped, a 1.7% increase compared to 2012, indicates a continued reversal of the downward trend in production recorded in previous years. Crude oil production for 2013 increased by 2.2%, and gas production for 2013 increased by 1.5%, in each case compared to 2012. As for production from fields where YPF is the operator and accounting for a 100% participation (Secretaría de Energía criteria), crude oil and natural gas production increased by 3.4% and 2.2%, respectively, in 2013 compared to 2012.

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**CAPEX**

Investments in Upstream for fourth quarter 2013 were ARS 8,682 million, a 70.7% increase compared to fourth quarter 2012.

As for development activities, our most significant investments were made in the Neuquina basin, especially in Loma La Lata, in unconventional tight gas development in Lajas, in conventional resources in the Aguada Toledo Sierra Barrosa area, and in the Chihuido Sierra Negra and Catriel areas. In the Golfo San Jorge basin, investments have continued in the Manantiales Behr and El Trébol areas in order to increase the recovery factor from such areas. Also, we highlight development activities in the province of Santa Cruz, primarily in Los Perales, Cañadón Seco, Cañadón Yatel, and Cañadón de la Escondida, as well as the progress achieved in the Mendoza Norte blocks in the province of Mendoza. Additionally, development activities have started in Chachahuen area in the province of Mendoza.

In relation to development activity in unconventional areas, during fourth quarter 2013, over 30 wells have been drilled, and 19 drilling and 8 workover rigs are currently in operation. Average production net to YPF totaled 15.1 Kbped for fourth quarter 2013, including 9.5 Kbbld of crude oil, 3 Kbbld of LNG and 0.41 Mm3d of natural gas (as from December 2013, only 50% of net production from the Loma Campana field is allocated to YPF). In December 2013, gross production was 18.9 Kboed.

As regards exploration activities in the Neuquina basin during fourth quarter 2013, investments have been made mainly in the areas of Pampa de Las Yeguas I, Pampa de Las Yeguas II, San Roque, El Manzano, Puesto Cortadera, Aguada Pichana, Loma de La Mina, Chachahuen, Cerro Hamaca and Altiplanicie del Payún; in addition, noteworthy investments were made in the Barranca Yankowsky, Restinga Alí, Cerro Piedra-Cerro Guadal Norte y Manantiales Behr areas in the Golfo de San Jorge basin.

Upstream cumulative investment for 2013 was ARS 24,492 million, a 102.2% increase compared to 2012.

**Reserves**

Total hydrocarbon proved reserve additions in 2013 were 284 Mboe<sup>2</sup>, consisting of 140 Mbbl of liquids and 144 Mboe of natural gas. Proved reserves increased by 10.6% in 2013, from 979 Mboe to 1,083 Mboe.

Consequently, our reserve replacement ratio topped 158%, its highest level since the year 2000. Same indicator for natural gas was 185% and for liquids was 137%.

We highlight the reserves additions in Loma La Lata Aguada Toledo Sierra Barrosa for developing Tight Gas in the Lajas Formation, those related to the extension of concessions in the province of Chubut, in Loma Campana and Loma La Lata Norte associated with the development of Shale Oil of the Vaca Muerta Formation, additions by improvements in production in Magallanes, and in the basins of Golfo San Jorge and Neuquina due to new projects and results in secondary recovery production.

<sup>2</sup> Approximately 6.5 Mboe were transferred to affiliates that we consolidate in our financial statements as a result of YPF Energía Eléctrica's working interest in the Ramos field. This working interest was previously owned by Pluspetrol Energy, and is thus included under Equity-accounted Entities Reserves in our consolidated financial statements.

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**2.2 DOWNSTREAM**

<b>Q4 2012</b>	<b>Q3 2013</b>	<b>Q4 2013</b>	<b>Var.% 2013/2012</b>	<b>(Unaudited Figures)</b>	<b>Jan-Dec 2012</b>	<b>Jan-Dec 2013</b>	<b>Var.% 2013/2012</b>
				<b>Operating income</b>			
1,197	1,534	<b>2,767</b>	131.2%	(MARS)	4,095	<b>6,721</b>	64.1%
				<b>Revenues</b>			
18,205	23,163	<b>24,623</b>	35.3%	(MARS)	66,116	<b>86,771</b>	31.2%
				<b>Sales of refined products in domestic market</b>			
4,037	4,188	<b>4,094</b>	1.4%	(Km3)	15,745	<b>15,988</b>	1.5%
				<b>Exportation of refined products</b>			
450	355	<b>432</b>	-4.0%	(Km3)	1,572	<b>1,502</b>	-4.5%
				<b>Sales of petrochemical products in domestic market (*)</b>			
199	208	<b>198</b>	-0.5%	(Ktn)	810	<b>779</b>	-3.9%
126	76	<b>49</b>					