

YPF SOCIEDAD ANONIMA
Form F-3
February 17, 2011

As filed with the Securities and Exchange Commission on February 17, 2011

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form F-3
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

YPF Sociedad Anónima
(Exact name of Registrant as specified in its charter)
Not Applicable
(Translation of Registrant's name into English)

Republic of Argentina
(State or other jurisdiction of
incorporation or organization)

Not Applicable
(I.R.S. Employer
Identification No.)

Macacha Güemes 515
C1106BKK Ciudad Autónoma de Buenos Aires, Argentina
(011-54-11) 5441-2000
(Address and telephone number of registrant's principal executive offices)

CT Corporation System
111 Eighth Avenue
New York, NY 10011
212-894-8940
(Name, address and telephone number of agent for service)

With copies to:

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Macacha Güemes 515
C1106BKK Ciudad Autónoma de Buenos Aires,
Argentina

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. []

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, please check the following box. [X]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. []

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If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If this Form is a registration statement pursuant to General Instruction I.C. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. []

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.C. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. []

CALCULATION OF REGISTRATION FEE

Title of Each Class Of Securities To Be Registered	Amount To Be Registered(1)	Proposed Maximum Offering Price per Unit(2)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee
Class D shares(1)(3)	19,230,771	\$49.05	\$943,269,317.55	\$109,513.57

(1) Includes all Class D shares, par value Ps.10 per share, of YPF Sociedad Anónima, including in the form of American depositary shares (“ADSs”), that may be offered by the Selling Shareholders pursuant to this registration statement.

(2) Estimated solely for purposes of calculating the amount of the registration fee pursuant to Rule 457(c) under the Securities Act based on the average of the high and low prices of the ADSs as reported by the New York Stock Exchange on February 14, 2011.

(3) A separate registration statement on Form F-6 was filed on June 17, 1993 for the registration of the ADSs issued upon deposit of the Class D shares registered hereby.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act, or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state or jurisdiction where the offer or sale is not permitted.

Subject to Completion
Preliminary Prospectus dated February 17, 2011

PROSPECTUS

Shares of Class D Common Stock
(including in the form of American depositary shares)

YPF Sociedad Anónima

This prospectus relates to up to 19,230,771 shares of our Class D common stock (the “Class D shares”), including in the form of American depositary shares, or ADSs, consisting of 12,820,514 issued and outstanding Class D shares and 6,410,257 issued and outstanding Class D shares underlying warrants issued to certain Selling Shareholders (as defined in “Selling Shareholders”), that may be offered and sold from time to time by the Selling Shareholders, in amounts, at prices and on terms that will be determined at the time of any such offering. Each ADS represents one Class D share. For more information on the sale of the Class D shares, including in the form of ADSs, please see “Plan of Distribution.”

You should carefully read this prospectus before you invest in our Class D shares and ADSs.

The ADSs trade on the New York Stock Exchange (“NYSE”) under the symbol “YPF.” On _____, 2011, the last reported sale price of the ADSs was U.S.\$ _____ per ADS on the NYSE. Our Class D shares trade on the Buenos Aires Stock Exchange (“BASE”) under the symbol “YPPD.” On _____, 2011, the last reported sale price of our Class D shares was Ps. _____ per share on the BASE.

Investing in our Class D shares and the ADSs involves significant risks. Before buying any securities, you should carefully read the discussion of material risks of investing in our Class D shares or the ADSs in “Risk Factors” in our annual report on Form 20-F for the fiscal year ended December 31, 2009, which is incorporated by reference herein, and any additional risk factors included in the applicable prospectus supplement under the heading “Risk Factors.”

Neither the Securities and Exchange Commission (“SEC”) nor any state securities regulators have approved or disapproved these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Prospectus dated February _____, 2011

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form F-3 that we filed with the SEC utilizing a “shelf” registration process. As allowed by the SEC rules, this prospectus does not contain all of the information included in the registration statement. For further information, we refer you to the registration statement, including its exhibits. Statements contained in this prospectus about the provisions or contents of any agreement or other document are not necessarily complete. If the SEC’s rules and regulations require that an agreement or document be filed as an exhibit to the registration statement, please see that agreement or document for a complete description of these matters.

This prospectus provides you with a general description of our Class D shares and ADSs. With respect to a particular offering of the securities registered hereby, to the extent required, an accompanying prospectus supplement or, if appropriate, a post-effective amendment to the registration statement of which this prospectus is a part will be prepared. You should read both this prospectus and any prospectus supplement together with additional information described under the heading “Where You Can Find More Information” beginning on page iii of this prospectus. Any information in a prospectus supplement, if any, or information incorporated by reference after the date of this prospectus is considered part of this prospectus and may add, update or change information contained in this prospectus. Any information in such subsequent filings that is inconsistent with this prospectus will supersede the information in this prospectus.

We have not authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. Neither we nor the Selling Shareholders have authorized any other person to provide you with different information. Neither we nor the Selling Shareholders are making an offer to sell the Class D shares or ADSs in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus. Our business, financial condition, results of operations and prospects may have changed since that date.

YPF Sociedad Anónima is a stock corporation organized under the laws of the Republic of Argentina (“Argentina”). As used in this prospectus, “YPF,” “the company,” “we,” “our” and “us” refer to YPF Sociedad Anónima and its controlled and jointly controlled companies or, if the context requires, its predecessor companies. “YPF Sociedad Anónima” or “YPF S.A.” refers to YPF Sociedad Anónima only. “Repsol YPF” refers to Repsol YPF, S.A. and its consolidated companies, including YPF, unless otherwise specified or the context otherwise requires. We maintain our financial books and records and publish our financial statements in Argentine pesos. In this prospectus, references to “pesos” or “Ps.” are to Argentine pesos, and references to “dollars,” “U.S. dollars” or “U.S.\$” are to United States dollars.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement (including amendments and exhibits to the registration statement) on Form F-3 under the U.S. Securities Act of 1933 (the “Securities Act”). This prospectus, which is part of the registration statement, does not contain all of the information set forth in the registration statement and the exhibits and schedules to the registration statement. For further information, we refer you to the registration statement and the exhibits and schedules filed as part of the registration statement. If a document has been filed as an exhibit to the registration statement, we refer you to the copy of the document that has been filed. Each statement in this prospectus relating to a document filed as an exhibit is qualified in all respects by the filed exhibit.

We are subject to the informational requirements of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”). Accordingly, we are required to file reports and other information with the SEC, including annual reports on Form 20-F and reports on Form 6-K. You may inspect and copy reports and other information filed with the SEC at the Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet website that contains reports and other information about issuers, like us, that file electronically with the SEC. The address of that website is www.sec.gov.

As a foreign private issuer, we are exempt under the Exchange Act from, among other things, the rules prescribing the furnishing and content of proxy statements, and our executive officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act. In addition, we will not be required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. However, we intend to furnish to the SEC annual reports containing financial statements audited by our independent auditors and our quarterly reports containing unaudited financial data for the first three quarters of each fiscal year, as required by Argentine National Securities Commission (“CNV”) rules and regulations. We will file annual reports on Form 20-F within the time period required by the SEC, which is currently six months from December 31, the end of our fiscal year, and will file reports on Form 6-K containing an English language version of any quarterly reports we file with Argentine securities regulators or stock exchanges.

We will send the depositary a copy of all notices that we give relating to meetings of our shareholders or to distributions to shareholders or the offering of rights and a copy of any other report or communication that we make generally available to our shareholders. The depositary will make all these notices, reports and communications that it receives from us available for inspection by registered holders of ADSs at its office. The depositary will mail copies of those notices, reports and communications to you if we ask the depositary to do so and furnish sufficient copies of materials for that purpose. See “Description of American Depositary Shares—Notices and Reports.”

We also file financial statements and other periodic reports with the CNV located at Avenida 25 de Mayo 175, Buenos Aires, Argentina.

INCORPORATION BY REFERENCE

The SEC allows us to “incorporate by reference” the information we submit to it, which means that we can disclose important information to you by referring you to those documents that are considered part of this prospectus. Information contained in this prospectus and information that we submit to the SEC in the future and incorporate by reference will automatically update and supersede the previously submitted information. We incorporate herein by reference the documents listed below that we have submitted to the SEC:

- our annual report on Form 20-F for the fiscal year ended December 31, 2009 (the “2009 Form 20-F”) filed with the SEC on June 29, 2010;
 - our report on Form 6-K as furnished to the SEC on August 6, 2010 (the “June 30, 2010 Form 6-K”);
 - our report on Form 6-K as furnished to the SEC on August 13, 2010;
- our report on Form 6-K as furnished to the SEC on November 26, 2010 (the “September 30, 2010 Form 6-K”); and
 - Repsol YPF’s Schedule 13D/A filed with the SEC on December 27, 2010.

We incorporate by reference in this prospectus all subsequent annual reports filed with the SEC on Form 20-F under the Exchange Act, prior to the termination of the offering, and those of our reports submitted to the SEC on Form 6-K that we specifically identify in such form as being incorporated by reference.

As you read the above documents, you may find inconsistencies in information from one document to another. If you find inconsistencies, you should rely on the statements made in this prospectus or in the most recent document incorporated by reference herein.

You may obtain a copy of these filings at no cost by writing or telephoning us at the following address:

YPF S.A.
Office of Shareholders Relations
Macacha Güemes 515
C1106BKK Buenos Aires, Argentina
Tel. (011-54-11) 5441-5531
Fax (011-54-11) 5441-2113

FORWARD-LOOKING STATEMENTS

This prospectus, including any documents incorporated by reference, contains statements that we believe constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may include statements regarding the intent, belief or current expectations of us and our management, including statements with respect to trends affecting our financial condition, financial ratios, results of operations, business, strategy, geographic concentration, reserves, future hydrocarbon production volumes and the company's ability to satisfy its long-term sales commitments from future supplies available to the company, dates or periods in which production is scheduled or expected to come onstream, as well as our plans with respect to capital expenditures, business strategy, geographic concentration, cost savings, investments and dividends payout policies. These statements are not a guarantee of future performance and are subject to material risks, uncertainties, changes and other factors which may be beyond our control or may be difficult to predict. Accordingly, our future financial condition, prices, financial ratios, results of operations, business, strategy, geographic concentration, production volumes, reserves, capital expenditures, cost savings, investments and dividend policies could differ materially from those expressed or implied in any such forward-looking statements. Such factors include, but are not limited to, currency fluctuations, the price of petroleum products, the ability to realize cost reductions and operating efficiencies without unduly disrupting business operations, replacement of hydrocarbon reserves, environmental, regulatory and legal considerations and general economic and business conditions in Argentina, as well as those factors described in "Item 3. Key Information—Risk Factors" and "Item 5. Operating and Financial Review and Prospects" in our 2009 Form 20-F. We do not undertake to publicly update or revise these forward-looking statements even if experience or future changes make it clear that the projected results or condition expressed or implied therein will not be realized.

SUMMARY

This summary highlights certain relevant information included elsewhere in this prospectus. This summary does not purport to be complete and may not contain all of the information that is important or relevant to you. Before investing in the Class D shares or ADSs, you should read this entire prospectus carefully for a more complete understanding of our business and the offering, including our audited and unaudited financial statements and related notes and the sections entitled “Item 3. Key Information—Risk Factors” and “Item 5. Operating and Financial Review and Prospects” in our 2009 Form 20-F and the information incorporated by reference herein.

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 LPG. Our downstream operations include the refining, marketing, transportation and distribution of oil and a wide range of petroleum products, petroleum derivatives, petrochemicals, LPG 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 2009, we had consolidated net sales of Ps.34,320 million (U.S.\$9,032 million) and consolidated net income of Ps.3,486 million (U.S.\$917 million), and in the nine-month period ended September 30, 2010, we had consolidated net sales of Ps.31,849 million (U.S.\$8,043 million) and consolidated net income of Ps.4,580 million (U.S.\$1,156 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 2008, when the Petersen Group (as defined below) purchased, in different stages, shares representing 15.46% of our capital stock. In addition, Repsol YPF granted certain affiliates of Petersen Energía S.A. (“Petersen Energía” and together with such affiliates and Petersen Energía Inversora S.A., the “Petersen Group”) an option to purchase up to an additional 10% of our outstanding capital stock. This option will expire on February 21, 2012. As of January 31, 2011, Repsol YPF owned approximately 79.73% of our capital stock.

Upstream Operations

- We operate more than 70 oil and gas fields in Argentina, accounting for approximately 39% of the country’s total production of crude oil, excluding natural gas liquids, and approximately 39% of its total natural gas production, including natural gas liquids, in 2009, according to information provided by the Argentine Secretariat of Energy.
- We had proved reserves, as estimated as of December 31, 2009, of approximately 538 mmbbl of oil and 2,672 bcf of gas, representing aggregate reserves of 1,013 mmboe.
- In 2009, we produced approximately 111 mmbbl of oil (302 mbbbl/d), including condensate and natural gas liquids, and 533 bcf of gas (1,460 mmcf/d) and, in the nine-month period ended September 30, 2010, we produced approximately 82 mmbbl of oil (298 mbbbl/d) and 386 bcf of gas (1,373 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 mbbbl/d). We also have a 50% interest in Refinería del Norte, S.A. ("Refinor"), an entity jointly controlled with and operated by Petrobras Energía S.A., which has a refining capacity of 26.1 mbbbl/d.
- Our retail distribution network for automotive petroleum products as of September 30, 2010 consisted of 1,624 YPF-branded service stations, and we estimate we held approximately 31% of all gasoline 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.

The Argentine Market

Argentina is the first largest producer of natural gas and the fourth largest producer of crude oil in Latin America based on 2009 production, according to the BP Statistical Review.

In response to the economic crisis of 2001 and 2002, the Argentine government, pursuant to the Public Emergency Law (Law No. 25,561), established export taxes on certain hydrocarbon products. In subsequent years, in order to satisfy growing domestic demand and abate inflationary pressures, this policy was supplemented by constraints on domestic prices, temporary export restrictions and subsidies on imports of natural gas and diesel. As a result, until 2008, local prices for oil and natural gas products had remained significantly below those prevalent in neighboring countries and international commodity exchanges, heightening domestic demand for such products. In the case of natural gas, the price at which Bolivia exports natural gas to Argentina was approximately U.S.\$6.16/mmBtu in December 2009 (approximately U.S.\$7.41/mmBtu in September 2010), while our average sales price in Argentina during 2009 was approximately U.S.\$1.86/mmBtu.

Argentina's gross domestic product, or GDP, after declining during the economic crisis of 2001 and 2002, grew at an average annual real rate of approximately 8.5% from 2003 to 2008, decelerating in 2009 as a result of the crisis in the global economy. Driven by this economic expansion and low domestic prices, energy demand has increased significantly during the same period, outpacing energy supply (which in the case of oil declined). For example, Argentine natural gas and diesel consumption grew at average annual rates of 6.7% and 4.7%, respectively, during the period 2003-2008, before decreasing slightly in 2009, according to the BP Statistical Review and the Argentine Secretariat of Energy. As a result of this increasing demand and actions taken by the Argentine regulatory authorities to support domestic supply, exported volumes of hydrocarbon products, especially natural gas, diesel and gasoline, declined steadily over this period. At the same time, Argentina has increased hydrocarbon imports, becoming a net importer of certain products, such as diesel, and increased imports of gas (including NGL). In 2003, Argentina's net exports of diesel amounted to approximately 1,349 mcm, while in 2009 its net imports of diesel amounted to approximately 545 mcm, according to information provided by the Argentine Secretariat of Energy. Significant investments in the energy sector are expected to be required in order to support continued economic growth, as the industry is currently operating near capacity.

Demand for diesel in Argentina exceeds domestic production. In addition, the import prices of refined products have been substantially higher than the average domestic sales prices of such products, rendering the import and resale of such products uneconomic. As a result, service stations experience temporary shortages and are required to suspend or

curtail diesel sales. While we are operating our refineries at or above capacity, during peak demand periods we are forced to prorate supplies among our service stations according to historical sales levels.

As the largest integrated oil and gas company in Argentina, we believe that we are well positioned to benefit from potential reform in the energy sector, although we cannot assure that reforms will be implemented or, if implemented, that they will be advantageous to our business.

Competitive Strengths

Largest producer, refiner and marketer of crude oil, natural gas and refined products in Argentina

Our upstream operations benefit from concessions providing access to 22% of the total proved crude oil reserves, excluding natural gas liquids, and 25% of total proved natural gas reserves, including natural gas liquids, in Argentina as of December 31, 2009, according to the Argentine Secretariat of Energy. In 2009, we had an attributable production share, which represents our share of the total production from the fields in which we have an interest, of approximately 39% of the total crude oil extracted, excluding natural gas liquids (more than the next four largest producers combined), and approximately 39% of total natural gas extracted, including natural gas liquids, in Argentina, according to the Argentine Secretariat of Energy.

Our downstream operations refine and distribute more refined products than any other company in Argentina. In 2009, we estimate that we had over 50% of the country's refining capacity and distributed more diesel, gasoline, lubricants, asphalts and compressed natural gas than any other distributor. As of September 30, 2010, we had 1,624 YPF-branded service stations (including proprietary and franchised service stations), and we believe held approximately 31% of the country's gasoline service stations, and we had a market share of gasoline and diesel of 56.4%, according to analysis we made of the information provided by the Secretariat of Energy. We are one of the largest petrochemical producers in the Argentine market, offering a wide range of products, including aromatics and fertilizers, LAB, LAS, maleic anhydride, polybutenes, methanol and solvents.

Favorably positioned as an integrated player

We participate in all phases of the oil and gas value chain, including production, refining, marketing and distribution, with the potential to capture margin at all levels. In 2009 and 2008, our production represented approximately 78% and 83%, respectively, of the total crude oil processed by our refineries.

Substantial portfolio of operated oil and gas concessions

As of September 30, 2010, we held interests in 106 production concessions and exploration permits in Argentina, with 100% ownership interest in 57 of these. Many of our production concessions are among the most productive in Argentina, including concessions in the Neuquina and Golfo de San Jorge basins, which accounted for approximately 85% of our total production in 2009. Our concessions are not scheduled to expire until 2017 and concessions representing approximately 50% of our proved reserves as of December 31, 2009 were extended prior to the date of this prospectus through 2026 and 2027 (see Note 5(c) to our Unaudited Interim Financial Statements). We have a portfolio of mature fields with geologic characteristics that are similar in many respects to those in other regions (such as those in the United States) which have been successfully rejuvenated through the use of advanced oil recovery technologies to increase field recovery factors. In addition, there is tight gas in place within our concession areas in Argentina.

A majority of our fields have been in operation for several years and, as a result, approximately 79% of our total proved reserves of 1,013 mmbob were categorized as developed as of September 30, 2010.

Extensive refining and logistics assets

We have extensive refining assets which we believe represent more than 50% of the country's refining capacity, operating at high utilization rates. Our refining system has high complexity, giving us flexibility to shift some of our production resources toward higher value-added products. Our refining assets also benefit from large scale (our La Plata refinery is the largest in Argentina with a capacity of 189,000 bbl/d) and convenient location, and rank highly in terms of availability and maintenance.

3

We manage a large scale logistics network, consisting of 1,801 km of multi-product pipelines for the distribution of our refined products, connecting our two main refineries to our most important depots, of which we have 16 with a total storage capacity of approximately 1,023 thousand cubic meters. We also operate 53 airport facilities (40 of which are wholly-owned) with a total storage capacity of 24,000 cubic meters and 27 company-owned tanker trucks.

All of our refineries are connected to pipelines that we own or in which we have a significant stake. Oil is piped to our Luján de Cuyo refinery from Puerto Hernández by a 528 km pipeline and to our La Plata refinery from Puerto Rosales by another 585 km pipeline. We also have a 37% stake in Oleoductos del Valle S.A. (the company operating the oil pipeline from the Neuquina basin to Puerto Rosales).

Strong marketing brand

The “YPF” brand is widely recognized in the Argentine consumer market. Our 1,624 YPF-branded service stations are located throughout Argentina’s urban and suburban areas, and we have more than 1 million cardmembers in our marketing loyalty programs. We also leverage our marketing and branding power to sell industrial products, such as lubricants, for which we held a 37.4% market share as of September 30, 2010, according to our latest internal estimates.

Experienced management team and access to Repsol YPF expertise

We are led by a highly regarded and experienced team of professionals. Certain members of the senior management team have long tenures with us and significant experience in the Argentine energy sector.

We benefit from Repsol YPF’s experience and know-how in the upstream and downstream businesses. Repsol YPF is an integrated international oil and gas company with significant activity along the hydrocarbon product value chain. It holds one of the largest refining and marketing asset portfolios in Europe and owns significant refining and marketing assets in other Latin American countries, including a market-leading position in Peru. Repsol YPF conducts exploration and production activities in more than 30 countries and has developed its offshore expertise through its participation in offshore areas and assets in the Gulf of Mexico, Brazil and West Africa.

We have a research and development facility in La Plata, Argentina, that works in cooperation with Repsol YPF, to carry out research and development programs of mutual interest, including programs concerning prospects for new opportunities arising out of the long term evolution of the primary technologies used within the energy sector. These include bioengineering, future combustion engines, electric transport, the use of hydrogen as an energy carrier, renewable energy and the capture and storage of CO₂. These studies allow us and Repsol YPF to develop new capabilities and plan our future activities.

Business Strategy

As the largest integrated oil and gas company in Argentina, we seek to improve margins and to maximize profitability through the most efficient utilization of resources and assets along our entire value chain. Our key strategies are the following:

Upstream

Improve our field recovery factors. In 2006, we developed a new integrated strategy, aimed at rejuvenating mature fields through the use of advanced technologies. This strategy, which we began to implement in 2007, seeks to increase recovery factors in our mature fields through infill drilling and secondary and tertiary recovery, and is subject to prevailing economic and regulatory conditions. Many of the technologies to be implemented through this strategy

have been successfully employed in large mature basins, such as those in the United States, although no assurances can be given that we will achieve recovery factors resembling those achieved in the United States. This strategy, along with certain initiatives undertaken by our exploration and production business unit aimed at achieving a comprehensive operational improvement, such as improving well productivity through better water

management and an improved maintenance of facilities and optimizing the fracturing process, have generated positive results. During 2009, we incorporated new proved reserves of 85 mmbbl through extensions, discoveries, improved recovery and revisions of previous estimates. As of September 30, 2009, approximately 21% of our proved reserves as of such date had been audited by external auditors.

Improve the operational efficiency of our exploration and production. Our exploration and production business unit is carrying out a comprehensive operational improvement and cost reduction program with over 100 initiatives that we expect to continue having a positive impact on our business. These include initiatives described above seeking to improve well productivity through better water management, enhancing facilities maintenance, optimizing the fracturing process and reducing energy costs, among others.

Invest in onshore and offshore exploration in Argentina. Onshore, we plan to continue carrying out the recently started targeted exploration for conventional and unconventional resources. For example, we intend to access new onshore exploratory properties in under-explored areas within currently producing basins. To support this initiative, in 2007 we began to add new drilling and fracturing equipment and hired additional technical personnel. We have entered into agreements with Energía Argentina S.A. ("ENARSA"), the state-owned energy company, and other companies, for the joint exploration of Argentine offshore properties, which we believe positions us well to explore potentially lucrative offshore areas in Argentina. Offshore acreage is largely unexplored in Argentina and constitutes the largest area for green field developments in the country, and we intend to actively participate in the tender process for new offshore properties in Argentina.

Additionally, we have also successfully participated in the bidding process to start exploration offshore activities in a sea platform in Uruguay. This project will be developed in two distinct areas (one of which will be operated by us) in association with a subsidiary of Petrobras and Galp Energia SGPS, SA. Our involvement in both concessions is part of the strategic partnership for exploration in the South Atlantic between YPF and Petrobras.

Optimize value of non-core fields. We are seeking to optimize our portfolio of exploration and production assets through active management of various non-core fields, including through potential associations with smaller operators in certain fields in order to improve their operational effectiveness.

Downstream

Continue to improve production and cost efficiencies in downstream businesses. We are seeking to optimize our refining assets to increase their capacity (through de-bottlenecking and revamping of equipment), further improve their flexibility to shift capacity among certain categories of products, adapt our refineries to new low-sulfur regulations and develop our logistics network and assets to meet the continued growth in demand we expect. In addition, we continue to implement various cost reduction programs throughout our refining and logistics assets (including internal consumption reduction and centralized purchasing), marketing network (including back-office integration, loyalty program reductions and selective expansion of our company-owned and operated service station network while continuing to eliminate dealer-operated service stations with lower operating efficiency) and chemical division (including the reduction of maintenance-related production stoppages).

Additionally we continue with the construction of the Continuous Catalytic Reformer Plant (CCR) that will involve an estimated investment of over U.S.\$340 million. This plant, which we anticipate could begin operations during 2012, will use state-of-the art technology for chemical processes for reforming of naphtha based on catalysts, which will involve improvements in productivity, safety and environmental care. The plant is expected to produce approximately 200,000 tons of aromatic compounds that can be used as octane enhancers for automobile gasoline. Additionally, plant is expected to produce approximately 15,000 tons of hydrogen that will improve the process of hydrogenation of fuels to increase quality and reduce its sulfur content, further reducing the environmental impact of internal combustion

engines.

In addition to the investment mentioned in the preceding paragraph, we have started a new project that we estimate will involve approximately U.S.\$670 million to further improve the quality of gasoline and diesel produced

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by our refineries in La Plata and Lujan de Cuyo, located in the province of Buenos Aires and in the province of Mendoza, respectively, including investments to optimize energy use and increase the power reliability and capacity of the respective plants. This project is expected to be completed during the next three years.

Increase value creation from petrochemicals. As mentioned above, our chemicals business unit will carry out a significant upgrade of its aromatics plant by migrating to state-of-the-art technology. We believe our investments will facilitate the integration with our refining and marketing business unit through a significant increase in aromatics production, much of which will be used by our refining and marketing business unit to increase gasoline octane levels and to produce hydrogen to improve refining plant productivity.

Recent Developments

Update of legal proceedings

Argentina

Alleged defaults under natural gas supply contracts. Transportadora de Gas del Norte S.A. has notified us that it has decided to terminate the contract pursuant to which it had to deliver transportation services to YPF in connection with contracts associated with natural gas exports, invoking YPF's alleged breach of such contract due to an alleged lack of payment of the related transportation fees. Transportadora de Gas del Norte S.A. has reserved the right to file a claim against YPF seeking compensation for damages.

Argentine National Antitrust Protection Board (Comisión Nacional de Defensa de la Competencia or "CNDC") anti-competitive activity disputes. On December 22, 2010, we were notified that the Chamber B of the National Court of Appeals in Criminal Economic Matters has ruled in our favor, revoking CNDC's decision to charge us with abuse of dominant market position in the bulk LPG market during October 1997 and March 1999, and ordering the termination of the proceedings. This ruling may still be challenged by the CNDC. We have reassessed our estimation of the outcome of this legal proceeding from a "probable" to a "possible" contingency.

La Plata refinery environmental claims. On January 25, 2011, we entered into an agreement with the Provincial Entity for Sustainable Development (Organismo Provincial para el Desarrollo Sostenible or "OPDS") of the Government of the province of Buenos Aires, within the scope of the Remediation, liability and environmental risk control program, created by Resolution 88/10 of the OPDS. Pursuant to the agreement, YPF and the relevant authorities agreed to jointly perform an eight-year work program in the canals adjacent to the La Plata refinery, including the conduct of characterization and risk assessment studies of sediments. The agreement provides that when a required remediation action is identified as a result of a risk assessment study, different alternatives and available techniques will be considered, as well as the steps needed for its implementation. Studies to determine how old the contamination is will also be performed pursuant to the agreement, in order to evaluate whether the Argentine government should be liable for such contamination pursuant to its obligation to hold us harmless under the Privatization Law (Law No. 24,145), which established the procedures for our privatization.

Other claims. Some employees are seeking compensation for allegedly not being able to benefit from their off-duty time while on guard duty. The labor authority has issued an arbitral award pursuant to which we will have to compensate guard duty time as actual work time. We submitted a motion to declare this decision null, which was rejected. We subsequently filed a lawsuit requesting the judge to declare this decision void as well as a preliminary injunction, which was also rejected. We have appealed this decision. The amount of this claim is to be determined during the proceedings. As of the date of this report, we estimate the outcome of this proceeding as a "possible" contingency.

YPF Holdings

Passaic River/Newark Bay, New Jersey. In October 2010, a number of public third-party defendants filed a motion to sever and stay, which would allow the State of New Jersey to proceed against the direct defendants, including Tierra. However, the judge has ruled against this motion. Third-party defendants have also brought

motions to dismiss, which have been rejected in January 2011. Certain third-party defendants have appealed the ruling of the special master on their motions to dismiss and the presiding judge will hold hearings in March and April regarding these appeals. The next step in the case will be the presiding judge's entry of a Trial Plan which will set a schedule for the remainder of litigation, from discovery through trial. At this point in time, it is premature to state when the first trial will take place.

Our principal executive offices are located at Macacha Güemes 515, (C1106BKK) Ciudad Autónoma de Buenos Aires, Argentina, and our general telephone number is (011-54-11) 5441-2000. Our website address is www.ypf.com and our website is available in Spanish. Information contained on our website is not incorporated by reference in, and shall not be considered a part of, this prospectus.

THE OFFERING

Issuer	YPF Sociedad Anónima
Selling Shareholders	<p>In December 2010, Repsol YPF entered into certain transactions with the Eton Park Funds and the Capital Funds (as defined, respectively, in “Selling Shareholders”) pursuant to which Repsol YPF sold to each of the Eton Park Funds and the Capital Funds an aggregate of 6,410,257 restricted ADSs, respectively, and issued to the Eton Park Funds an aggregate of 6,410,257 warrants (the “Warrants”), each such Warrant exercisable for one ADS. Pursuant to the Registration Rights Agreements (as defined in “Selling Shareholders”), the Eton Park Funds and the Capital Funds are entitled to certain registration rights in respect of the restricted ADSs purchased in these transactions and the Eton Park Funds are also entitled to certain registration rights in respect of the ADSs underlying the Warrants. The Selling Shareholders hereunder will be the Eton Park Funds, the Capital Funds or one of either of their respective permitted transferees under the Registration Rights Agreements. See “Selling Shareholders.”</p>
The offering	<p>The Selling Shareholders may offer and sell up to 19,230,771 Class D shares, including in the form of ADSs, consisting of 12,820,514 issued and outstanding Class D shares sold to the Eton Park Funds and the Capital Funds and 6,410,257 issued and outstanding Class D shares underlying the Warrants issued to the Eton Park Funds, from time to time in amounts, at prices and on terms that will be determined at the time of any such offering or sale. See “Selling Shareholders.” For more information on the sale of the Class D shares or ADSs by the Selling Shareholders, please see “Plan of Distribution.”</p>
Share capital	<p>As of the date of this prospectus, our share capital consisted of 393,312,793 shares, consisting of 3,764 Class A shares, 7,624 Class B shares, 40,422 Class C shares and 393,260,983 Class D shares, each fully subscribed and paid, with a par value of ten pesos each. See “Item 10. Additional Information—Capital Stock” in our 2009 Form 20-F.</p> <p>The offering of our Class D common stock, including in the form of ADSs, by the Selling Shareholders as contemplated by this prospectus will not affect our share capital.</p>
ADSs	<p>Each ADS represents one Class D share held by The Bank of New York, S.A., as custodian of The Bank of New York Mellon, a New York banking corporation, as depositary under the deposit agreement among us, The Bank of New York Mellon and the holders of the ADSs. The ADSs will be evidenced by American depositary receipts, or ADRs.</p>
Listing	<p>Our ADSs are listed on the New York Stock Exchange, or NYSE, under the symbol “YPF.” Our Class D shares are listed on the Buenos Aires Stock Exchange, or BASE, under the symbol “YPPFD.” In addition, our Board of Directors approved on November 5, 2010, the</p>

listing of our Class D shares on Latibex, an international market approved by the Spanish government and regulated by the Spanish Securities Market Law. As of the date hereof, the listing on Latibex is still pending.

Dividends

Holders of each class of our common stock rank equally for the purpose of receiving any dividends approved by our shareholders. The owners of ADSs will be entitled to receive dividends to the same extent as the owners of shares of common stock. Holders of ADSs on the applicable record dates will be entitled to receive dividends paid on the shares of common stock represented by the ADSs, after deduction of any applicable expenses of the depository. In accordance with Argentine corporate law, we may pay dividends that are approved by our shareholders in pesos out of retained earnings, if any, as set forth in our audited financial statements prepared in accordance with Argentine GAAP and filed with the CNV, after any required contribution to our legal reserve. The transfer abroad of dividend payments in connection with closed and audited financial statements approved by a shareholders' meeting is currently authorized by applicable regulations. YPF has adopted a dividend policy under which we will distribute 90% of our net income as dividends. See "Item 7. Major Shareholders and Related Party Transactions—Shareholders' Agreement" in our 2009 Form 20-F. This dividend policy is subject to a number of factors, including our debt service requirements, capital expenditure and investment plans, other cash requirements and such other factors as may be deemed relevant at the time. We cannot assure you that we will pay any dividends in the future.

Voting rights

Holders of each class of our common stock are entitled to one vote per share of common stock, although the affirmative vote of holders of our Class A shares is required for certain actions. Subject to Argentine law and the terms of the deposit agreement, holders of the ADSs will have the right to instruct the depository how to vote the number of Class D shares represented by their ADSs. See "Item 10. Additional Information—Capital Stock" in our 2009 Form 20-F and "Description of American Depositary Shares." Non-Argentine companies that own Class D shares directly are required to register in Argentina in order to exercise their voting rights.

Use of proceeds

The Selling Shareholders will receive all of the net proceeds from the sale of ADSs offered by this prospectus, and we will not receive any proceeds from any offering contemplated by this prospectus. See "Use of Proceeds."

Taxation

For a discussion of the material U.S. and Argentine tax considerations relating to an investment in our Class D shares or the ADSs, see "Material Tax Considerations."

Risk factors

See "Risk Factors" in our 2009 Form 20-F, any additional risk factors included in the applicable prospectus supplement (if any) under the heading "Risk Factors" and other information included in this prospectus for a discussion of factors you should consider before deciding to invest in our Class D shares or the ADSs.

SUMMARY FINANCIAL AND OPERATING DATA

The following tables present our summary financial and operating data. You should read this information in conjunction with our audited and unaudited financial statements and related notes, and the information under “Selected Financial and Operating Data” included elsewhere in this prospectus and in “Item 5. Operating and Financial Review and Prospects” in our 2009 Form 20-F. All financial data included in this prospectus as of September 30, 2010 and for the nine-month periods ended September 30, 2010 and 2009 and as of June 30, 2010 and for the six-month periods ended June 30, 2010 and 2009 is unaudited. Results for the nine-month period ended September 30, 2010 are not necessarily indicative of results to be expected for the full year 2010 or any other period.

The financial data as of December 31, 2009, 2008 and 2007 and for the years then ended is derived from our audited consolidated financial statements (the “Audited Consolidated Financial Statements”) included in our 2009 Form 20-F, which is incorporated by reference in this prospectus. The financial data as of September 30, 2010 and for the nine-month periods ended September 30, 2010 and 2009 is derived from our unaudited condensed consolidated financial statements (the “Unaudited Interim Financial Statements”) included in our September 30, 2010 Form 6-K, which is incorporated by reference in this prospectus. The Unaudited Interim 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 audited and unaudited 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 13, 14 and 15 to our Audited Consolidated 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 and shareholders’ equity as of December 31, 2009, 2008 and 2007 and for the years then ended. Notes 6, 7 and 8 to our unaudited condensed consolidated financial statements included in our June 30, 2010 Form 6-K, which is incorporated by reference in this prospectus, 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 and shareholders’ equity as of June 30, 2010 and 2009 and for the six-month periods then ended.

In this prospectus, 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, 2010 and as of and for the year ended December 31, 2009 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, 2010 of Ps.3.96 to U.S.\$1.00, unless otherwise specified. The exchange rate quoted by the Central Bank on February 14, 2011 was Ps.4.02 to U.S.\$1.00. 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 “Exchange Rates and Controls.”

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

	As of and for the Nine-Month Period Ended September 30,		
	2010 (in millions of U.S.\$, except for per share and per ADS data)	2010 (in millions of pesos, except for per share and per ADS data)	2009
Consolidated Income Statement Data:			
Argentine GAAP(1)			
Net sales(2)(3)	8,043	31,849	24,648
Gross profit	2,773	10,983	7,952
Administrative expenses	(256)	(1,015)	(776)
Selling expenses	(551)	(2,182)	(1,790)
Exploration expenses	(45)	(178)	(422)
Operating income	1,921	7,608	4,964
Income (loss) on long-term investments	17	67	(5)
Other expense, net	(6)	(23)	(17)
Interest expenses	(168)	(664)	(714)
Other financial income (expense) and holding (losses) gains, net	83	330	(591)
Income before income tax	1,847	7,318	3,637
Income tax	(691)	(2,738)	(1,567)
Net income	1,156	4,580	2,070
Earnings per share and per ADS(4)	2.94	11.64	5.26
Dividends per share and per ADS(4) (in pesos)	n.a.	5.50	6.30
Dividends per share and per ADS(4)(5) (in U.S. dollars)	n.a.	1.42	1.69
Other Consolidated Financial Data:			
Argentine GAAP(1)			
Fixed assets depreciation	1,039	4,114	3,648
Cash used in fixed asset acquisitions	1,413	5,597	3,640
Current liquidity (Current assets divided by current liabilities)	n.a.	0.93	0.938
Solvency (Net worth divided by total liabilities)	n.a.	0.885	1.039
Capital Immobilization (Non-current assets divided by total assets)	n.a.	0.683	0.744
Non-GAAP			
EBITDA(6)	3,033	12,009	7,930
EBITDA margin(7)	n.a.	38 %	32 %

	As of September 30, 2010	
	(in millions of U.S.\$)	(in millions of pesos)
Consolidated Balance Sheet Data:		
Argentine GAAP(1)		
Cash	99	392
Working capital	(272)	(1,079)
Total assets	11,451	45,346

Total debt(8)	1,869	7,400
Shareholders' equity(9)	5,377	21,293

(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 Interim Financial Statements. As of September 30, 2010, we recognized income tax applying the liability method, however we did not account for the deferred tax liability arising from the difference between the book value of fixed assets remeasured into constant Argentine

pesos and their corresponding historical cost used for tax purposes. The amount of this difference was disclosed instead in the notes to the financial statements, as allowed by Argentine GAAP. As of September 30, 2010, such temporary difference not accounted for consisted of a deferred tax liability of approximately Ps. 1.04 billion. In connection with the International Financial Reporting Standards (IFRS) implementation process for listed companies in Argentina, Resolution No. 576/2010 of the CNV established that companies that decide not to account for temporary differences under Argentine GAAP, shall record such difference in any period before the transition to IFRS on January 1, 2012.

- (2) Includes Ps.1,117 million for the nine-month period ended September 30, 2010 and Ps.1,029 million for the nine-month period ended September 30, 2009 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. Royalty payments required to be made to a third party, whether payable in cash or in kind, which are a financial obligation, or are substantially equivalent to a production or similar tax, are accounted for as a cost of production and are not deducted in determining net sales. See Note 2(f) to the Unaudited Interim 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.1,348 million as of September 30, 2010.
- (9) Our subscribed capital as of September 30, 2010 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.

Set forth below is selected financial data as of June 30, 2010 and for the six-month periods ended June 30, 2010 and 2009 (unaudited), prepared in accordance with Argentine GAAP and U.S. GAAP. See Note 7 to our unaudited condensed consolidated financial statements included in our June 30, 2010 Form 6-K for a summary of the significant adjustments to net income and to shareholders’ equity which would have been required if U.S. GAAP had been applied instead of Argentine GAAP in the unaudited condensed consolidated financial statements.

	For the Six-Month Period Ended June 30,	
	2010	2009
	(in millions of pesos)	
Consolidated Income Statement Data:		
Argentine GAAP		

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Operating income	5,235	2,988
Net income	3,093	1,047
U.S. GAAP		
Operating income	4,293	1,411
Net income	2,781	1,013

As of June
30, 2010
(in millions
of pesos)

Consolidated Balance Sheet Data:

Argentine GAAP		
Total assets		43,169
Shareholders' equity		19,809

U.S. GAAP

Total assets	50,485
Shareholders' equity	27,216

As of and for the Year Ended December 31,
2009 2009 2008 2007
(in millions
of U.S.\$,
except for
per share
and per
ADS data)

(in millions of pesos,
except for per share and
per ADS data)

Consolidated Income Statement Data:

Argentine GAAP(1)				
Net sales(2)(3)	8,667	34,320	34,875	29,104
Gross profit	2,814	11,143	10,862	10,104
Administrative expenses	(278)	(1,102)	(1,053)	(805)
Selling expenses	(629)	(2,490)	(2,460)	(2,120)
Exploration expenses	(139)	(552)	(684)	(522)
Operating income	1,767	6,999	6,665	6,657
(Loss)/Income on long-term investments	(6)	(22)	83	34
Other income/(expense), net	40	159	(376)	(439)
Interest expense	(242)	(958)	(492)	(292)
Other financial income/(expense) and holding gains/(losses), net	(72)	(284)	318	810
Income from sale of long-term investments	—	—	—	5
Reversal of impairment of other current assets	—	—	—	69
Income before income tax	1,488	5,894	6,198	6,844
Income tax	(608)	(2,408)	(2,558)	(2,758)
Net income	880	3,486	3,640	4,086
Earnings per share and per ADS(4)	2.23	8.86	9.25	10.39
Dividends per share and per ADS(4) (in pesos)	n.a.	12.45	23.61	6.00
Dividends per share and per ADS(4)(5) (in U.S. dollars)	n.a.	3.31	7.37	1.93
U.S. GAAP				
Operating income	1,107	4,385	5,230	5,176
Net income	658	2,605	3,014	3,325
Earnings per share and per ADS(4) (in pesos)	n.a.	6.62	7.66	8.45
Consolidated Balance Sheet Data:				
Argentine GAAP(1)				
Cash	169	669	391	196
Working capital	(525)	(2,080)	(2,758)	4,081
Total assets	10,172	40,283	39,079	38,102
Total debt(6)	1,722	6,819	4,479	994
Shareholders' equity(7)	4,768	18,881	20,356	26,060
U.S. GAAP				
Total assets	11,754	46,544	44,251	40,746
Shareholders' equity	6,494	25,717	25,492	29,067

Other Consolidated Financial Data:

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Argentine GAAP(1)							
Fixed assets depreciation	1,220	4,832	4,775	4,139			
Cash used in fixed asset acquisitions	1,423	5,636	7,035	6,163			
Non-GAAP							
EBITDA(8)	2,923	11,575	11,331	10,997			
EBITDA margin(9)	n.a.	34	%	32	%	38	%

(1) The financial statements reflect the effect of changes in the purchasing power of money by the application of the method for remeasurement in 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 remeasurement of financial statements in constant Argentine pesos as from March 1, 2003. See Note 1 to the Audited Consolidated Financial Statements.

- (2) Includes Ps.1,433 million for the year ended December 31, 2009, Ps.1,770 million for the year ended December 31, 2008 and Ps.1,350 million for the year ended December 31, 2007 corresponding to the proportional consolidation of the net sales of investees in which we hold joint control with third parties. See Note 13 (b) to the Audited Consolidated Financial Statements.
- (3) Net sales are net to us after payment of a fuel transfer tax, turnover tax and customs duties on hydrocarbon exports. Royalty payments required to be made to a third party, whether payable in cash or in kind, which are a financial obligation, or are substantially equivalent to a production or similar tax, are accounted for as a cost of production and are not deducted in determining net sales. See Note 2(f) to the Audited Consolidated 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 years 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) Total debt under Argentine GAAP includes nominal amounts of long-term debt of Ps.2,140 million as of December 31, 2009, Ps.1,260 million as of December 31, 2008 and Ps.523 million as of December 31, 2007.
- (7) Our subscribed capital as of December 31, 2009 is 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.
- (8) 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.”
- (9) EBITDA margin is calculated by dividing EBITDA by our net sales.

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.

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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		For the Year Ended December 31,		
	2010	30, 2009	2009	2008	2007
	(in millions of pesos)				
Net income	4,580	2,070	3,486	3,640	4,086
Interest gains on assets	(87)	(69)	(109)	(134)	(278)
Interest losses on liabilities	664	714	958	492	292
Depreciation of fixed assets	4,114	3,648	4,832	4,775	4,139
Income tax	2,738	1,567	2,408	2,558	2,758
EBITDA	12,009	7,930	11,575	11,331	10,997

Production and other operating data

The following table presents certain of our production and other operating data as of or for the periods indicated.

	As of and for the Nine-Month Period Ended September 30,		As of and For the Year Ended December 31,		
	2010	2009	2009	2008	2007
Average daily production for the period					
Oil (mdbl)(1)	298	305	302	313	329
Gas (mcf)	1,373	1,536	1,460	1,658	1,740
Total (mboe)	550	579	562	607	636
Refining capacity					
Capacity (mdbl/d)(2)	320	320	320	320	320

(1) Including natural gas liquids (NGL).

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

USE OF PROCEEDS

We will not receive any proceeds from the sale of Class D shares or ADSs by the Selling Shareholders.

EXCHANGE RATES AND CONTROLS

Exchange Rates

From April 1, 1991 until the end of 2001, the Convertibility Law (Law No. 23,928) established a fixed exchange rate under which the Central Bank was obligated to sell U.S. dollars at one peso per U.S. dollar. On January 6, 2002, the Argentine Congress enacted the Public Emergency Law (Law No. 25,561, the Public Emergency and Foreign Exchange System Reform Law), formally putting an end to the Convertibility Law regime and abandoning over 10 years of U.S. dollar-peso parity. The Public Emergency Law, which has been extended until December 31, 2011, grants the executive branch of the Argentine government the power to set the exchange rate between the peso and foreign currencies and to issue regulations related to the foreign exchange market. Following a brief period during which the Argentine government established a temporary dual exchange rate system pursuant to the Public Emergency Law, the peso has been allowed to float freely against other currencies since February 2002 although the government has the power to intervene by buying and selling foreign currency for its own account, a practice in which it engages on a regular basis.

The following table sets forth the annual high, low, average and period-end exchange rates for U.S. dollars for the periods indicated, expressed in nominal pesos per U.S. dollar, based on rates quoted by the Central Bank. The Federal Reserve Bank of New York does not report a noon buying rate for Argentine pesos.

	Low	High	Average	Period End	
	(pesos per U.S. dollar)				
Year ended December 31,					
2006	3.03	3.10	3.07	(1)	3.06
2007	3.05	3.18	3.12	(1)	3.15
2008	3.01	3.45	3.18	(1)	3.45
2009	3.45	3.85	3.75	(1)	3.80
2010	3.79	3.99	3.92	(1)	3.98
Month					
August 2010	3.93	3.95	3.94	(1)	3.95
September 2010	3.94	3.97	3.95	(1)	3.96
October 2010	3.95	3.96	3.96	(1)	3.96
November 2010	3.96	3.99	3.97	(1)	3.99
December 2010	3.97	3.98	3.98	(1)	3.98
January 2011	3.97	4.01	3.98	(1)	4.01
February 2011(2)	4.01	4.02	4.02	(1)	4.02

Source: Central Bank

(1) Represents the average of the exchange rates on the last day of each month during the period.

(2) Through February 14, 2011.

No representation is made that peso amounts have been, could have been or could be converted into U.S. dollars at the foregoing rates on any of the dates indicated.

Exchange Controls

Prior to December 1989, the Argentine foreign exchange market was subject to exchange controls. From December 1989 until April 1991, Argentina had a freely floating exchange rate for all foreign currency transactions, and the transfer of dividend payments in foreign currency abroad and the repatriation of capital were permitted without prior approval of the Central Bank. From April 1, 1991, when the Convertibility Law became effective, until December 21, 2001, when the Central Bank closed the foreign exchange market, the Argentine currency was freely convertible into U.S. dollars.

On December 3, 2001, the Argentine government imposed a number of monetary and currency exchange control measures through Decree 1570/01, which included restrictions on the free disposition of funds deposited with banks and tight restrictions on transferring funds abroad (including the transfer of funds to pay dividends) without the Central Bank's prior authorization subject to specific exceptions for transfers related to foreign trade. Since January 2003, the Central Bank has gradually eased these restrictions and expanded the list of transfers of funds abroad that do not require its prior authorization (including the transfer of funds to pay dividends). In June 2003, the Argentine government set restrictions on capital flows into Argentina, which mainly consisted of a prohibition against the transfer abroad of any funds until 180 days after their entry into the country. In June 2005, the government established further restrictions on capital flows into Argentina, including increasing the period that certain incoming funds must remain in Argentina to 365 calendar days and requiring that 30% of incoming funds be deposited with a bank in Argentina in a non-assignable, non-interest-bearing account for 365 calendar days. Under the exchange regulations currently in force, restrictions exist in respect of the repatriation of funds or investments by non-Argentine residents. For instance, subject only to limited exceptions, the repatriation by non-Argentine residents of funds received as a result of the sale of the Class D shares in the secondary market is subject to a limit of U.S.\$500,000 per person per calendar month. In order to repatriate such funds abroad, non-Argentine residents also are required to demonstrate that the funds used to make the investment in the Class D shares were transferred to Argentina at least 365 days before the proposed repatriation. The transfer abroad of dividend payments in connection with closed and audited financial statements approved by a shareholders' meeting is currently authorized by applicable regulations.

MARKET INFORMATION

Shares and ADSs

New York Stock Exchange

The ADSs, each representing one Class D share, are listed on the NYSE under the trading symbol “YPF.” The ADSs began trading on the NYSE on June 28, 1993, and were issued by The Bank of New York Mellon as depository (the “Depository”).

The following table sets forth, for the five most recent full financial years and for the current financial year, the high and low closing prices in U.S. dollars of our ADSs on the NYSE:

	High	Low
2006	57.38	37.00
2007	50.10	34.37
2008	49.00	37.75
2009	47.00	16.81
2010	50.60	33.89
2011(1)	54.58	48.70

(1) Through February 14, 2011.

The following table sets forth, for each quarter of the two most recent full financial years and for each quarter of the current financial year, the high and low closing prices in U.S. dollars of our ADSs on the NYSE.

	High	Low
2009:		
First Quarter	47.00	16.81
Second Quarter	35.90	23.09
Third Quarter	40.20	30.79
Fourth Quarter	44.08	36.35
2010:		
First Quarter	45.80	40.11
Second Quarter	44.63	33.89
Third Quarter	43.45	37.52
Fourth Quarter	50.60	38.61
2011:		
First Quarter(1)	54.58	48.70

(1) Through February 14, 2011.

The following table sets forth, for each of the most recent six months and for the current month, the high and low closing prices in U.S. dollars of our ADSs on the NYSE.

	High	Low
2010:		
August	43.45	39.81
September	42.14	38.80

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October	39.84	38.61
November	42.99	39.17
December	50.60	39.00
2011:		
January	54.58	48.72
February(1)	50.75	48.70

(1) Through February 14, 2011.

According to data provided by The Bank of New York Mellon, as of February 10, 2011, there were 232,842,906 ADSs outstanding and 87 holders of record of ADSs. Such ADSs represented approximately 59.2% of the total number of issued and outstanding Class D shares as of such date. Excluding ADSs owned by Repsol YPF, outstanding ADSs represent 21.2% of the total number of outstanding Class D shares.

Buenos Aires Stock Market

The Buenos Aires Stock Market (Mercado de Valores de Buenos Aires, or “Merval”) is the principal Argentine market for trading the ordinary shares.

Merval is the largest stock market in Argentina and is affiliated with the BASE. Merval is a corporation consisting of 133 shareholders who are the sole individuals or entities authorized to trade, either as principals or agents, in the securities listed on the BASE. Trading on the BASE is conducted either through the traditional auction system from 11 a.m. to 6 p.m. on trading days, or through the Computer-Assisted Integrated Negotiation System (Sistema Integrado de Negociación Asistida por Computación, or “SINAC”). SINAC is a computer trading system that permits trading in both debt and equity securities and is accessed by brokers directly from workstations located in their offices. Currently, all transactions relating to listed negotiable obligations and listed government securities can be effectuated through SINAC. In order to control price volatility, Merval imposes a 15-minute suspension on trading when the price of a security registers a variation in price between 10% and 15% and between 15% and 20%. Any additional 5% variation in the price of a security will result in an additional 10-minute successive suspension period.

Investors in the Argentine securities market are mostly individuals and companies. Institutional investors, which were responsible for a growing percentage of trading activity, from 1993 to 2008 consisted mainly of institutional private retirement and pension funds (“AFJPs”) created under the amendments to the social security laws enacted in late 1993. In December 2008, the Argentine Government caused the assets managed by the AFJPs to be transferred to a newly created federal government-run social security system (Administración Nacional de la Seguridad Social, or “ANSES”). As a result, the Federal Government has become an important shareholder in many listed companies, reducing the size and liquidity of the Argentine securities market.

Certain information regarding the Argentine stock market is set forth in the table below.

	2009	2008	2007
Market capitalization (in billions of pesos)(1)	2,185	1,234	1,773
As percent of GDP(1)	186.9 %	121.6 %	227.2 %
Volume (in millions of pesos)	133,207	237,790	209,905
Average daily trading volume (in millions of pesos)	545.93	962.71	849.82

(1) End-of-period figures for trading on the BASE.

Source: CNV and Instituto Argentino de Mercado de Capitales.

The following table sets forth, for the five most recent full financial years and for the current financial year, the high and low prices in Argentine pesos of our Class D shares on the Buenos Aires Stock Market:

	High	Low
2006	177.50	115.00
2007	153.00	110.90
2008	183.00	118.00
2009	162.00	64.00

2010	205.00	137.00
2011(1)	219.50	199.50

(1) Through February 14, 2011.

The following table sets forth, for each quarter of the two most recent full financial years and for each quarter of the current financial year, the high and low prices in Argentine pesos of our Class D shares on the Buenos Aires Stock Market.

	High	Low
2009:		
First Quarter	162.00	64.00
Second Quarter	136.00	90.00
Third Quarter	153.00	119.50
Fourth Quarter	162.00	139.00
2010:		
First Quarter	170.00	150.00
Second Quarter	172.00	137.00
Third Quarter	167.00	149.70
Fourth Quarter	205.00	152.00
2011:		
First Quarter(1)	219.50	199.50

(1) Through February 14, 2011.

The following table sets forth, for each of the most recent six months and for the current month, the high and low prices in Argentine pesos of our Class D shares on the Buenos Aires Stock Market.

	High	Low
2010:		
August	167.00	156.00
September	162.00	153.00
October	155.00	152.00
November	177.00	155.00
December	205.00	155.50
2011:		
January	219.50	200.00
February(1)	208.60	199.50

(1) Through February 14, 2011.

As of December 31, 2010, there were approximately 8,009 holders of Class D shares.

Stock Exchange Automated Quotations System International

The ADSs are also quoted on the Stock Exchange Automated Quotations System International.

Latibex

Latibex is an international market for Latin American securities. The market's creation, in December 1999, was approved by the Spanish government and it is regulated by the Spanish Securities Market Law. On November 5, 2010, our Board of Directors approved the listing of our Class D shares on Latibex. As of the date hereof, the listing on Latibex is still pending.

Argentine Securities Market

The securities market in Argentina is composed of 10 stock exchanges, which are located in the City of Buenos Aires (the “BASE”), Bahía Blanca, Corrientes, Córdoba, La Plata, La Rioja, Mendoza, Rosario, Santa Fe and Tucumán. Five of these exchanges (the BASE, Rosario, Córdoba, Mendoza and Santa Fe) have affiliated stock markets and, accordingly, are authorized to quote publicly offered securities. Securities listed on these exchanges include corporate equity and bonds and government securities.

The BASE, which began operating in 1854, is the principal and longest-established exchange in Argentina. Bonds listed on the BASE may simultaneously be listed on the Argentine over-the-counter market (Mercado Abierto Electrónico, or “MAE”), pursuant to an agreement between BASE and MAE that stipulates that equity securities are to be traded exclusively on the BASE, while debt securities (both public and private) may be traded on both the MAE and the BASE. In addition, through separate agreements with the BASE, all of the securities listed on the BASE may be listed and subsequently traded on the Córdoba, Rosario, Mendoza, La Plata and Santa Fe exchanges, by virtue of which many transactions originating on these exchanges relate to BASE-listed companies and are subsequently settled in Buenos Aires. Although companies may list all of their capital stock on the BASE, controlling shareholders in Argentina typically retain the majority of a company’s capital stock, resulting in a relatively small percentage of active trading of the companies’ stock by the public on the BASE.

Argentina’s equity markets have historically been composed of individual investors, though in recent years there has been an increase in the level of investment by banks and insurance companies in these markets. The participation of Argentine private retirement and pension funds (AFJPs) represented an increasing percentage of the BASE market until December 2008 when the Argentine Government transferred the assets held by the AFJPs to the ANSES; however, Argentine mutual funds (fondos comunes de inversión) continue to have very low participation.

Regulation of the Argentine securities market

The Argentine securities market is regulated and overseen by the CNV, pursuant to Law No. 17,811, as amended, which, in addition to having created the CNV, governs the regulation of security exchanges, as well as stockbroker transactions, market operations, the public offering of securities, corporate governance matters relating to public companies and the trading of futures and options. Argentine pension funds and insurance companies are regulated by separate government agencies, whereas financial institutions are regulated primarily by the Central Bank.

In Argentina, debt and equity securities traded on an exchange or the over-the-counter market must, unless otherwise instructed by their shareholders, be deposited with Stock Exchange Incorporated (Caja de Valores S.A.), a corporation owned by the BASE, Merval and certain provincial exchanges. Stock Exchange Incorporated is the central securities depository of Argentina and provides central depository facilities, as well as acting as a clearinghouse for securities trading and as a transfer and paying agent for securities transactions. Additionally, it handles the settlement of securities transactions carried out by the BASE and operates SINAC.

Despite a change in the legal framework of Argentine securities trading in the early 1990s, which permitted the issuance and trading of new financial products in the Argentine capital markets, including commercial paper, new types of corporate bonds and futures and options, there is still a relatively low level of regulation of the market for Argentine securities and investors’ activities in such markets and enforcement of them has been extremely limited. Because of the limited exposure and regulation in these markets, there may be less publicly available information about Argentine companies than is regularly published by or about companies in the United States and certain other countries. However, the CNV has taken significant steps to strengthen disclosure and regulatory standards for the Argentine securities market, including the issuance of regulations prohibiting insider trading and requiring insiders to report on their ownership of securities, with associated penalties for noncompliance.

In order to improve Argentine securities market regulation, the Argentine government issued Decree No. 677/01 on June 1, 2001 (the “Transparency Decree”), which provided certain guidelines and provisions relating to capital markets transparency and best practices. The Transparency Decree applies to individuals and entities that participate in the public offering of securities, as well as to stock exchanges. Among its key provisions, the decree broadens the definition of a “security,” governs the treatment of negotiable securities, obligates publicly listed companies to form audit committees composed of three or more members of the Board of Directors (the majority of whom must be independent under CNV regulations), authorizes market stabilization transactions under certain circumstances,

governs insider trading, market manipulation and securities fraud and regulates going-private transactions and acquisitions of voting shares, including controlling stakes in public companies.

Before offering securities to the public in Argentina, an issuer must meet certain requirements established by the CNV with regard to the issuer's assets, operating history and management. Only securities approved for a public offering by the CNV may be listed on a stock exchange. However, CNV approval does not imply any kind of

certification as to the quality of the securities or the solvency of the issuer, even though issuers of listed securities are required to file unaudited quarterly financial statements and audited annual financial statements and various other periodic reports with the CNV and the stock exchange on which their securities are listed, as well as to report to the CNV and the relevant stock exchange any event related to the issuer and its shareholders that may affect materially the value of the securities traded.

Money laundering regulations

Recent modifications to Argentine money laundering regulations have resulted in their application to increasing numbers and types of securities transactions.

Argentine Law No. 25,246 (as amended by Law No. 26,087, Law 26,119 and Law 26,268) categorizes money laundering as a crime under the Argentine Criminal Code and created the Unidad de Información Financiera (“UIF”), an agency of the Ministry of Justice and Human Rights of Argentina responsible for investigating questionable transactions. The Argentine Criminal Code defines money laundering as the exchange, transfer, management, sale or any other use of money or other assets obtained through a crime, by a person who did not take part in such crime, with the possible result that such original assets (or new asset resulting from such original asset) have the appearance of having been obtained through legitimate sources, provided that the aggregate value of the assets exceeded Ps.50,000, whether such amount results from one or more connected transactions.

The money laundering legal framework assigns control and information reporting duties to certain private sector entities, including banks, broker-dealers, trading companies and insurance companies, in many cases according to highly general criteria. According to the rules of the Guide to Unusual or Questionable Financial and Foreign Exchange Transactions (Guía de Transacciones Inusuales o Sospechosas en la Órbita del Sistema Financiero y Cambiario) approved by Resolution No. 2/2002 of the UIF (as amended), such entities have an obligation to notify the UIF of transactions falling into the following general categories: (a) investments in securities in amounts significantly exceeding the amounts normally invested by a particular investor, taking the business of the investor into account; (b) deposits or back-to-back loans in jurisdictions known as tax havens; (c) requests for asset management services where the origin of funds is not certain, is unclear or does not relate to the business of the investor; (d) unusual transfers of large amounts of securities or interests; (e) unusual and frequent use of special investment accounts; and (f) frequent purchases and sales of securities during the same day for the same amount and volume, when such transactions seem unusual and inadequate considering the business of the investor.

CAPITALIZATION

The following table sets forth our indebtedness, shareholders' equity and total capitalization as of September 30, 2010, as derived from our unaudited financial statements included elsewhere in this prospectus. You should read this table in conjunction with the section entitled "Selected Financial and Operating Data" and with our financial statements and the related notes included elsewhere in this prospectus. The sale contemplated herein of Class D shares and ADSs by the Selling Shareholders will have no effect on our capitalization.

	As of September 30, 2010(1)	
	(in millions of U.S. dollars)(2)	(in millions of pesos)
Outstanding indebtedness		
Short-term indebtedness	1,528	6,052
Long-term indebtedness	340	1,348
Total indebtedness(3)	1,869	7,400
Total shareholders' equity	5,377	21,293
Total capitalization	7,246	28,693

(1) In the three-month period ended December 31, 2010, we incurred additional indebtedness in an aggregate net amount of Ps. 389 million. The information provided herein has not been audited as of the date of this prospectus.

(2) U.S. dollar amounts are based on the exchange rate quoted by the Central Bank on September 30, 2010 of Ps.3.96 to U.S.\$1.00.

(3) None of our indebtedness was secured as of September 30, 2010. Loans in an aggregate principal amount of U.S.\$150 million were guaranteed by Repsol YPF as of such date.

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 and unaudited financial statements and related notes included elsewhere in this prospectus and in “Item 5. Operating and Financial Review and Prospects” in our 2009 Form 20-F. All financial data included in this prospectus as of September 30, 2010 and for the nine-month periods ended September 30, 2010 and 2009 and as of June 30, 2010 and for the six-month periods ended June 30, 2010 and 2009 is unaudited. Results for the nine-month period ended September 30, 2010 are not necessarily indicative of results to be expected for the full year 2010 or any other period.

The financial data as of December 31, 2009, 2008 and 2007 and for the years then ended is derived from our audited consolidated financial statements (the “Audited Consolidated Financial Statements”) included in our 2009 Form 20-F, which is incorporated by reference in this prospectus. The financial data as of September 30, 2010 and for the nine-month periods ended September 30, 2010 and 2009 is derived from our unaudited condensed consolidated financial statements (the “Unaudited Interim Financial Statements”) included in our September 30, 2010 Form 6-K, which is incorporated by reference in this prospectus. The Unaudited Interim 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 audited and unaudited 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 13, 14 and 15 to our Audited Consolidated 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 and shareholders’ equity as of December 31, 2009, 2008 and 2007 and for the years then ended. Notes 6, 7 and 8 to our unaudited condensed consolidated financial statements included in our June 30, 2010 Form 6-K, which is incorporated by reference in this prospectus, 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 and shareholders’ equity as of June 30, 2010 and 2009 and for the six-month periods then ended.

In this prospectus, 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, 2010 and as of and for the year ended December 31, 2009 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, 2010 of Ps.3.96 to U.S.\$1.00, unless otherwise specified. The exchange rate quoted by the Central Bank on February 14, 2011 was Ps.4.02 to U.S.\$1.00. 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 “Exchange Rates and Controls.”

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

	As of and for the Nine-Month Period Ended September 30,		
	2010	2010	2009
(in millions of U.S.\$, except for per share and per		(in millions of pesos, except for per share and per ADS data)	

ADS data)

Consolidated Income Statement Data:

Argentine GAAP(1)

Net sales(2)(3)	8,043	31,849	24,648
Gross profit	2,773	10,983	7,952
Administrative expenses	(256)	(1,015)	(776)
Selling expenses	(551)	(2,182)	(1,790)
Exploration expenses	(45)	(178)	(422)

	As of and for the Nine-Month Period Ended September 30,		
	2010 (in millions of U.S.\$, except for per share and per ADS data)	2010 (in millions of pesos, except for per share and per ADS data)	2009
Operating income	1,921	7,608	4,964
Income (loss) on long-term investments	17	67	(5)
Other expense, net	(6)	(23)	(17)
Interest expenses	(168)	(664)	(714)
Other financial income (expense) and holding (losses) gains, net	83	330	(591)
Income before income tax	1,848	7,318	3,637
Income tax	(691)	(2,738)	(1,567)
Net income	1,156	4,580	2,070
Earnings per share and per ADS(4)	2.94	11.64	5.26
Dividends per share and per ADS(4) (in pesos)	n.a.	5.50	6.30
Dividends per share and per ADS(4)(5) (in U.S. dollars)	n.a.	1.42	1.69
Other Consolidated Financial Data:			
Argentine GAAP(1)			
Fixed assets depreciation	1,039	4,114	3,648
Cash used in fixed asset acquisitions	1,413	5,597	3,640
Current liquidity (Current assets divided by current liabilities)	n.a.	0.93	0.938
Solvency (Net worth divided by total liabilities)	n.a.	0.885	1.039
Capital Immobilization (Non-current assets divided by total assets)	n.a.	0.683	0.744
Non-GAAP			
EBITDA(6)	3,033	12,009	7,930
EBITDA margin(7)	n.a.	38 %	32 %

	As of September 30, 2010	
	(in millions of U.S.\$)	(in millions of pesos)
Consolidated Balance Sheet Data:		
Argentine GAAP(1)		
Cash	99	392
Working capital	(272)	(1,079)
Total assets	11,451	45,346
Total debt(8)	1,869	7,400
Shareholders' equity(9)	5,377	21,293

(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 Interim Financial Statements. As of September 30, 2010, we recognized income tax applying the liability method, however we did not account for the deferred tax liability arising from the difference between the book value of fixed assets remeasured into constant Argentine pesos and their corresponding historical cost used for tax purposes. The amount of this difference was disclosed instead in the notes to the financial statements, as allowed by Argentine GAAP. As of September 30, 2010, such temporary difference not accounted for consisted of a deferred tax liability of approximately Ps. 1.04 billion. In connection with the International Financial Reporting Standards (IFRS) implementation process for listed companies in Argentina, Resolution No. 576/2010 of the CNV established that companies that decide not to account for temporary differences under Argentine GAAP, shall record such difference in any period before the transition to IFRS on January 1, 2012.

- (2) Includes Ps.1,117 million for the nine-month period ended September 30, 2010 and Ps.1,029 million for the nine-month period ended September 30, 2009 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. Royalty payments required to be made to a third party, whether payable in cash or in kind, which are a financial obligation, or are

substantially equivalent to a production or similar tax, are accounted for as a cost of production and are not deducted in determining net sales. See Note 2(f) to the Unaudited Interim 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.1,348 million as of September 30, 2010.
- (9) Our subscribed capital as of September 30, 2010 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.

Set forth below is selected financial data as of June 30, 2010 and for the six-month periods ended June 30, 2010 and 2009 (unaudited), prepared in accordance with Argentine GAAP and U.S. GAAP. See Note 7 to our unaudited condensed consolidated financial statements included in our June 30, 2010 Form 6-K for a summary of the significant adjustments to net income and to shareholders’ equity which would have been required if U.S. GAAP had been applied instead of Argentine GAAP in the unaudited condensed consolidated financial statements.

	For the Six-Month Period Ended June 30,	
	2010	2009
Consolidated Income Statement Data:	(in millions of pesos)	
Argentine GAAP		
Operating income	5,235	2,988
Net income	3,093	1,047
U.S. GAAP		
Operating income	4,293	1,411
Net income	2,781	1,013
		As of June 30, 2010 (in millions of pesos)
Consolidated Balance Sheet Data:		
Argentine GAAP		
Total assets		43,169

Shareholders' equity	19,809
U.S. GAAP	
Total assets	50,485
Shareholders' equity	27,216