

YPF SOCIEDAD ANONIMA
Form 6-K
November 17, 2016
[Table of Contents](#)

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Issuer

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

For the month of November, 2016

Commission File Number: 001-12102

YPF Sociedad Anónima

(Exact name of registrant as specified in its charter)

Macacha Güemes 515

C1106BKK Buenos Aires, Argentina

(Address of principal executive office)

Edgar Filing: YPF SOCIEDAD ANONIMA - Form 6-K

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes No

Table of Contents

YPF Sociedad Anonima

TABLE OF CONTENTS

ITEM

1 Translation of Condensed Interim Consolidated Financial Statements as of September 30, 2016 and Comparative Information.

Table of Contents

SOCIEDAD ANONIMA

Condensed Interim Consolidated

Financial Statements as of September 30, 2016

and Comparative Information

Table of Contents**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2016
AND COMPARATIVE INFORMATION**

Index	Page
<u>Cover</u>	1
<u>Condensed interim consolidated statements of financial position</u>	2
<u>Condensed interim consolidated statements of comprehensive income</u>	3
<u>Condensed interim consolidated statements of changes in shareholders' equity</u>	4
<u>Condensed interim consolidated statements of cash flow</u>	6
<u>Notes to the condensed interim consolidated financial statements:</u>	
1) <u>Basis of preparation of the condensed interim consolidated financial statements</u>	
a. <u>Basis of preparation</u>	7
b. <u>Significant accounting policies</u>	7
c. <u>Accounting estimates and judgments</u>	8
d. <u>Comparative information</u>	9
2) <u>Seasonality of operations</u>	9
3) <u>Acquisitions and disposals</u>	9
4) <u>Financial risk management and fair value measurements</u>	
a. <u>Financial risk</u>	10
b. <u>Fair value measurements</u>	10
5) <u>Segment information</u>	11
6) <u>Financial instruments by category</u>	12
7) <u>Analysis of the main accounts of the condensed interim consolidated financial statements</u>	
a. <u>Intangible assets</u>	13
b. <u>Property, plant and equipment</u>	13
c. <u>Investments in associates and joint ventures</u>	15
d. <u>Inventories</u>	20
e. <u>Other receivables</u>	20
f. <u>Trade receivables</u>	20
g. <u>Cash and cash equivalents</u>	20
h. <u>Provisions</u>	21
i. <u>Income tax</u>	22
j. <u>Loans</u>	23

k.	<u>Accounts payable</u>	25
l.	<u>Revenues</u>	25
m.	<u>Costs</u>	25
n.	<u>Expenses by nature</u>	26
o.	<u>Other operating results, net</u>	27
p.	<u>Financial results, net</u>	27
8)	<u>Investments in joint operations</u>	27
9)	<u>Shareholders equity</u>	28

Table of Contents

10)	<u>Net (losses) earnings per share</u>	28
11)	<u>Provisions for pending lawsuits, claims and environmental liabilities</u>	29
12)	<u>Contingent liabilities, contingent assets, contractual commitments, main regulations and other</u>	
	<i>a. <u>Contingent liabilities</u></i>	32
	<i>b. <u>Contingent assets</u></i>	32
	<i>c. <u>Contractual commitments</u></i>	32
	<i>d. <u>Main regulations and other</u></i>	33
13)	<u>Balances and transactions with related parties</u>	39
14)	<u>Employee benefit plans and similar obligations</u>	41
15)	<u>Information required by regulatory authorities</u>	42
16)	<u>Assets and liabilities in currencies other than the Argentine peso</u>	43
17)	<u>Subsequent events</u>	44

Table of Contents

English translation of the condensed interim consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (CNV). In case of discrepancy, the condensed interim consolidated financial statements filed with the CNV prevail over this translation.

YPF SOCIEDAD ANONIMA

Macacha Güemes 515 Autonomous City of Buenos Aires, Argentina

FISCAL YEAR NUMBER 40

BEGINNING ON JANUARY 1, 2016

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2016

AND FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016 AND COMPARATIVE INFORMATION

LEGAL INFORMATION

Principal business of the Company: exploration, development and production of oil, natural gas and other minerals and refining, transportation, marketing and distribution of oil and petroleum products and petroleum derivatives, including petrochemicals, chemicals and non-fossil fuels, biofuels and their components; production of electric power from hydrocarbons; rendering telecommunications services, as well as the production, industrialization, processing, marketing, preparation services, transportation and storage of grains and their derivatives.

Filing with the Public Register: Bylaws filed on February 5, 1991 under No. 404, Book 108, Volume A , Corporations, with the Public Registry of Buenos Aires City, in charge of Inspección General de Justicia (Argentine Registrar of Companies); and Bylaws in substitution of previous Bylaws, filed on June 15, 1993, under No. 5109, Book 113, Volume A , Corporations, with the above mentioned Registry.

Duration of the Company: through June 15, 2093.

Last amendment to the bylaws: April 29, 2016.⁽¹⁾

Optional Statutory Regime related to Compulsory Tender Offer provided by Decree No. 677/2001 art. 24: not incorporated (modified by Law No. 26,831).

Capital structure as of September 30, 2016

(expressed in Argentine pesos)

Subscribed, paid-in and authorized for stock exchange listing	3,933,127,930 ⁽²⁾
---	------------------------------

Edgar Filing: YPF SOCIEDAD ANONIMA - Form 6-K

- (1) In process of registration with the Argentine Securities Commission
- (2) Represented by 393,312,793 shares of common stock, Argentine pesos 10 par value and 1 vote per share

MIGUEL ANGEL GUTIERREZ

President

1

Table of Contents

English translation of the condensed interim consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (CNV). In case of discrepancy, the condensed interim consolidated financial statements filed with the CNV prevail over this translation.

YPF SOCIEDAD ANONIMA AND SUBSIDIARIES**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION****AS OF SEPTEMBER 30, 2016 AND DECEMBER 31, 2015**

(Amounts expressed in millions of Argentine Pesos, except shares and per share amounts expressed in Argentine Pesos, and as otherwise indicated Note 1.b)

	Notes	September 30, 2016	December 31, 2015
ASSETS			
Noncurrent assets			
Intangible assets	7.a	8,644	7,279
Property, plant and equipment	7.b	287,082	270,905
Investments in associates and joint ventures	7.c	5,095	4,372
Deferred income tax assets, net	7.i	506	954
Other receivables	7.e	3,998	2,501
Trade receivables	7.f	226	469
Investments in financial assets	6	7,353	
Total noncurrent assets		312,904	286,480
Current assets			
Inventories	7.d	22,703	19,258
Other receivables	7.e	12,190	19,413
Trade receivables	7.f	31,119	22,111
Investments in financial assets	6	7,380	804
Cash and cash equivalents	7.g	17,634	15,387
Total current assets		91,026	76,973
TOTAL ASSETS		403,930	363,453
SHAREHOLDERS' EQUITY			
Shareholders' contributions		10,359	10,349
Reserves, other comprehensive income and retained earnings		101,781	110,064
Shareholders' equity attributable to the shareholders of the parent company		112,140	120,413

Non-controlling interest		(148)	48
TOTAL SHAREHOLDERS EQUITY		111,992	120,461
LIABILITIES			
Noncurrent liabilities			
Provisions	7.h	43,246	39,623
Deferred income tax liabilities, net	7.i	42,973	44,812
Taxes payable		106	207
Loans	7.j	121,226	77,934
Accounts payable	7.k	626	625
Total noncurrent liabilities		208,177	163,201
Current liabilities			
Provisions	7.h	1,848	2,009
Income tax liability		154	1,487
Taxes payable		6,164	6,047
Salaries and social security		2,734	2,452
Loans	7.j	30,113	27,817
Accounts payable	7.k	42,748	39,979
Total current liabilities		83,761	79,791
TOTAL LIABILITIES		291,938	242,992
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY		403,930	363,453

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

MIGUEL ANGEL GUTIERREZ

President

Table of Contents

English translation of the condensed interim consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (CNV). In case of discrepancy, the condensed interim consolidated financial statements filed with the CNV prevail over this translation.

YPF SOCIEDAD ANONIMA AND SUBSIDIARIES**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME****FOR THE NINE-MONTH AND THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2016 AND 2015**

(amounts expressed in millions of Argentine Pesos, except shares and per share amounts expressed in Argentine Pesos, and as otherwise indicated Note 1.b)

	Notes	For the nine-month period ended September 30,		For the three-month period ended September 30,	
		2016	2015	2016	2015
Revenues	7.1	155,542	115,190	55,849	40,056
Costs	7.m	(130,978)	(86,756)	(48,028)	(29,795)
Gross profit		24,564	28,434	7,821	10,261
Selling expenses	7.n	(10,678)	(8,065)	(3,934)	(2,587)
Administrative expenses	7.n	(5,258)	(3,857)	(1,939)	(1,301)
Exploration expenses	7.n	(1,504)	(1,760)	(312)	(1,182)
Impairment of property, plant and equipment	1.c	(36,188)		(36,188)	
Other operating results, net	7.o	1,422	926	(26)	440
Operating (loss) profit		(27,642)	15,678	(34,578)	5,631
Income on investments in associates and joint ventures	7.c	373	52	110	36
Finance income	7.p	12,592	5,483	1,483	1,846
Finance cost	7.p	(18,234)	(8,024)	(6,064)	(2,759)
Other financial results	7.p	1,709	532	1,290	212
Financial results, net	7.p	(3,933)	(2,009)	(3,291)	(701)
Net (loss) profit before income tax		(31,202)	13,721	(37,759)	4,966
Income tax	7.i	1,048	(7,430)	7,503	(3,082)
Net (loss) profit for the period		(30,154)	6,291	(30,256)	1,884

Net (loss) profit for the period attributable to:

- Shareholders of the parent company		(29,958)	6,274	(30,211)	1,850
- Non-controlling interest		(196)	17	(45)	34
Net (losses) earnings per share attributable to shareholders of the parent company basic and diluted	10	(76.49)	16.00	(77.14)	4.72
Other comprehensive income					
Translation differences from investments in associates and joint ventures ⁽¹⁾		(708)	(292)	(92)	(127)
Translation differences from YPF S.A. ⁽²⁾		23,272	8,521	2,940	3,333
Total other comprehensive income for the period ⁽³⁾		22,564	8,229	2,848	3,206
Comprehensive (loss) profit for the period		(7,590)	14,520	(27,408)	5,090

- (1) Will be reversed to net income at the moment of the sale of the investment or full or partial reimbursement of the capital.
- (2) Will not be reversed to net income.
- (3) Entirely assigned to the parent company's shareholders.

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

MIGUEL ANGEL GUTIERREZ

President

Table of Contents

English translation of the condensed interim consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (CNV). In case of discrepancy, the condensed interim consolidated financial statements filed with the CNV prevail over this translation.

YPF SOCIEDAD ANONIMA AND SUBSIDIARIES**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY****FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016 AND 2015**

(amounts expressed in millions of Argentine Pesos, except shares and per share amounts expressed in Argentine Pesos, and as otherwise indicated Note 1.b)

	For the nine-month period ended September 30, 2016								
	Shareholders contributions		Acquisition cost		Adjustment to		of		
	Subscribed capital	Adjustment to contributions	treasury shares	treasury shares	Share-based benefit plans	treasury shares	Share trading premiums	Issuance premiums	Total
Amount at beginning of year	3,922	6,083	11	18	67	(277)	(115)	640	10,349
Accrual of share-based benefit plans					108				108
Repurchase of treasury shares	(2)	(3)	2	3		(50)			(50)
Settlement of share-based benefit plans ⁽³⁾	3	5	(3)	(5)	(152)	169	(65)		(48)
As decided by Ordinary and Extraordinary Shareholders meeting of April 29, 2016 ⁽²⁾									
As decided by the Board of Directors of June 9, 2016 ⁽²⁾									
Other comprehensive income									
Net loss									
Amount at end of period	3,923	6,085	10	16	23	(158)	(180)	640	10,359

For the nine-month period ended September 30, 2016

	Reserves		Purchase of Initial IFRS adjustment		Other comprehensive income		Retained earnings		Equity attributable to Shareholders of the parent company		Non-controlling interest		Total shareholders equity
Future Legal dividends													
Investments													

Amount at beginning of year	2,007	5	21,264	440	3,648	78,115	4,585	120,413	48	120,461
Accrual of share-based benefit plans								108		108
Repurchase of treasury shares								(50)		(50)
Settlement of share-based benefit plans ⁽³⁾								(48)		(48)
As decided by Ordinary and Extraordinary Shareholders meeting of April 29, 2016 ⁽²⁾		889	3,640	50			(4,579)			
As decided by the Board of Directors of June 9, 2016 ⁽²⁾		(889)						(889)		(889)
Other comprehensive income						22,564		22,564		22,564
Net loss							(29,958)	(29,958)	(196)	(30,154)
Amount at end of period	2,007	5	24,904	490	3,648	100,679 ⁽¹⁾	(29,952)	112,140	(148)	111,992

(1) Includes 104,254 corresponding to the effect of the translation of the financial statements of YPF S.A. and (3,575) corresponding to the effect of the translation of the financial statements of investments in subsidiaries, associates and joint ventures with functional currencies other than U.S. dollars, as detailed in Note 1.b.1) to the annual consolidated financial statements.

(2) See Note 9.

(3) Net of employee income tax withholding related to share-based benefit plans.

MIGUEL ANGEL GUTIERREZ

President

Table of Contents

English translation of the condensed interim consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (CNV). In case of discrepancy, the condensed interim consolidated financial statements filed with the CNV prevail over this translation.

YPF SOCIEDAD ANONIMA AND SUBSIDIARIES**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY****FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016 AND 2015 (Cont.)**

(amounts expressed in millions of Argentine Pesos, except shares and per share amounts expressed in Argentine Pesos, and as otherwise indicated Note 1.b)

	For the nine-month period ended September 30, 2015								
	Shareholders contributions		Adjustment to		Acquisition		Share tradings		
	Subscribed capital	Adjustment to contributions	treasury shares	treasury shares	Share-based benefit plans	cost treasury shares	Share tradings	issuance premiums	Total
Amount at beginning of year	3,922	6,083	11	18	51	(310)	(15)	640	10,400
Accrual of share-based benefit plans					89				89
Repurchase of treasury shares	(4)	(6)	4	6		(119)			(119)
Contributions of non-controlling interest									
As decided by Ordinary and Extraordinary Shareholders meeting of April 30, 2015									
As decided by the Board of Directors of June 8, 2015									
Other comprehensive income									
Net income									
Amount at end of period	3,918	6,077	15	24	140	(429)	(15)	640	10,370

	For the nine-month period ended September 30, 2015								
	Reserves		Purchase of initial treasury shares		Other comprehensive income		Equity attributable to Shareholders of the company		
	Legal	Future dividends	Investments	IFRS adjustment	Retained earnings	Non-controlling interest	Shareholders of the company	Non-controlling interest	Total equity
	2,007	5	12,854	320	3,648	34,363	9,033	72,630	151
									72,781

Amount at beginning of year										
Accrual of share-based benefit plans							89			89
Repurchase of treasury shares							(119)			(119)
Contributions of non-controlling interest								50		50
As decided by Ordinary and Extraordinary Shareholders meeting of April 30, 2015	503	8,410	120				(9,033)			
As decided by the Board of Directors of June 8, 2015	(503)							(503)		(503)
Other comprehensive income						8,229		8,229		8,229
Net income							6,274	6,274	17	6,291
Amount at end of period	2,007	5	21,264	440	3,648	42,592⁽¹⁾	6,274	86,600	218	86,818

- (1) Includes 44,285 corresponding to the effect of the translation of the financial statements of YPF S.A. and (1,693) corresponding to the effect of the translation of the financial statements of investments in subsidiaries, associates and joint ventures with functional currencies other than U.S. dollars, as detailed in Note 1.b.1) to the annual consolidated financial statements.

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

MIGUEL ANGEL GUTIERREZ

President

Table of Contents

English translation of the condensed interim consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (CNV). In case of discrepancy, the condensed interim consolidated financial statements filed with the CNV prevail over this translation.

YPF SOCIEDAD ANONIMA AND SUBSIDIARIES**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW****FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016 AND 2015**

(Amounts expressed in millions of Argentine Pesos, except shares and per share amounts expressed in Argentine Pesos, and as otherwise indicated Note 1.b)

	For the nine-month periods ended September 30,	
	2016	2015
Operating activities:		
Net (loss) income	(30,154)	6,291
<i>Adjustments to reconcile net (loss) income to cash flows provided by operating activities:</i>		
Income on investments in associates and joint ventures	(373)	(52)
Depreciation of property, plant and equipment	34,411	18,961
Amortization of intangible assets	511	225
Consumption of materials and retirement of property, plant and equipment and intangible assets, net of provisions	3,601	3,250
Income tax amount	(1,048)	7,430
Net increase in provisions	3,792	2,267
Impairment of property, plant and equipment	36,188	
Exchange differences, interest and other ⁽¹⁾	2,193	1,357
Share-based benefit plans	108	89
Accrued insurance		(1,085)
Income on deconsolidation of subsidiaries	(1,528)	
<i>Changes in assets and liabilities:</i>		
Trade receivables	(15,393)	(2,853)
Other receivables	7,134	(4,299)
Inventories	(198)	(240)
Accounts payable	(2,610)	3,182
Taxes payables	(142)	2,112
Salaries and social security	290	123
Decrease in provisions due to payment/use	(1,303)	(1,247)
Dividends received	421	181
Proceeds from collection of lost profit insurance	607	1,673
Income tax payments	(2,347)	(5,650)

Net cash flows provided by operating activities	34,160	31,715
Investing activities:⁽²⁾		
Acquisition of property, plant and equipment and intangible assets	(46,970)	(46,692)
Contributions and acquisitions of interests in associates and joint ventures	(388)	(163)
Investments in financial assets	(2,168)	
Loans to third parties	(2,093)	
Proceeds from collection of damaged property's insurance	355	
Net cash flows used in investing activities	(51,264)	(46,855)
Financing activities:⁽²⁾		
Payments of loans	(49,442)	(17,624)
Payments of interest	(11,621)	(4,531)
Proceeds from loans	79,770	38,162
Repurchase of treasury shares	(50)	(119)
Contributions of non-controlling interest	50	
Dividends paid	(889)	(503)
Net cash flows provided by financing activities	17,818	15,385
Translation differences provided by cash and cash equivalents	1,681	854
Deconsolidation of subsidiaries	(148)	
Net increase in cash and cash equivalents	2,247	1,099
Cash and cash equivalents at the beginning of year	15,387	9,758
Cash and cash equivalents at the end of period	17,634	10,857
Net increase in cash and cash equivalents	2,247	1,099

(1) Does not include exchange differences generated by cash and cash equivalents, which are exposed separately in the statement.

(2) The main investing and financing transactions that have not affected cash and cash equivalents correspond to:

	For the nine-month periods ended September 30,	
	2016	2015
Acquisition of property, plant and equipment and concession extension easements not paid	4,783	4,862
Contributions of non-controlling interests		50
Dividends receivable	100	100
Increase in investments in financial assets through a decrease in trade receivables and other receivables	9,918	

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

MIGUEL ANGEL GUTIERREZ

President

Table of Contents

English translation of the condensed interim consolidated financial statements originally filed in Spanish with the Argentine Securities Commission (CNV). In case of discrepancy, the condensed interim consolidated financial statements filed with the CNV prevail over this translation.

YPF SOCIEDAD ANONIMA AND SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2016 AND COMPARATIVE INFORMATION

(amounts expressed in millions of Argentine Pesos, except shares and per share amounts expressed in Argentine Pesos,

and as otherwise indicated Note 1.b)

1. BASIS OF PREPARATION OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1.a) Basis of preparation

The condensed interim consolidated financial statements of YPF S.A. (hereinafter YPF or the Company) and its subsidiaries (hereinafter and all together, the Group) for the nine-month period ended September 30, 2016, are presented in accordance with International Accounting Standards (IAS) No. 34 Interim Financial Reporting . The adoption of the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) was determined by the Technical Resolution No. 26 (ordered text) issued by Argentine Federation of Professional Councils in Economic Sciences (FACPCE) and the Regulations of the Argentine Securities Commission (CNV).

Also, some additional information required by the Law 19,550 of Argentine Corporations and its amendments and/or regulations of the CNV was included. Such information was included in the Notes to the mentioned condensed interim consolidated financial statements only to comply with regulatory requirements.

These condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Group as of December 31, 2015 (the annual consolidated financial statements) prepared in accordance with IFRS.

These condensed interim consolidated financial statements were approved by the Board of Directors meeting and authorized to be issued on November 8, 2016.

These condensed interim consolidated financial statements corresponding to the nine-month period ended on September 30, 2016 are unaudited. Management believes they include all necessary adjustments to fairly present the results of each period on a consistent basis with the annual consolidated financial statements. Income for the nine-month period ended on September 30, 2016 does not necessarily reflect the proportion of the Group s full-year income.

1.b) Significant Accounting Policies

The accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements, except for the valuation policy for Income Tax detailed in Note 7.i). The most significant accounting policies are described in Note 1.b) to such annual consolidated financial statements.

Functional and reporting currency

As mentioned in Note 1.b.1) to the annual consolidated financial statements, YPF has defined the U.S. dollar as its functional currency. In addition, according to General Resolution No. 562 of the CNV, YPF shall submit its financial statements in Argentine Pesos.

Table of Contents**1.c) Accounting Estimates and Judgments**

The preparation of financial statements at a certain date requires Management to make estimates and assessments affecting the amount of assets and liabilities recorded, contingent assets and liabilities disclosed at such date, as well as income and expenses recorded during the period. Actual future results might differ from the estimates and assessments made as of the date of preparation of these condensed interim consolidated financial statements.

In preparing these condensed interim consolidated financial statements, significant estimates and judgments made by Management in applying the Group's accounting policies and the main sources of uncertainty were the same as those applied by the Group in the preparation of the annual consolidated financial statements, which are disclosed in Note 1.c) Accounting Estimates and Judgments to those financial statements.

Provision for impairment of property, plant and equipment

As indicated in Note 1.b.8) and 1.b.9) to the annual consolidated financial statements as of December 31, 2015, as a general criterion, the method used to estimate the recoverable amount of property, plant and equipment mainly consists of: i) the calculation of the value in use, based on the future estimated cash flows resulting from the exploitation of such assets, discounted at a rate that reflects the weighted average capital employed; and, if available, ii) the price that would be received in a current transaction for the sale of the assets.

The recoverability analysis is conducted at the end of each fiscal year or whenever there are signs of impairment of an asset. Along these lines, as a result of negotiations between Argentina's Producers and Refineries during the second half of 2016, the sales prices of Medanito and Escalante crude oils in the Argentine domestic market have been reduced gradually by 6% (2% monthly since August 2016). This price readjustment in the domestic market and other signs of convergence with international prices in the near future, in addition to the price reduction expected in the medium term as compared to the estimates as of December 31, 2015, have been considered impairment indicators of the assets of the Cash Generating Unit (CGU) Oil - YPF.

Therefore, the following domestic market price assumptions have been taken into account for the different varieties of crude oil in order to produce such estimates: i) for 2017, results from a combination of price scenarios, mainly taking into account the domestic market price of crude oil as of the issuance of these financial statements, the current price of Brent crude oil in international markets (adjusted by the quality of each type of crude oil, freight and the relative shortage situation in the domestic market) and the projected international prices of Brent crude oil according to analysts' consensus estimates available as of this date. As a result, the price for Medanito crude oil is US\$56.00/Bbl and for Escalante crude oil, US\$49.60/Bbl; ii) for 2018, 2019 and 2020, estimates for the domestic market price were made on the basis of estimates of international prices based on analysts' consensus estimates available as of September 30, 2016; and iii) thereafter, price increases are based on a forecast of U.S. inflation.

For the current period, the discount rate used is 9.11% after tax (the discount rate used for fiscal year 2015 was 10.33% after tax).

Based on the above mentioned methodology, the expected oil price decline, together with the variation in costs based both on macroeconomic variables and the operating behavior of our assets, resulted in a charge for impairment of property, plant and equipment with respect to the CGU Oil - YPF in the Exploration and Production Segment of 36,188 as of September 30, 2016.

It is difficult to predict with reasonable certainty the expected value of charges or recoveries in the provision for impairment of property, plant and equipment given the several factors affecting the asset base and the cash flows used

in the recoverability analysis. These factors include, without limitation, future prices, operating costs and negotiated savings, exchange rates, investments and negotiated savings, production and its impact on depletion and the base cost, reserves revisions or reserves additions, and taxes. Therefore, value in use of the assets, calculated on the basis of future estimated cash flows, may be significantly affected by other factors, if such factors should change.

Table of Contents

The recoverable amount as of September 30, 2016 of CGU Oil YPF, after taxes, amounts to 66,558.

1.d) Comparative information

Amounts and other information corresponding to the year ended on December 31, 2015 and to the nine-month period ended on September 30, 2015 are an integral part of these condensed interim consolidated financial statements and are intended to be read only in relation to these financial statements. Certain reclassifications have been made in order to present amounts comparatively with the current period.

2. SEASONALITY OF OPERATIONS

Historically, the Group's results have been subject to seasonal fluctuations during the year, particularly as a result of the increase in natural gas sales during the winter. After the 2002 devaluation of the Argentine Peso, and as a consequence of the natural gas price freeze imposed by the Argentine government, the use of natural gas has been diversified, generating an increase in demand throughout the entire year. However, sales of natural gas are still typically higher in the winter for the residential sector of the Argentine domestic market, which has lower prices than other sectors of the Argentine market. Notwithstanding the foregoing, under the Additional Injection Stimulus Program regulation (see Note 11.d) to the annual consolidated financial statements), gas producing companies were invited to file with the Ministry of Energy and Mining (MINEM) before June 30, 2013 projects to increase natural gas injection, in order to receive an increased price of US\$7.50/MMBTU for all additional natural gas injected. These projects shall comply with the minimum requirements established in the aforementioned Program, and will be subject to approval by the MINEM, including a maximum term of five years, renewable at the request of the beneficiary, upon decision of the MINEM. If the beneficiary company does not reach the committed production increase in a given month, it will have to make up for such volumes not produced. The natural gas pricing program was incorporated into the Hydrocarbons Law, as modified by Law No. 27,007.

In view of the foregoing, seasonality of the Group operations is not significant.

3. ACQUISITIONS AND DISPOSALS

During the nine-month period ended September 30, 2016, there have been no significant acquisitions or disposals.

On May 13, 2016, the companies Y-GEN Eléctrica S.R.L. (Y-GEN) and Y-GEN Eléctrica II S.R.L. (Y-GEN II) were created for the purpose of participating in the competitive bidding established by Resolution No. 21/2016 of the Ministry of Energy and Mining (MINEM), for the new generation of energy and thermal power which, if awarded, would result in the execution with CAMMESA of a sale agreement of the energy offered during a term of 5 to 10 years, according to the offer, with a dollar price. The created companies submitted bids for construction projects of new thermal generation plants in Loma Campana (Añelo, Province of Neuquén) and in Central El Bracho (Province of Tucumán), which were ultimately awarded.

In both companies, 66.67% of the capital stock is held by the subsidiary YPF Energía Eléctrica S.A. (Managing Shareholder) and the remaining 33.33% is held by Guayama PR Holdings (Non Managing Shareholder), a member of the General Electric Group. Under the agreement signed, shareholders are required to supply during the current fiscal year and the next two years, the necessary funds as capital contributions (as of September 30, 2016, shareholders have made contributions in the amount of 388). In addition, there is a service agreement between both companies and YPF Energía Eléctrica S.A. whereby YPF Energía Eléctrica S.A., in its capacity as Managing Shareholder , has the responsibility, among other things, to perform certain management services for the companies.

The Group has followed the guidelines of IFRS 10, Consolidated financial statements and has concluded that it has joint control over Y-GEN and Y-GEN II. Accordingly, it has applied IFRS 11, Joint Arrangements, defining such companies as joint ventures, and has measured them by the equity method in accordance with IAS 28, Investments in associates and joint ventures.

Table of Contents

Some of the main factors considered were: (i) Contractually, both shareholders exercise joint control over each of the companies, whereby decisions on the relevant activities thereof are made jointly and must be unanimous, there being no power of one party (shareholder) over the other in relation to the investment, irrespective of their different holding percentages; and (ii) There is no power, as defined in IFRS 10, of one party to the detriment of the other party, whether in connection with the voting rights for the appointment of Directors or personnel (whether key or not), in the management of the company to obtain self-benefit or to unilaterally change the variable yields of investments, or, ultimately, to unilaterally direct any of the decisions related to relevant activities.

Finally, as of the date of issuance of these condensed interim consolidated financial statements, the said companies had not made any relevant transactions other than the execution of the agreements for the organization thereof.

4. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS**4.a) Financial Risks**

The Group's activities are exposed to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and price risk), credit risk, liquidity risk and capital risk. The Group maintains an organizational structure and systems that allow for the identification, measurement and control of the risks to which it is exposed.

The condensed interim consolidated financial statements do not include all the information and disclosures on financial risk management; therefore, they should be read in conjunction with the Group's annual consolidated financial statements.

There have been no changes in the risk management or risk management policies applied by the Group since the last year end.

In addition, the Group is exposed to the market-price risk with respect to its investments in financial instruments during the current period (corresponding to Argentine government securities mentioned in Note 12.d) which were classified in the statement of financial position as "at fair value through profit or loss". The Group continuously monitors the change in the price thereof for significant movements.

As of September 30, 2016, the aggregate value of the Investments in financial assets accounts of the Group amounts to 14,733.

	Increase (+) /decrease (-) in the Income (loss) for the nine-month prices of investments in financial instruments	periods ended September 30, 2016
Impact on net loss	+10%	1,477
before income tax	-10%	(1,477)

4.b) Fair value measurements

Fair value measurements are described in Note 5 to the annual consolidated financial statements.

Between December 31, 2015 and September 30, 2016, there have been no significant changes in the business or economic circumstances affecting the fair value of the Group's financial assets and liabilities, either measured at fair

value or amortized cost. In addition, no transfer has occurred among the different hierarchies used to determine the fair value of the Group's financial instruments.

Table of Contents**5. SEGMENT INFORMATION**

	Exploration and Production	Downstream	Corporate and Other	Consolidation Adjustments ⁽¹⁾	Total
For the nine-month period ended September 30, 2016					
Revenues from sales	15,620	138,136	1,786		155,542
Revenues from intersegment sales	69,645	1,027	5,273	(75,945)	
Revenues	85,265	139,163	7,059	(75,945)	155,542
Operating income (loss)	(28,980)	3,756	(617)	(1,801)	(27,642)
Income on investments in associates and joint ventures		373			373
Depreciation of property, plant and equipment	29,795 ⁽²⁾	4,012	604		34,411
Impairment of property, plant and equipment	36,188				36,188
Acquisitions of property, plant and equipment	35,329	7,773	1,134		44,236
Assets	222,359	142,653	41,482	(2,564)	403,930
For the nine-month period ended September 30, 2015					
Revenues from sales	11,693	102,600	897		115,190
Revenues from intersegment sales	46,930	1,232	4,336	(52,498)	
Revenues	58,623	103,832	5,233	(52,498)	115,190
Operating income (loss)	6,965	8,881	(1,478)	1,310	15,678
Income (loss) on investments in associates and joint ventures	(2)	54			52
Depreciation of property, plant and equipment	16,444	2,249	268		18,961
Acquisitions of property, plant and equipment	35,368	6,257	1,180		42,805
As of December 31, 2015					
Assets	223,035	113,805	26,708	(95)	363,453

(1) Corresponds to eliminations between segments of the YPF group.

(2) Includes depreciation of the provision for impairment of property, plant and equipment.

There have been no changes in the Group's structure, its business segments or its financial reporting information criteria with respect to the annual consolidated financial statements. In addition, it should be noted that on March 15, 2016, the office of Gas and Energy Executive Vice-President was created, which shall be in charge of, among other things, natural gas sales and distribution, the management of their respective installations, and the generation of

electric energy, both conventional and renewable. As of the date of these condensed interim consolidated financial statements, the Group is still in the process of determining the complete management scope of this new business unit; thus, its financial information as of September 30, 2016 is shown under the Downstream and the Exploration and Production segments.

Table of Contents**6. FINANCIAL INSTRUMENTS BY CATEGORY**

The tables below show the Group's financial assets measured at fair value as of September 30, 2016 and December 31, 2015, and their allocation to their fair value levels:

Financial assets	As of September 30, 2016			Total
	Level 1	Level 2	Level 3	
Investments in financial assets:				
- Argentine government securities	14,733 ⁽¹⁾			14,733
	14,733			14,733
Cash and cash equivalents:				
- Mutual funds	6,436			6,436
	6,436			6,436
	21,169			21,169

Financial assets	As of December 31, 2015			Total
	Level 1	Level 2	Level 3	
Investments in financial assets:				
- Mutual funds	340			340
- Other financial assets	464			464
	804			804
Cash and cash equivalents:				
- Mutual funds	774			774
	774			774
	1,578			1,578

(1) As of September 30, 2016, 7,353 has been classified as non current and 7,380 as current. The Group had no financial liabilities at fair value through profit or loss.

Fair value of financial assets and financial liabilities measured at amortized cost

The estimated fair value of loans, considering unadjusted listed prices (Level 1) for Negotiable Obligations and interest rates offered to the Group (Level 3) in connection with the remainder of the loans, amounted to 158,566 and 106,336 as of September 30, 2016 and December 31, 2015, respectively.

The fair value of the following financial assets and financial liabilities do not differ significantly from their book value:

Other receivables

Trade receivables

Cash and cash equivalents

Accounts payable

Table of Contents**7. ANALYSIS OF THE MAIN ACCOUNTS OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS****7.a) Intangible assets:**

	September 30, 2016	December 31, 2015
Net book value of intangible assets	8,644	7,359
Provision for impairment of intangible assets	(1)	(80)
	8,644	7,279

(1) During the nine-month period ended September 30, 2016 a conversion of (10) and a recovery of 90 have been recorded.

Changes in the Group's intangible assets for the nine-month period ended September 30, 2016 and comparative information are as follows:

Main account	At beginning of year	Increases	2016 Cost		At the end of period
			Translation effect	Decreases and reclassifications	
Service concessions	9,527	425	1,704	6	11,662
Exploration rights	2,990		491	(99)	3,382
Other intangibles	4,260	87	740	90	5,177
Total 2016	16,777	512	2,935	(3)	20,221
Total 2015	10,289	586	1,065	(180)	11,760

Main account	2016 Amortization				At the end of period	2015		
	At beginning of year	Increases	Translation effect	Decreases and reclassifications		Net book value 09-30	Net book value 09-30	Net book value 12-31
Service concessions	5,554	308	983		6,845	4,817	2,758	3,973
Exploration rights	155			(6)	149	3,233	1,934	2,835
Other intangibles	3,709	203	671		4,583	594	341	551
Total 2016	9,418	511	1,654	(6)	11,577	8,644		

Total 2015	5,896	225	612	(6)	6,727	5,033	7,359
------------	-------	-----	-----	-----	-------	-------	-------

7.b) Property, plant and equipment:

	September 30, 2016	December 31, 2015
Net book value of property, plant and equipment	326,515	274,122
Provision for obsolescence of materials and equipment	(923)	(762)
Provision for impairment of property, plant and equipment	(38,510)	(2,455)
	287,082	270,905

Table of Contents

Changes in the Group's property, plant and equipment for the nine-month period ended September 30, 2016 and comparative information are as follows:

Main account	2016		Translation effect	Decreases and reclassifications	At the end of period
	Cost	Cost			
	At beginning of year	Increases			
Land and buildings	13,949	135	2,349	1,034	17,467
Mineral property, wells and related equipment	458,066	235	81,661	35,492	575,454
Refinery equipment and petrochemical plants	69,429	2	12,408	6,479	88,318
Transportation equipment	3,650	4	628	446	4,728
Materials and equipment in warehouse	13,478	5,720	2,042	(6,241)	14,999
Drilling and work in progress	76,803	37,254	12,624	(47,661)	79,020
Exploratory drilling in progress ⁽²⁾	3,647	819	538	(2,647)	2,357
Furniture, fixtures and installations	5,603	22	971	1,117	7,713
Selling equipment	10,778	1	1,913	745	13,437
Infrastructure for natural gas distribution	2,931			221	3,152
Electric power generation facilities	1,573	2		100	1,675
Other property	8,291	42	1,320	(152)	9,501
Total 2016	668,198	44,236	116,454	(11,067)⁽³⁾	817,821
Total 2015	392,399	42,805	41,000	(3,167)	473,037

Main account	2016				2015			
	At beginning of year	Increases	Translation effect	Decreases and reclassifications	At the end of period	Net book value 09-30	Net book value 09-30	Net book value 12-31
Land and buildings	5,920	261	992	(3)	7,170	10,297	5,803	8,029
Mineral property, wells and related equipment	324,922	30,014	57,676	(6,905)	405,707	169,747 ⁽¹⁾	87,128 ⁽¹⁾	133,144 ⁽¹⁾
Refinery equipment and petrochemical plants	41,138	2,949	7,316	(3)	51,400	36,918	19,101	28,291
Transportation equipment	2,392	297	404	(30)	3,063	1,665	867	1,258

Materials and equipment in warehouse					14,999	10,387	13,478
Drilling and work in progress					79,020	61,343	76,803
Exploratory drilling in progress ⁽²⁾					2,357	2,497	3,647
Furniture, fixtures and installations	4,699	493	825	(13)	6,004	1,709	904
Selling equipment	6,921	462	1,228	(2)	8,609	4,828	3,857
Infrastructure for natural gas distribution	1,181	56		50	1,287	1,865	1,724
Electric power generation facilities	1,283	85			1,368	307	295
Other property	5,620	233	902	(57)	6,698	2,803	2,193
Total 2016	394,076	34,850	69,343	(6,963)⁽³⁾	491,306	326,515	
Total 2015	235,156	18,961	24,583	(57)	278,643	194,394	274,122

(1) Includes 8,596, 6,268 and 8,435 of mineral property as of September 30, 2016 and September 30, and December 31, 2015, respectively.

(2) As of September 30, 2016, there are 41 exploratory wells in progress. During the nine-month period then ended, 17 wells have been drilled, 21 wells have been charged to exploration expenses and 13 wells have been transferred to properties with proved reserves in the account of Mining property, wells and exploitation equipment.

(3) Includes disposals as a result of deconsolidation of subsidiaries of 500, net.

Table of Contents

The Group capitalizes the financial cost as part of the cost of the assets. For the nine-month periods ended on September 30, 2016 and 2015 the capitalization rate was 12.91% and 12.00%, respectively, and the capitalized amount was 1,043 and 702, respectively, for the periods above mentioned.

Set forth below is the evolution of the provision for obsolescence of materials and equipment for the nine-month periods ended on September 30, 2016 and 2015:

	For the nine-month period ended September 30,	
	2016	2015
Amount at beginning of year	762	313
Increase charged to expenses	22	2
Translation differences	139	32
Amount at end of period	923	347

Set forth below is the evolution of the provision for impairment of property, plant and equipment for the nine-month periods ended on September 30, 2016 and 2015:

	For the nine-month period ended September 30,	
	2016	2015
Amount at beginning of year	2,455	
Increase charged to expenses ⁽²⁾	36,188	
Decrease charged to income ⁽¹⁾	(439)	
Translation differences	411	
Deconsolidation of subsidiaries	(105)	
Amount at end of period	38,510	

(1) Included in the line Depreciation of property, plant and equipment in Note 7.n).

(2) See Note 1.c)

7.c) Investments in associates and joint ventures:

The Group does not participate in subsidiaries with a significant non-controlling interest. Furthermore, no investments in associates or joint ventures are deemed individually material.

The following table shows in aggregate, considering that none of the companies is individually material, the amount of investments in associates and joint ventures as of September 30, 2016 and December 31, 2015:

	September 30, 2016	December 31, 2015
Amount of investments in associates	1,418	1,248
Amount of investments in joint ventures	3,689	3,136
Provision for impairment of investments in associates and joint ventures	(12)	(12)
	5,095	4,372

Investments in associates with negative shareholders' equity are disclosed in Accounts payable .

Table of Contents

The main changes that affected the amount of the investments previously mentioned, during the nine-month periods ended on September 30, 2016 and 2015, are the following:

	For the nine-month periods ended September 30,	
	2016	2015
Amount at the beginning of year	4,372	3,177
Acquisitions and contributions	388	163
Income on investments in associates and joint ventures	373	52
Translation difference	483	198
Distributed dividends	(521)	(281)
Amount at the end of period	5,095	3,309

The following table shows the main magnitudes of net income (loss) from the Group's investments in associates and joint ventures, calculated according to the equity method, for the nine-month periods ended on September 30, 2016 and 2015. YPF has made adjustments, where applicable, to the amounts reported by such companies in order to conform the accounting principles used by such companies to those used by the Group:

	Associates		Joint ventures	
	2016	2015	2016	2015
Net income (loss)	173	88	200	(36)
Other comprehensive income	25	9	458	189
Comprehensive income for the period	198	97	658	153

In connection with the Maxus Entities' Filing with the Bankruptcy Court on June 17, 2016, as described in detail in Note 11, the Company's management believes that this is an event that requires reconsideration of whether consolidation of such entities continues to be appropriate. In making this analysis, the Company has followed the guidelines set forth in IFRS 10, Consolidated financial statements, in order to reconsider whether it will keep control over the activities of the Maxus Entities. This analysis was supplemented by the criteria established in U.S. ASC 810 published by the Financial Accounting Standards Board, whose principles are consistent with previously mentioned IFRS 10, but which deal in more detail with issues related to the consolidation of entities that enter into a specific reorganization process under Chapter 11 of U.S. Bankruptcy Code.

In general, when a company files a petition under Chapter 11 of U.S. Bankruptcy Code, shareholders lose the power to make decisions that have a significant impact in the economic performance of the entities' business, as this power is typically subject to Bankruptcy Court approval.

The filing of the Chapter 11 petitions by the Maxus Entities under Chapter 11 of the Bankruptcy Code has relevant effects on the rights to which YPF Holdings, Inc. is entitled in its capacity as shareholder of those entities, because creditors substitute the shareholders in their legal capacity to file derivative suits against Directors on behalf of the entities on the grounds of non-performance of their fiduciary duties, as creditors must be the primary beneficiaries of any increase in the value of said entities. However, it should be noted that YPF Holdings, Inc. retains its right to

appoint the Debtors' Directors through Shareholders' Meetings, unless the Bankruptcy Court orders otherwise. In addition, the filing made before the Bankruptcy Court also has effects on the duties and liabilities of the Board of Directors and the management of the Maxus Entities. Each of the Maxus Entities has become a Debtor-in-Possession, whereby, according to the Bankruptcy Code, they retain possession of their property, and, subject to certain limitations, are authorized to carry on their normal course of business, unless the Bankruptcy Court otherwise orders. However, during the term of the reorganization process, the Debtors' Board of Directors does not have absolute discretion, for any transaction outside the ordinary course of business of the Debtors, such as the sale of a significant asset, the expansion of a line of business involving the use of large amounts of cash (or the commitment to do so) or the execution of loans or other kind of financing, shall be subject to the Bankruptcy Court's approval.

Accordingly, as a result of the filing made under Chapter 11 of the Bankruptcy Code, YPF Holdings, Inc. cannot unilaterally make decisions that would significantly affect the Debtors' business or economic performance. Indeed, the Debtors should seek Bankruptcy Court approval for seemingly ordinary course business activities if such activities could have a significant effect on the Debtors' operations or their stakeholders.

Table of Contents

Taking into account the foregoing, the Company's management believes that YPF Holdings, Inc., despite keeping 100% of the equity interest in the Maxus Entities, no longer has the capacity to use its power over said entities to significantly influence their relevant activities, a necessary condition set forth by IFRS 10 to establish the existence of a controlling financial interest and, therefore, has proceeded to the deconsolidation of the investments in Maxus Entities as of June 17, 2016.

According to ASC 810, this loss of control may involve a gain or loss for the parent company, as the parent company will have to remeasure its non-controlling interest at its fair value after the deconsolidation of the assets and liabilities of the entities. For this calculation it has also been taken into account the liabilities related to the reorganization process incurred as described in Note 11. Thus, the Group has recorded a gain of 1,528 disclosed in Other operating income, net .

As a result of the deconsolidation, the condensed consolidated statement of financial position as of September 30, 2016 is not comparable to that issued as of December 31, 2015. As of December 31, 2015, the following balances of assets and liabilities were consolidated in relation to the Maxus Entities:

Item	Debtors balances as of 12/31/2015
Noncurrent Assets	731
Current Assets	422
Total assets	1,153
Noncurrent Liabilities	3,966
Current Liabilities	669
Total Liabilities	4,635
Total Liabilities and Shareholders' Equity	1,153

In addition, the statement of comprehensive income and the statement of cash flow as of September 30, 2016, are not comparable to those issued as of September 30, 2015. As of this last date, the following income and cash flows were consolidated in relation to Maxus Entities:

Item	Debtors income/(loss) as of 09/30/2015
Revenues	150
Costs	(227)
Gross loss	(77)
Operating loss	(343)
Financial results	(11)
Net loss for the period	(354)
Other comprehensive income	(3)
Comprehensive loss for the period	(357)

Item	Debtors cash flows as of 09/30/2015
Net cash flows used in operating activities	(95)

Edgar Filing: YPF SOCIEDAD ANONIMA - Form 6-K

Net cash flows used in investing activities	(72)
Net cash flows provided by financing activities	174
Net increase in cash and cash equivalents	7

Table of Contents

The following table shows the investments in associates and joint ventures:

Description of the Securities			Information of the issuer				Last Financial Statement Available	
Name and Issuer	Class	Face Value	Amount	Main Business	Registered Address	Date	Capital stock	Net profit (loss)
Subsidiaries:⁽⁹⁾								
YPF International S.A. ⁽⁷⁾	Common Bs.	100	66,897	Investment	Street La Plata 19, Santa Cruz de la Sierra, República de Bolivia	09-30-16	15	(4)
YPF Holdings Inc. ⁽⁷⁾	Common US\$	0.01	810,614	Investment and finance	10333 Richmond Avenue I, Suite 1050, TX, U.S.A.	09-30-16	10,529	(4)
Operadora de Estaciones de Servicios S.A.	Common \$	1	163,701,747	Commercial management of YPF's gas stations	Macacha Güemes 515, Buenos Aires, Argentina	09-30-16	164	297
A-Evangelista S.A.	Common \$	1	307,095,088	Engineering and construction services	Macacha Güemes 515, Buenos Aires, Argentina	09-30-16	307	141
YPF Servicios Petroleros S.A.	Common \$	1	50,000	Wells perforation and/or reparation services	Macacha Güemes 515, Buenos Aires, Argentina	09-30-16	⁽⁸⁾	(12)
Metrogas S.A.	Common \$	1	398,419,700	Providing the public service of natural gas distribution	Gregorio Aráoz de Lamadrid 1360, Buenos Aires, Argentina.	09-30-16	569	(882)
YPF Energía Eléctrica S.A.	Common \$	1	30,006,540	Exploration, development, industrialization and marketing of hydrocarbons, and generation, transportation	Macacha Güemes 515, Buenos Aires, Argentina	09-30-16	30	469

Edgar Filing: YPF SOCIEDAD ANONIMA - Form 6-K

YPF Chile S.A. ⁽⁷⁾	Common -		50,968,649	and marketing of electric power Lubricants and aviation fuels trading and hydrocarbons research and exploration	Villarica 322; Módulo B1, Qilicura, Santiago	09-30-16	697	
YPF Tecnología S.A.	Common \$	1	234,291,000	Investigation, development, production and marketing of technologies, knowledge, goods and services	Macacha Güemes 515, Buenos Aires, Argentina	09-30-16	459	102
YPF Europe B.V. ⁽⁷⁾	Common US\$	0.01	15,660,437,309	Investment and finance	Prins Bernardplein 200, 1097 JB, Amsterdam, Holanda	09-30-16	2,390	105
YSUR Inversora S.A.U. ⁽⁷⁾	Common US\$	1	20,001	Investment	Macacha Güemes 515, Buenos Aires, Argentina	06-30-16	(8)	(8)
YSUR Inversiones Petroleras S.A.U. ⁽⁷⁾	Common US\$	1	10,000,001	Investment	Macacha Güemes 515, Buenos Aires, Argentina	12-31-15	130	(8)
YSUR Petrolera Argentina S.A. ⁽⁷⁾	Common \$	1	634,284,566	Exploration, extraction, exploitation, storage, transportation, industrialization and marketing of hydrocarbons, as well as other operations related thereto	Macacha Güemes 515, Buenos Aires, Argentina	09-30-16	634	89
Compañía de Inversiones Mineras S.A.	Common \$	1	17,043,060	Exploration, exploitation, processing, management, storage and transport of all types of minerals; assembly, construction and operation of	Macacha Güemes 515, Buenos Aires, Argentina	09-30-16	17	(11)

facilities and
structures and
processing of
products related
to mining

Table of Contents

							09-30-2016	Information of the iss
								Last Fin
Description of the Securities								
Name and Issuer	Class	Face Value	Amount	Book value ⁽³⁾	Cost ⁽²⁾	Main Business	Registered Address	Date
Joint ventures:								
Compañía Mega S.A. ^{(7) (6)}	Common	\$ 1	244,246,140	1,065		Separation, fractionation and transportation of natural gas liquids	San Martín 344, P. 10°, Buenos Aires, Argentina	06-30-16
Profertil S.A. ⁽⁷⁾	Common	\$ 1	391,291,320	1,802		Production and marketing of fertilizers	Alicia Moreau de Justo 740, P. 3, Buenos Aires, Argentina	06-30-16
Refinería del Norte S.A.	Common	\$ 1	45,803,655	434		Refining	Maipú 1, P. 2°, Buenos Aires, Argentina	06-30-16
				3,301				
Associates:								
Oleoductos del Valle S.A.	Common	\$ 10	4,072,749	163 ⁽¹⁾		Oil transportation by pipeline	Florida 1, P. 10°, Buenos Aires, Argentina	09-30-16
Terminales Marítimas Patagónicas S.A.	Common	\$ 10	476,034	97		Oil storage and shipment	Av. Leandro N. Alem 1180, P. 11°, Buenos Aires, Argentina	06-30-16
Oiltanking Ebytem S.A.	Common	\$ 10	351,167	169		Hydrocarbon transportation and storage	Terminal Marítima Puerto Rosales Provincia de Buenos Aires, Argentina.	09-30-16
Gasoducto del Pacífico (Argentina) S.A.	Preferred	\$ 1	15,579,578	30		Gas transportation by pipeline	San Martín 323, P.13°, Buenos Aires, Argentina	12-31-15
Central Dock Sud S.A.	Common	\$ 0.01	11,869,095,145	169	136	Electric power generation and bulk marketing	Pasaje Ingeniero Butty 220, P.16°, Buenos Aires, Argentina	06-30-16
Inversora Dock Sud S.A.	Common	\$ 1	355,270,303	533	445	Investment and finance	Pasaje Ingeniero Butty 220, P.16°, Buenos Aires, Argentina	06-30-16

Edgar Filing: YPF SOCIEDAD ANONIMA - Form 6-K

Oleoducto Trasandino (Argentina) S.A.	Preferred \$	1	12,135,167	37	Oil transportation by pipeline	Macacha Güemes 515, P.3°, Buenos Aires, Argentina	06-30-16
YPF Gas S.A	Common \$	1	175,997,158	181	Gas fractionation, bottling, distribution and transport for industrial and/or residential use	Macacha Güemes 515, P.3°, Buenos Aires, Argentina	06-30-16
Other companies:							
Other ⁽⁴⁾				427	135		
				1,806	716		
				5,107	716		

(1) Holding shareholder's equity, net of intercompany profits (losses).

(2) Cost net of cash dividends and stock redemption.

(3) Holding in shareholders' equity plus adjustments to conform to YPF accounting principles.

(4) Includes Gasoducto del Pacífico (Cayman) Ltd., A&C Pipeline Holding Company, Poligás Luján S.A.C.I., Oleoducto Transandino (Chile) S.A., Bizoy S.A., Civeny S.A., Bioceres S.A., Y-GEN Eléctrica S.R.L., Y-GEN Eléctrica II S.R.L., Y-GEN Eléctrica III S.R.L., Y-GEN Eléctrica IV S.R.L.

(5) Additionally, the Company has a 29.99% indirect holding in capital stock through Inversora Dock Sud S.A.

(6) As stipulated by shareholders' agreement, joint control is held in this company by shareholders.

(7) The U.S. dollar has been defined as the functional currency of this company.

(8) No value is disclosed as the carrying value is less than 1.

(9) Additionally consolidates Compañía Minera de Argentina S.A., YPF Services USA Corp, YPF Perú S.A.C., YPF Brasil Comercio Derivado de Petróleo Ltda, Wokler Investment S.A., YPF Colombia S.A.S., Miwen S.A., Eleran Inversiones 2011 S.A.U., YSUR Participaciones S.A.U., Lestery S.A., Energía Andina S.A and EOG Resources Netherlands B.V.

Table of Contents**7.d) Inventories:**

	September 30, 2016	December 31, 2015
Refined products	13,354	10,709
Crude oil and natural gas	7,288	7,155
Products in process	375	169
Construction works in progress for third parties	134	85
Raw materials, packaging materials and others	1,552	1,140
	22,703 ⁽¹⁾	19,258 ⁽¹⁾

(1) As of September 30, 2016 and December 31, 2015, the cost of inventories does not exceed its net realizable value.

7.e) Other receivables:

	September 30, 2016		December 31, 2015	
	Noncurrent	Current	Noncurrent	Current
Trade		1,243		928
Tax credit and export rebates	293	4,993	304	8,058
Loans to third parties and balances with related parties ⁽¹⁾ ⁽³⁾	2,582	862	297	2,366
Collateral deposits	16	211	318	895
Prepaid expenses	164	850	198	682
Advances and loans to employees	10	291	8	285
Advances to suppliers and custom agents ⁽²⁾		1,405		3,147
Receivables with partners in joint operations and other agreements	812	1,570	1,118	1,881
Insurance receivables				808
Miscellaneous	135	807	271	402
	4,012	12,232	2,514	19,452
Provision for other doubtful accounts	(14)	(42)	(13)	(39)
	3,998	12,190	2,501	19,413

(1) For information about related parties, see Note 13.

(2)

Includes, among others, advances to customs agents for the payment of taxes and import rights related to the imports of fuels and goods.

(3) Includes the loan granted to Pampa Energía S.A. See Note 12.c).

7.f) Trade receivables:

	September 30, 2016		December 31, 2015	
	Noncurrent	Current	Noncurrent	Current
Accounts receivable and related parties ⁽¹⁾	226	32,155	469	22,959
Provision for doubtful trade receivables		(1,036)		(848)
	226	31,119	469	22,111

(1) For information about related parties, see Note 13.

Changes in the provision for doubtful trade receivables

	For the nine-month period ended September 30,			
	2016		2015	
	Noncurrent	Current	Noncurrent	Current
Amount at beginning of year		848	7	866
Increases charged to expenses		130		267
Decreases charged to income		(26)		(384)
Amounts incurred due to utilization			(7)	(17)
Exchange and translation differences, net		84		2
Amount at the end of period		1,036		734

7.g) Cash and cash equivalents:

	September 30, 2016	December 31, 2015
Cash	11,163	13,920
Short-term investments	35	693
Financial assets at fair value through profit or loss ⁽¹⁾	6,436	774
	17,634	15,387

(1) See Note 6.

Table of Contents**7.h) Provisions:**

	For the nine-month period ended September 30, 2016									
	Provision for pending lawsuits and contingencies		Provision for environmental liabilities		Provision for hydrocarbon wells abandonment obligations		Provision for pensions obligations		Total	
	Noncurrent	Current	Noncurrent	Current	Noncurrent	Current	Noncurrent	Current	Noncurrent	Current
Amount at beginning of year	10,375	149	1,620	1,400	27,380	429	248	31	39,623	2,009
Increases charged to expenses	971	246	707		2,098		97		3,873	246
Decreases charged to income	(158)	(127)				(77)	(1)		(159)	(204)
Amounts incurred due to payments/utilization		(202)		(677)		(411)		(13)		(1,303)
Exchange and translation differences, net	997	5	157	51	4,854	76	26	3	6,034	135
Deconsolidation of subsidiaries	(2,213)	(11)	(1,351)	(607)	(515)		(357)	(34)	(4,436)	(652)
Reclassifications and other	(489)	417	(681)	681	(506)	506	(13)	13	(1,689)	1,617
Amount at the end of period	9,483	477	452	848	33,311	523			43,246	1,848

	For the nine-month period ended September 30, 2015									
	Provision for pending lawsuits and contingencies		Provision for environmental liabilities		Provision for hydrocarbon wells abandonment obligations		Provision for pensions obligations		Total	
	Noncurrent	Current	Noncurrent	Current	Noncurrent	Current	Noncurrent	Current	Noncurrent	Current
Amount at beginning of year	7,014	851	1,269	1,145	18,087	376	194	27	26,564	2,399
Increases charged to expenses	812	79	541		1,204		14		2,571	79
Decreases charged to income	(177)	(91)							(177)	(91)
Amounts incurred due to payments/utilization		(357)		(641)		(203)		(46)		(1,247)
Exchange and translation differences, net	467	63	90	36	1,900	37	20	4	2,477	140
	(630)	422	(579)	579	(232)	198	(46)	46	(1,487)	1,245

Reclassifications and
other

Amount at the end of period	7,486	967	1,321	1,119	20,959	408	182	31	29,948	2,525
--	-------	-----	-------	-------	--------	-----	-----	----	--------	-------

Table of Contents**7.i) Income tax:**

According to IAS 34, income tax expense is recognized in each interim period based on the best estimate of the effective income tax rate expected as of year-end. Amounts calculated for income tax expense for the nine-month period ended September 30, 2016 may have to be adjusted in subsequent periods if, based on new judgment elements, the estimate of the effective expected income tax rate changes.

The reconciliation of pre-tax income included in the condensed interim consolidated statement of comprehensive income, at the statutory tax rate, to net income tax as disclosed in the condensed interim consolidated statements of comprehensive income for the nine-month periods ended September 30, 2016 and 2015, respectively, is as follows:

	For the nine-month period ended September 30,	
	2016	2015
Net (loss) income before income tax	(31,202)	13,721
Statutory tax rate	35%	35%
Statutory tax rate applied to net (loss) income before income tax	10,921	(4,802)
Effect of the valuation of property, plant and equipment and intangible assets measured in functional currency	(18,302)	(5,589)
Exchange differences	9,861	3,480
Effect of the valuation of inventories measured in functional currency	(1,505)	(582)
Income on investments in associates and joint ventures	131	18
Miscellaneous	(58)	45
Income tax	1,048	(7,430)

The Group did not recognize the following deferred income tax assets since they do not meet the recognition criteria set forth under IFRS:

As of September 30, 2016, the Group did not recognize 1,272, corresponding to tax loss carry forwards from subsidiaries, of which 1,226 will expire from 2017 on and 46 has an indeterminate expiration date.

As of December 31, 2015, the Group did not recognize 4,373, of which 2,041 corresponds to taxable temporary differences not recoverable and 2,332 corresponds to tax loss carry forwards from subsidiaries. In addition, as of September 30, 2016, 100 has not been recorded for minimum presumed income tax, which will expire between 2016 and 2024.

The composition of the Group's deferred income tax assets and liabilities as of September 30, 2016 and December 31, 2015 is as follows:

	September 30, 2016	December 31, 2015
<u>Deferred tax assets</u>		
Nondeductible provisions and other liabilities	3,596	3,093
Tax loss carryforward and other tax credits	2,390	3,236
Miscellaneous	68	83
Total deferred tax assets	6,054	6,412
<u>Deferred tax liabilities</u>		
Property, plant and equipment	(44,557)	(45,393)
Miscellaneous	(3,964)	(4,877)
Total deferred tax liabilities	(48,521)	(50,270)
Net deferred tax liability	(42,467)	(43,858)

Table of Contents

As of September 30, 2016 and December 31, 2015, 506 and 954, respectively, have been classified as deferred income tax assets and 42,973 and 44,812, respectively, as deferred income tax liabilities arising from the deferred income tax net balance of each individual company that takes part in these condensed interim consolidated financial statements.

As of September 30, 2016 and December 31, 2015, the factors that generated charges under Other comprehensive income did not generate temporary differences subject to income tax.

7.j) Loans:

	Interest rate (1)	Maturity	September 30, 2016		December 31, 2015	
			Noncurrent	Current	Noncurrent	Current
Argentine pesos:						
Negotiable obligations	26.22-36.05%	2016-2024	30,608	3,596	19,280	2,050
Loans	15.25-30.75%	2016-2020	1,991 ⁽³⁾	1,843 ⁽³⁾	1,224	792
Account overdraft	25.00-26.00%	2016		2,841		4,737 ⁽⁵⁾
			32,599	8,280	20,504	7,579
Currencies other than the Argentine peso:						
Negotiable obligations ⁽²⁾⁽⁴⁾	1.29-10.00%	2016-2028	80,266	7,914	52,651	9,981
Exports pre-financing	3.20-7.60%	2016-2019	1,988	6,188	1,039	3,680
Imports financing	4.10-6.68%	2016-2017	237	3,390		4,736
Loans	3.50-8.21%	2016-2021	6,136	4,341	3,740	1,841
			88,627	21,833	57,430	20,238
			121,226	30,113	77,934	27,817

(1) Annual interest rate as of September 30, 2016.

(2) Disclosed net of 650 and 1,349, corresponding to YPF's outstanding Negotiable Obligations repurchased through open market transactions as of September 30, 2016 and December 31, 2015, respectively.

(3) Includes loans granted by Banco Nación Argentina. As of September 30, 2016, includes 2,158, of which 158 accrues variable interest of BADLAR plus a spread of 4 percentage points and 2,000 accrues variable interest of BADLAR plus a spread of 3.5 percentage points. As of December 31, 2015, it includes 460, of which 210 accrues fixed interest of 15% up to December 2015 and thereafter a variable interest of BADLAR plus a spread of 4 percentage points, and 250 accrues variable interest of BADLAR plus a spread of 4 percentage points that must not exceed the lending rate of Banco Nación's loan portfolio. See Note 13.

(4) Includes 6,911 and 9,970 as of September 30, 2016 and December 31, 2015, respectively, of face value negotiable obligations, to be cancelled in Argentine pesos at the prevailing exchange rate according to the terms of the issued series.

(5) Includes 1,926 of account overdrafts granted by Banco Nación Argentina as of December 31, 2015. See Note 13.

The breakdown of the Group's borrowings for the nine-month period ended September 30, 2016 and 2015 is as follows:

	For the nine-month periods ended September 30,	
	2016	2015
Amount at beginning of year	105,751	49,305
Proceeds from loans	79,770	38,162
Payments of loans	(49,442)	(17,624)
Payments of interest	(11,621)	(4,531)
Accrued interest ⁽¹⁾	12,530	5,611
Exchange and translation differences, net	14,351	4,323
Amount at the end of period	151,339	75,246

(1) Includes capitalized financial costs, as mentioned in Note 7.b).

Table of Contents

Details regarding the Negotiable Obligations of the Group are as follows:

Year	Face value		Ref.	Class	Interest rate ⁽³⁾	Maturity	September 30, 2016		December 31, 2015	
							Noncurrent	Current	Noncurrent	Current
1998	US\$	15	(1) (6)	-	Fixed	10.00%	2028	59	9	49
per ber	2012	US\$ 552	(2) (4) (5) (6) (8)	Class X	Fixed	6.25%	2016		3,825	
per ber	2012	\$ 2,110	(2) (4) (6) (8)	Class XI	BADLAR plus 4.25%	32.74%	2017		1,101	1,055
per rch	2012/3	\$ 2,828	(2) (4) (6) (8)	Class XIII	BADLAR plus 4.75%	30.78%	2018	2,828	26	2,828
	2013	\$ 2,250	(2) (4) (6) (8)	Class XVII	BADLAR plus 2.25%	31.57%	2020	2,250	123	2,250
	2013	US\$ 89	(2) (5) (6)	Class XIX	Fixed	1.29%	2017		1,361	1,156
	2013	\$ 1,265	(2) (4) (6)	Class XX	BADLAR plus 2.25%	28.32%	2020	1,265	13	1,265
	2013	US\$ 92	(2) (5) (6)	Class XXII	Fixed	3.50%	2020	555	189	630
	2013	US\$ 150	(2) (6)	Class XXIV	Libor plus 7.50%	8.13%	2018	539	550	802
per, y	2013/5	US\$ 862	(2)	Class XXVI	Fixed	8.88%	2018	12,919	327	11,057
per nd y	2014/5	US\$ 1,325	(2)	Class XXVIII	Fixed	8.75%	2024	20,219	871	17,212
	2014	\$ 500	(2) (6) (8)	Class XXIX	BADLAR	26.94%	2020	500	10	500
	2014	\$ 465	(2) (6)	Class XXXII	-					
	2014	US\$ 66	(2) (5) (6)	Class XXXIII	Fixed	2.00%	2017		337	287
per	2014	\$ 1,000	(2) (6) (8)	Class XXXIV	BADLAR plus 0.1%	28.18%	2024	1,000	5	1,000
per	2014	\$ 750	(2) (4) (6)	Class XXXV	BADLAR plus 3.5%	31.58%	2019	750	5	750
y	2015	\$ 950	(2) (8) (6)	Class XXXVI	BADLAR plus 4.74%	33.51%	2020	950	45	950
y	2015	\$ 250	(2) (6) (7)	Class XXXVII	BADLAR plus 3.49%	32.23%	2017		261	250
	2015	\$ 935	(2) (4) (6)	Class XXXVIII	BADLAR plus 4.75%	30.42%	2020	935	136	935
	2015	US\$ 1,500	(2)	Class XXXIX	Fixed	8.50%	2025	22,753	338	19,369
	2015	\$ 500	(2) (6)	Class XL	BADLAR plus 3.49%	33.54%	2017			