



# Investor Presentation

As of December 2016

**YPF**

Safe harbor statement under the US Private Securities Litigation Reform Act of 1995.

This document contains statements that YPF believes constitute forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995.

These forward-looking statements may include statements regarding the intent, belief, plans, current expectations or objectives of YPF and its management, including statements with respect to YPF's future financial condition, financial, operating, reserve replacement and other ratios, results of operations, business strategy, geographic concentration, business concentration, production and marketed volumes and reserves, as well as YPF's plans, expectations or objectives with respect to future capital expenditures, investments, expansion and other projects, exploration activities, ownership interests, divestments, cost savings and dividend payout policies. These forward-looking statements may also include assumptions regarding future economic and other conditions, such as future crude oil and other prices, refining and marketing margins and exchange rates. These statements are not guarantees of future performance, prices, margins, exchange rates or other events and are subject to material risks, uncertainties, changes and other factors which may be beyond YPF's control or may be difficult to predict.

YPF's actual future financial condition, financial, operating, reserve replacement and other ratios, results of operations, business strategy, geographic concentration, business concentration, production and marketed volumes, reserves, capital expenditures, investments, expansion and other projects, exploration activities, ownership interests, divestments, cost savings and dividend payout policies, as well as actual future economic and other conditions, such as future crude oil and other prices, refining margins and exchange rates, could differ materially from those expressed or implied in any such forward-looking statements. Important factors that could cause such differences include, but are not limited to, oil, gas and other price fluctuations, supply and demand levels, currency fluctuations, exploration, drilling and production results, changes in reserves estimates, success in partnering with third parties, loss of market share, industry competition, environmental risks, physical risks, the risks of doing business in developing countries, legislative, tax, legal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, wars and acts of terrorism, natural disasters, project delays or advancements and lack of approvals, as well as those factors described in the filings made by YPF and its affiliates with the Securities and Exchange Commission, in particular, those described in "Item 3. Key Information—Risk Factors" and "Item 5. Operating and Financial Review and Prospects" in YPF's Annual Report on Form 20-F for the fiscal year ended December 31, 2016 filed with the US Securities and Exchange Commission. In light of the foregoing, the forward-looking statements included in this document may not occur.

Except as required by law, YPF does not undertake to publicly update or revise these forward-looking statements even if experience or future changes make it clear that the projected performance, conditions or events expressed or implied therein will not be realized.

These materials do not constitute an offer for sale of YPF S.A. bonds, shares or ADRs in the United States or otherwise.

**1** Company Overview

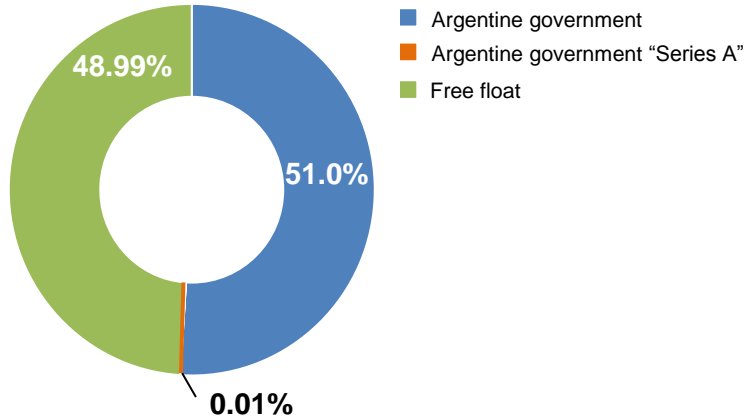
**2** Upstream and Downstream

**3** Financial Results

**4** Conclusions



## Shareholder structure



### Markets



YPF



YPFD

### Ratings

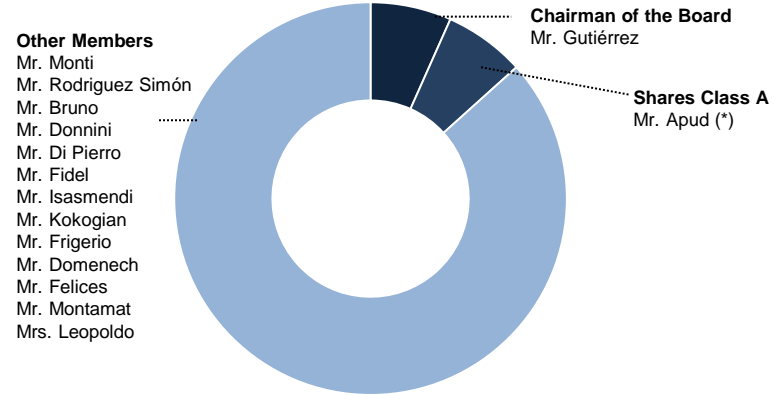


B  
AA (Arg)



B3  
N/A (Arg)

## Board composition



### Audit Comitee

Mr. Felices (President), Mr. Montamat, Mr. Domenech, Mr. Apud and Ms. Leopoldo

### Compliance Comitee

Mr. Rodríguez Simon (President), Mr. Apud, Mr. Frigerio and Ms. Leopoldo

### Appointments and Remuneration Committee

Mr. Montamat (President), Mr. Monti, Mr. Felices, Mr. Rodríguez Simón and Mr. Kokogian

### Risk and Sustainability Committee

Mr. Monti (President), Mr. Di Piero, Mr. Kokogian and Mr Bruno

Revenues LTM <sup>1</sup>

**US\$ 14,262 mm**

Adj. EBITDA LTM <sup>1 2</sup>

**US\$ 3,962 mm**

Net income LTM <sup>1</sup>

**US\$ -1,899 mm**

Employees <sup>4</sup>

**19,257**

## Exploration and production

- Production <sup>7</sup>: 244,7 Kbbl/d of oil, 52,5 Kbbl/d of NGL and 44,6 Mm<sup>3</sup>/d of natural gas
- Proved Reserves <sup>3 4</sup> in 2016: 592 mm bbl of liquids and 521 mm boe of gas
- Unique unconventional opportunities: Vaca Muerta, Lajas, Mulichinco

## Downstream - refining and logistics

- Total refining Capacity: 320 Kbbl/d <sup>4 5</sup> (more than 50% <sup>4</sup> of Argentina's total capacity)
- High level of conversion and complexity
- Nearly 2,700 km <sup>4</sup> of crude oil and 1,801 km <sup>4</sup> of refined products pipeline

## Downstream - petrochemicals

- The petrochemical business is integrated with the rest of the production chain
- Output Capacity: 2.2 <sup>4</sup> mm ton per annum

## Downstream - marketing

- The country's leading company in fuel marketing (56% <sup>7</sup> market share in diesel and gasoline)
- 1,547 <sup>4 6</sup> service stations

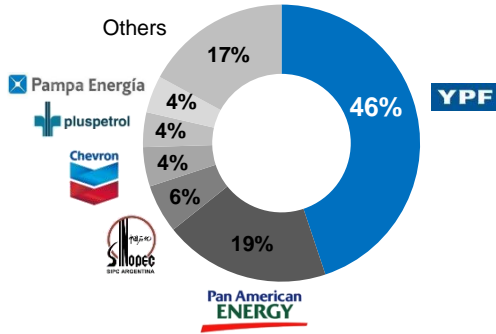
## Major Affiliates

- **MEGA**: Liquids separation and a fractioning plant
- **Metrogas**: Largest local gas distribution company
- **Refinor**: Refining, transportation and marketing of refined products
- **Profertil**: Fertilizer producer (urea and ammonia)
- **AESA**: Engineering, manufacturing, construction, operating and maintenance services to power and energy companies

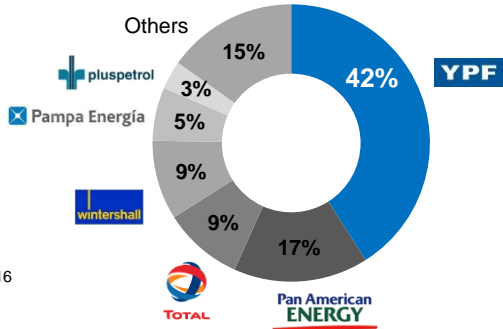
## Upstream

### Market Share Breakdown (%)

#### Oil Production <sup>1</sup>



#### Gas Production <sup>1</sup>

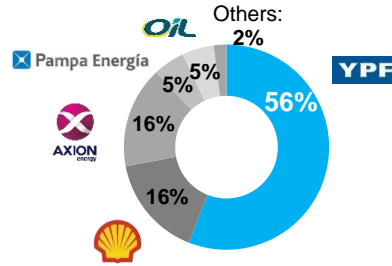


Source: IAPG  
 (1) Cumulative Jan – Dec 2016  
 (2) As of December 2016

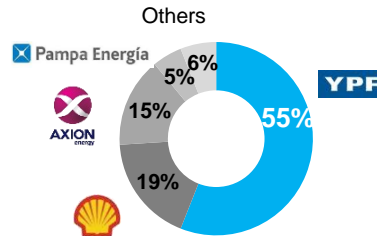
## Downstream

### Market Share Breakdown (%)

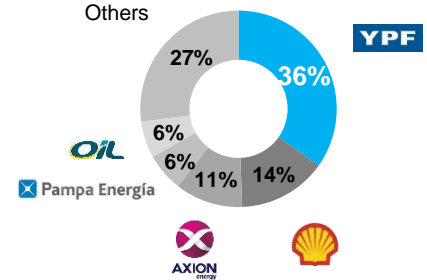
#### Crude Processing <sup>2</sup>



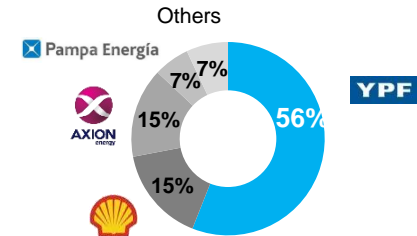
#### Gasoline <sup>1</sup>



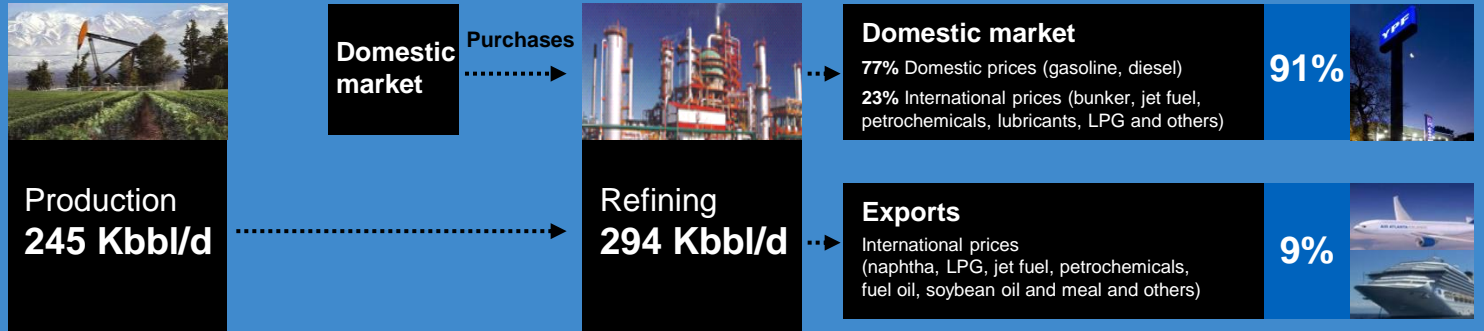
#### No. of Gas Stations <sup>2</sup>



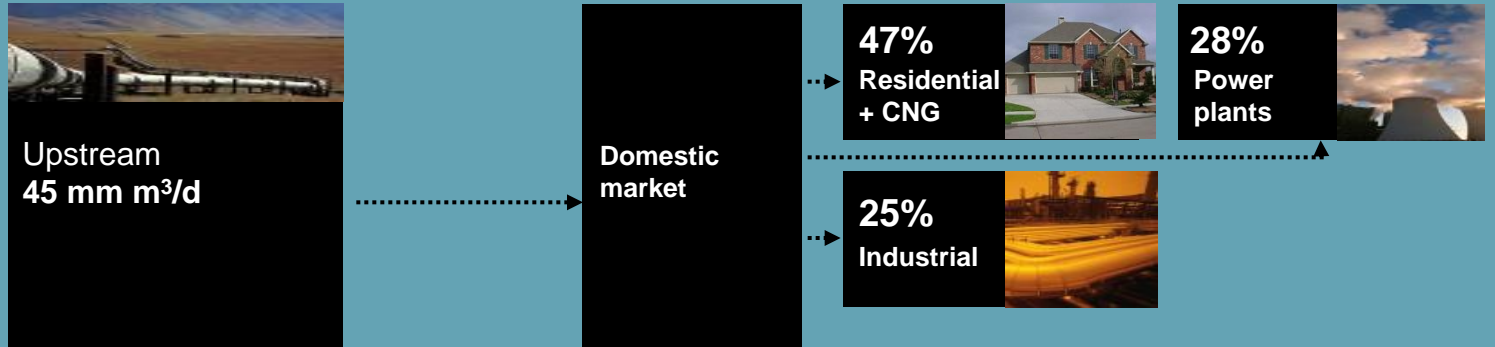
#### Diesel <sup>1</sup>

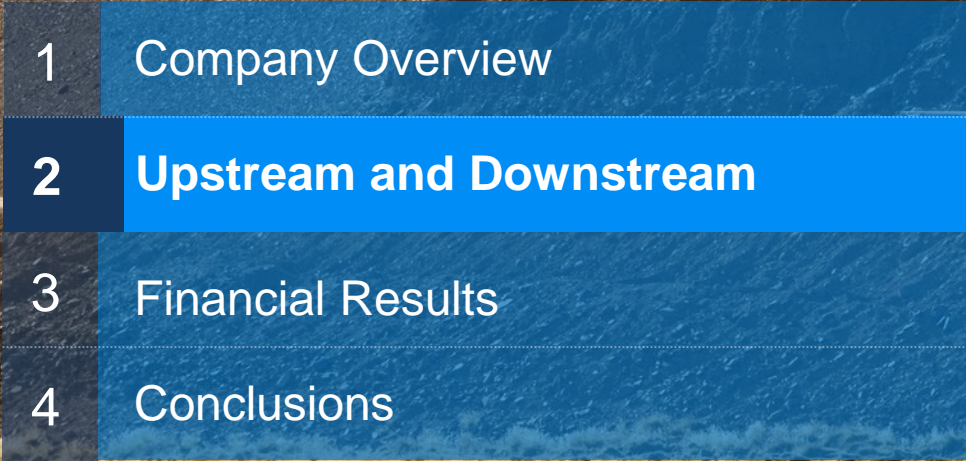


## Oil business



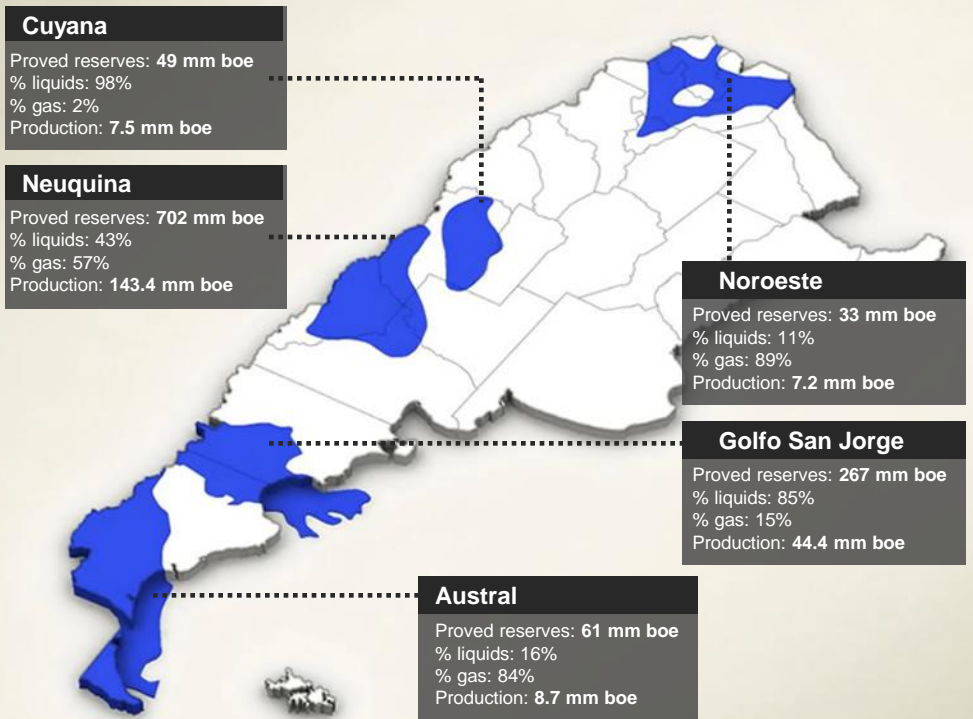
## Natural gas business



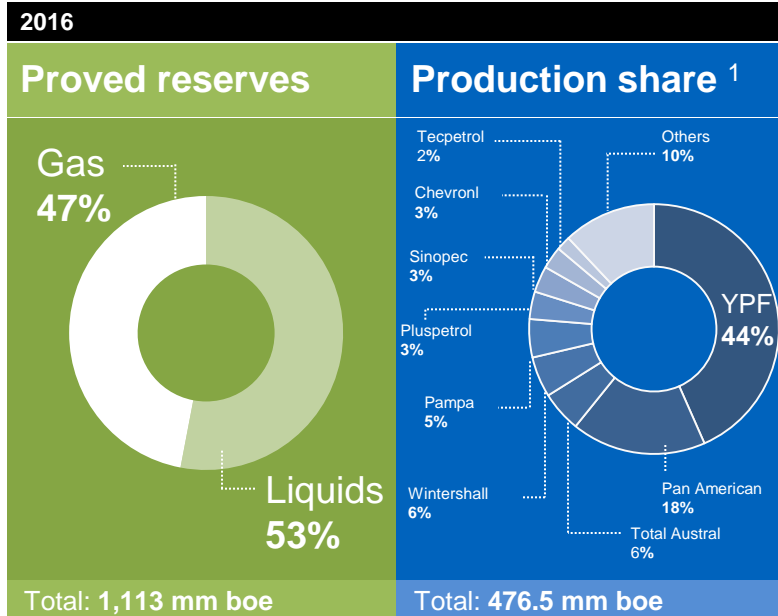
- 
- A semi-transparent blue overlay with a wavy texture contains a table of contents. The items are listed vertically, with the second item, 'Upstream and Downstream', highlighted in a solid blue color. The numbers 1, 2, 3, and 4 are placed in a dark blue vertical bar on the left side of each row.
- 1 Company Overview
  - 2 Upstream and Downstream**
  - 3 Financial Results
  - 4 Conclusions







YPF has **110 concessions** in the most productive Argentine basins (total reserves 1P: 1,113 mm boe) and **23 exploration blocks** in the country



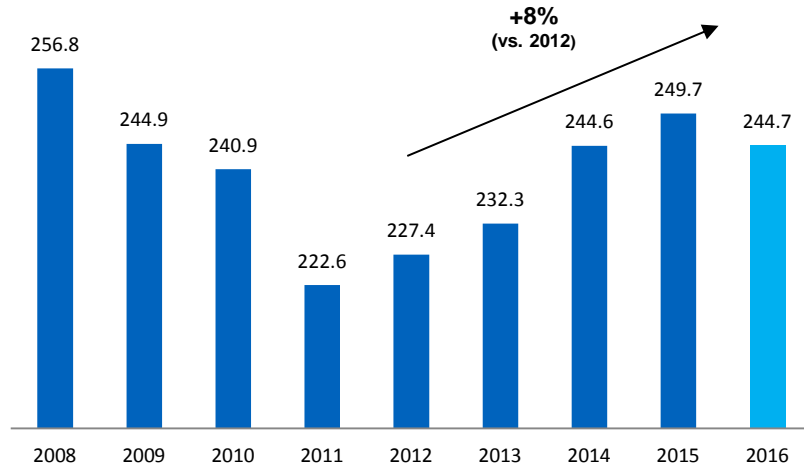
Source: Company data 2016

(1) As of December 2016.

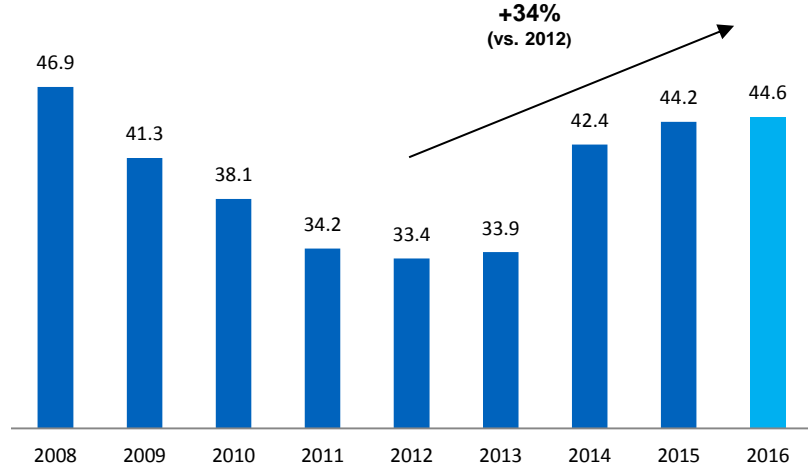
Source: IAPG, as of December 2016

Reverted downward trend in production seen in recent years

**Crude oil production (kbb/d)**



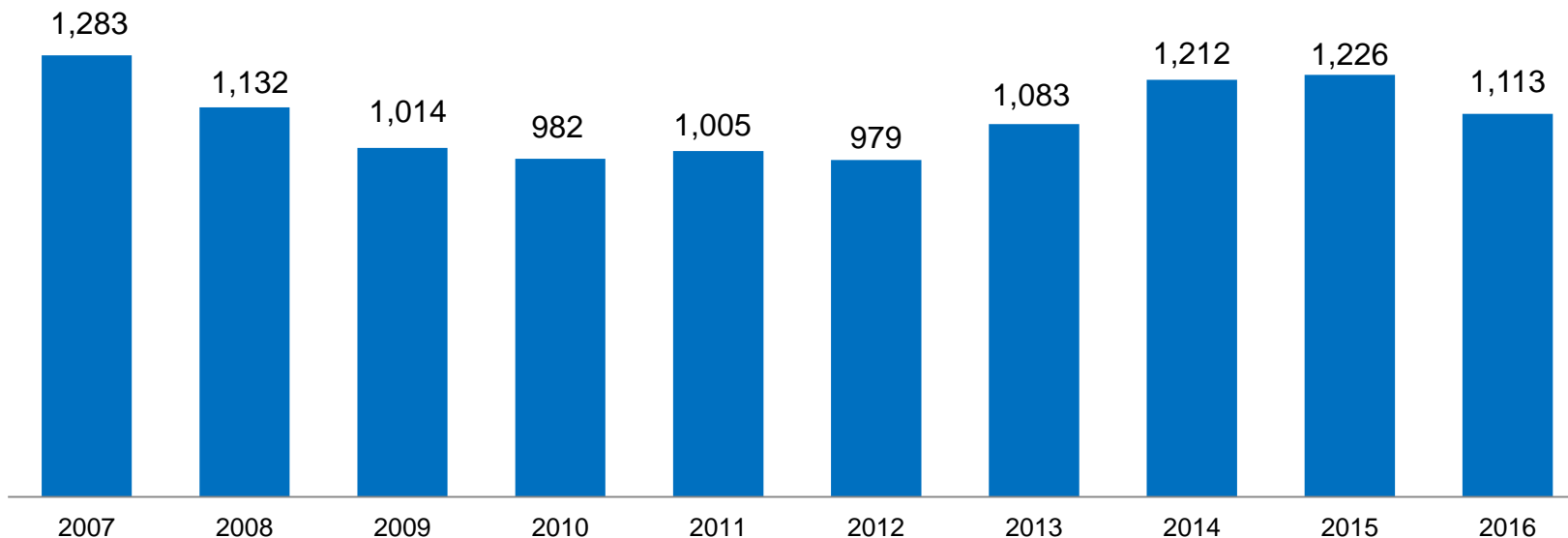
**Natural gas production (Mm<sup>3</sup>/d)**



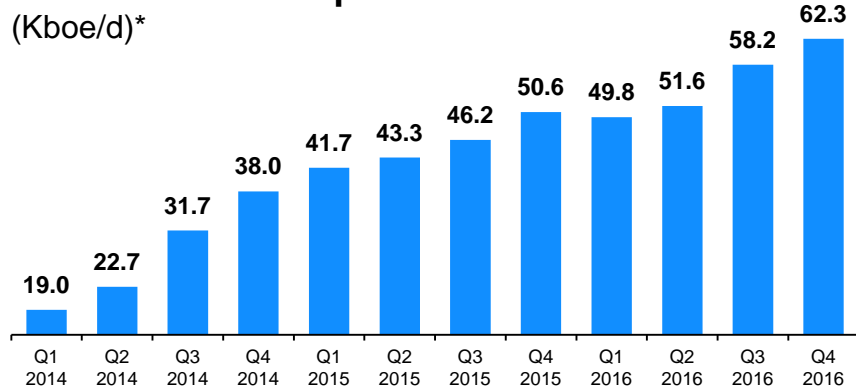
Proved Reserves decreased by 9%, mainly due to lower domestic crude oil prices.

Total hydrocarbon reserves (Mboe)

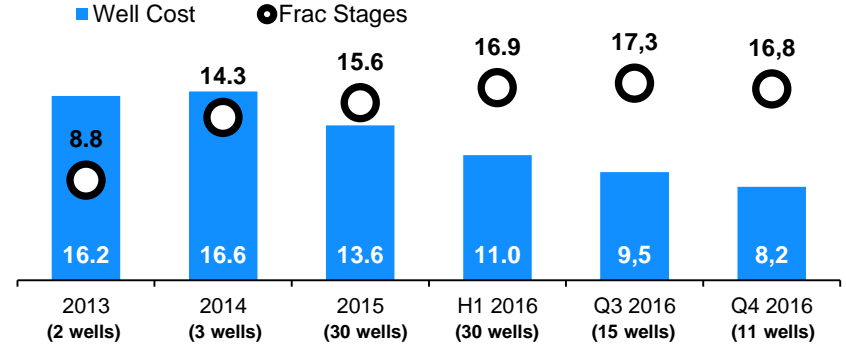
RRR: 46%



## Gross Shale O&G production (Kboe/d)\*



## Loma Campana horizontal wells cost

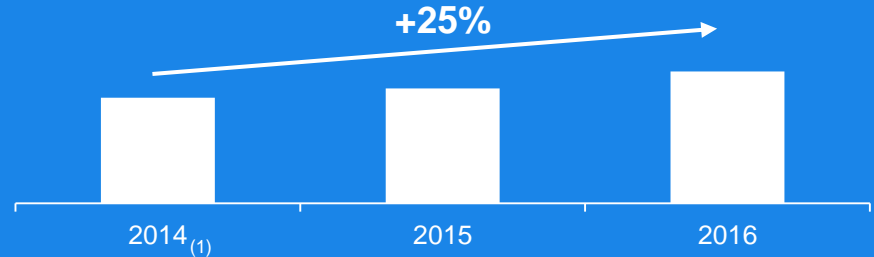


**541**  
Producing wells

**19**  
New wells in Q4 2016

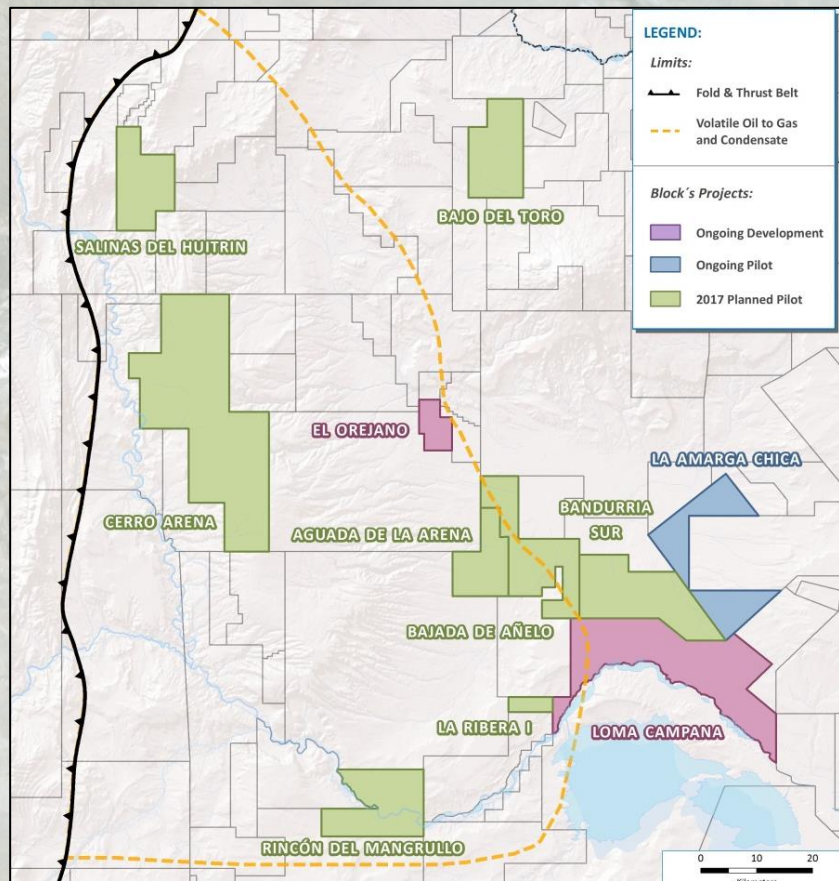
**62.3**  
Kboe/d Q4 2016 Shale gross production

## Loma Campana horizontal cumulative average production per well (Initial 300 days of production)



\*Total operated production (Loma Campana + El Orejano + Bandurria + La Amarga Chica )

(1) 2014 and previous years' horizontal wells



Significant well cost reduction

Improved productivity

Substantial infrastructure in place

10 pilot projects to be launched in 2017

USD 300 million JV with Shell announced

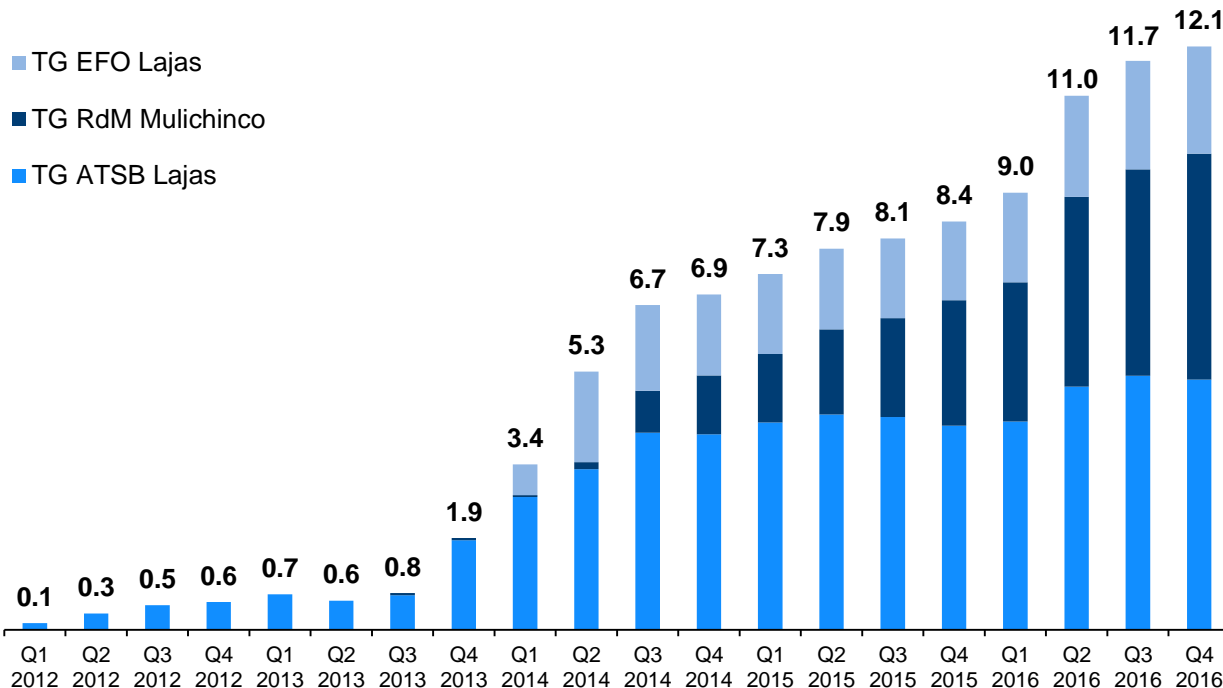
New focus on natural gas window

Tight gas production represented 22% of total natural gas production in Q4 2016.

Río Neuquén and Aguada de la Arena acquisitions will accelerate growth.

Gradually migrating to horizontal wells in Rincón del Mangrullo.

## Tight Gas Operated Gross Production - Mm<sup>3</sup>/d



**A** Luján de Cuyo refinery  
Capacity: 105.5 kbbl/d

**B** La Plata refinery  
Capacity: 189 kbbl/d

**C** Plaza Huincul refinery  
Capacity: 25 kbbl/d

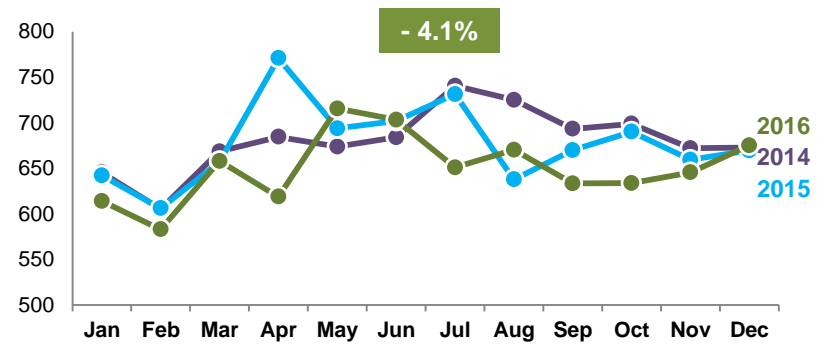
**D** Refinor<sup>(1)</sup>  
Capacity: 26.1 kbbl/d

— Oil pipeline  
— Products pipeline  
● Terminals

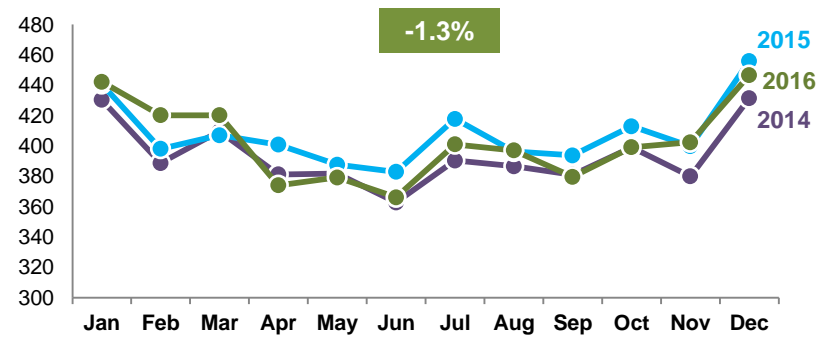


Source: 20-F 2016 (1) YPF owns 50% of Refinor (not operated)

## Monthly Diesel Sales (Km<sup>3</sup>)



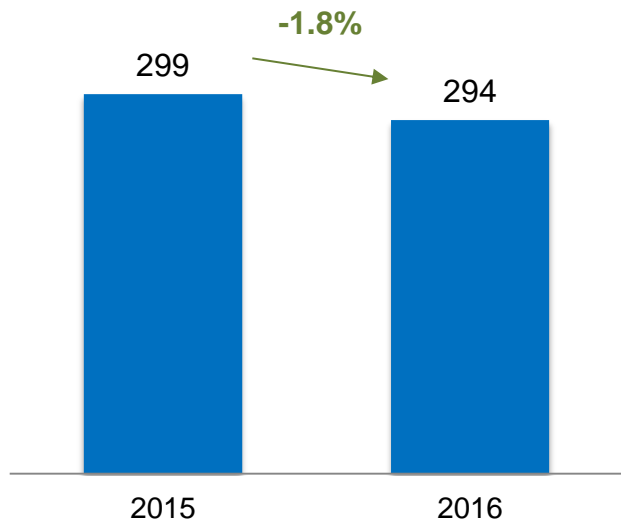
## Monthly Gasoline Sales (Km<sup>3</sup>)



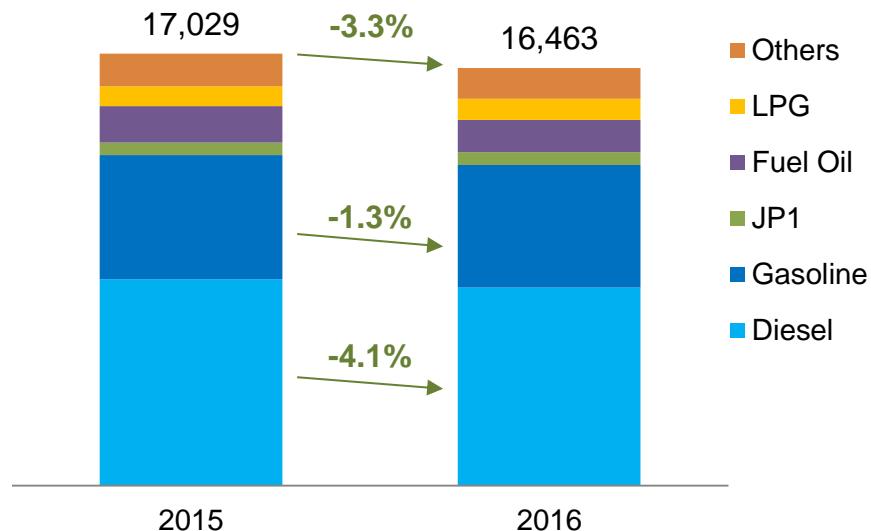
2016 vs 2015

Sales volumes were down by 3.3% due to lower diesel and gasoline demand. New coke unit will enable a 10% increase in diesel production.

**Crude processed**  
(kbbbl/d)



**Domestic sales of refined products**  
(Km<sup>3</sup>)







**Additional capacity  
from new projects**

(2017-2018)

**+575** MW

Loma Campana I project start-up in Q3 2017 (100MW)

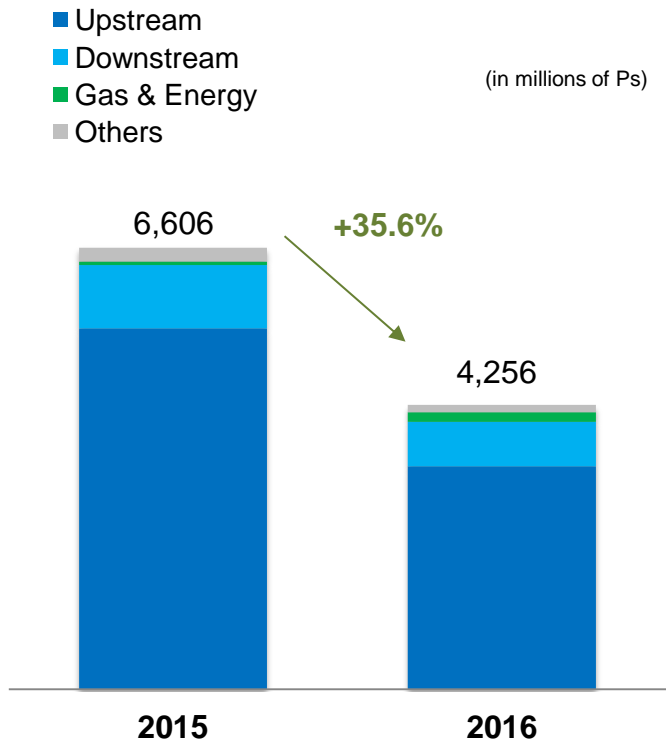
Loma Campana II project start-up in Q4 2017 (105MW)

Manantiales Behr wind farm 1st stage start-up in Q4 2017 (50MW of 100MW)

Tucuman project start-up in Q1 2018 (270MW)

All these projects are fully funded; will consider partners to grow further

Capex was down 35.6% in USD terms and up 2.7% in pesos, mostly due to reduced activity in the Upstream segment.

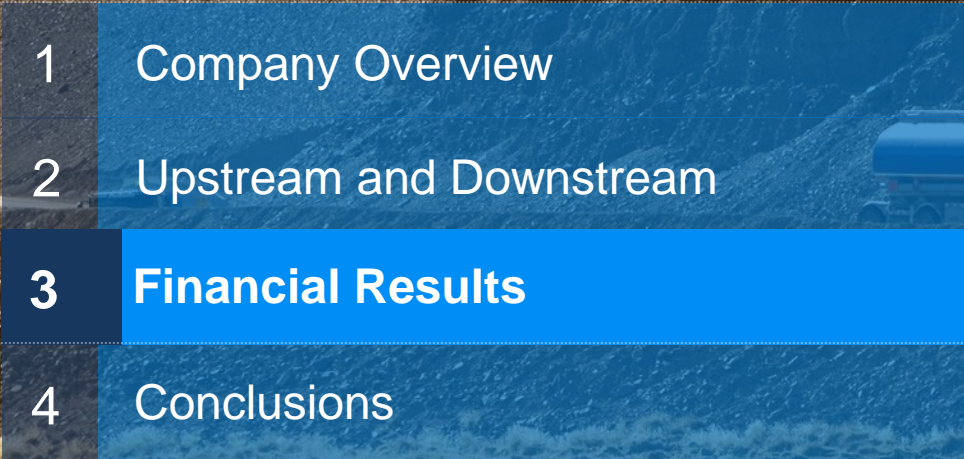


## Upstream

**Activity breakdown: 69%** in drilling and workovers, **19%** in facilities and **12%** in exploration and other upstream activities.

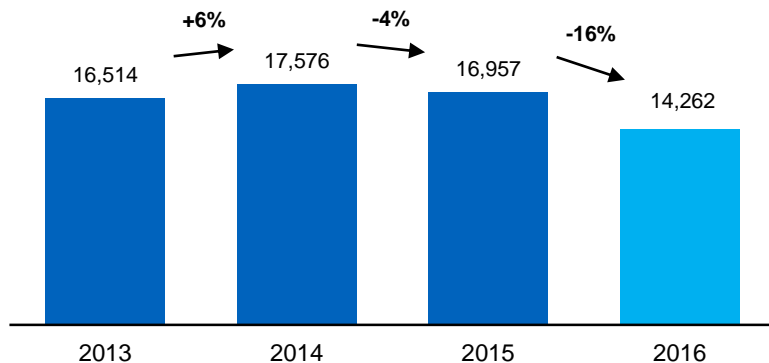
## Downstream

Finalization and start-up of the new coke unit in our La Plata refinery and progress on the revamping of the unit Topping III in our Luján de Cuyo refinery

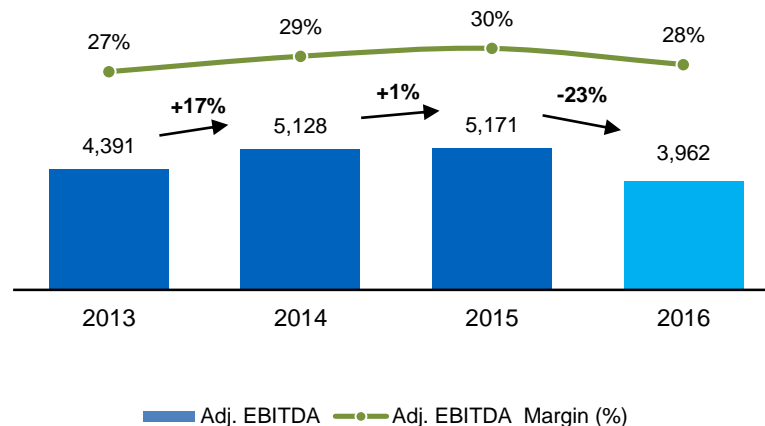
- 
- A semi-transparent blue rectangular overlay is centered on the slide. It contains a vertical list of four items. The third item, 'Financial Results', is highlighted with a darker blue background. The text is white and sans-serif. The background of the slide is a photograph of a mining site with a large pile of dark material and a YPF tanker truck on a road, with a llama in the foreground.
- 1 Company Overview
  - 2 Upstream and Downstream
  - 3 Financial Results**
  - 4 Conclusions

The devaluation of the local currency resulted in an immediate reduction of Revenues and Adj. EBITDA. Adj. EBITDA margin at 28%.

Revenues <sup>1</sup> (US\$ mm)



Adj. EBITDA <sup>1 2 3</sup> (US\$ mm) & Adj. EBITDA Margin (%)



(1) YPF financial statements values in IFRS converted to US\$ using average FX of each period

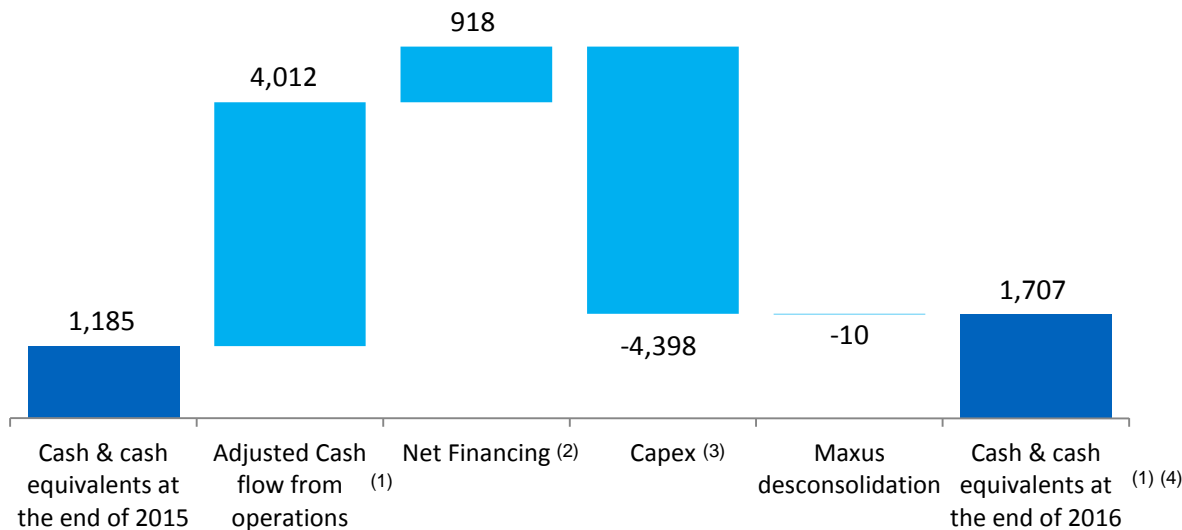
(2) Considers non recurrent result for Q2 2013, not including a non cash provision of ARS 855 mm relating to claims arising from discontinuity of gas export contracts to Brazil in 2009

(3) Adjusted EBITDA = Net income attributable to shareholders + Net income for non controlling interest - Deferred income tax - Income tax - Financial income (Losses) gains on liabilities - Financial income gains (Losses) on assets - Income on investments in companies + Depreciation of property, plant & equipment + Amortization of intangible assets + Unproductive exploratory drillings+ Impairment of property, plant & equipment.

Strong cash & cash equivalents position by the end of 2016; Adjusted Operating Cash Flow was mainly affected by ~60% devaluation of the currency.

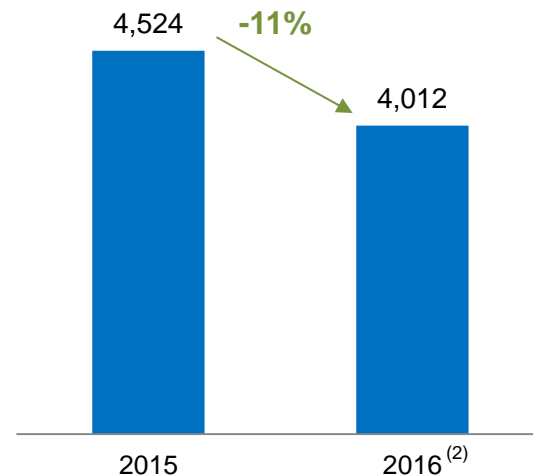
## Consolidated statement of adjusted cash flows

(in million of Ps)



## Adjusted Cash flow from operations

(in million of Ps)



(1) Includes Ps 9.9 billion of BONAR 2020 sovereign bonds received as payment for 2015 Plan Gas receivables.

(2) Includes effect of changes in exchange rates and revaluation of investments in financial assets.

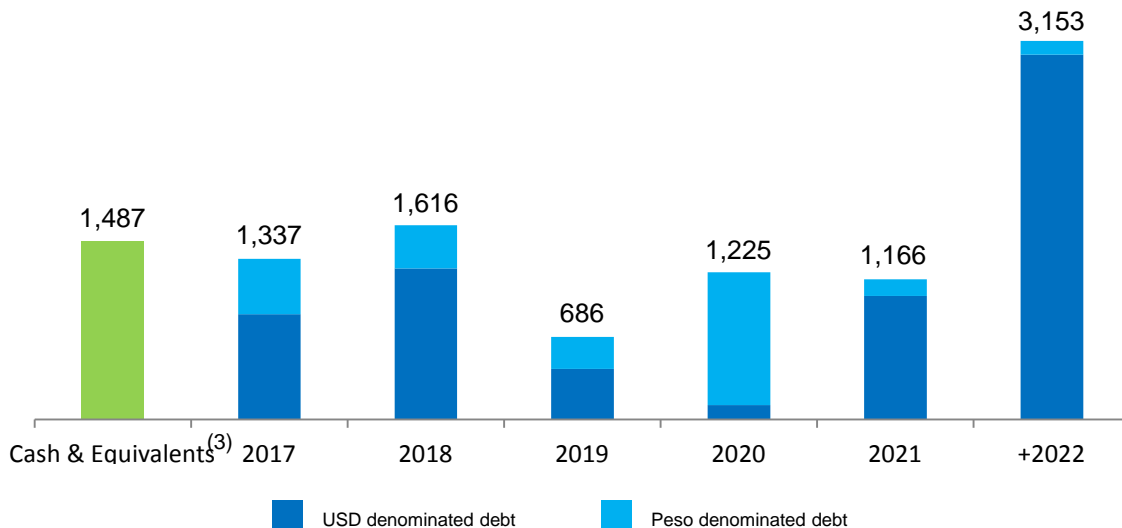
(3) Effective spending in fixed asset acquisitions during the year.

(4) Includes Ps 3.3 billion of financial investments in BONAR 2021 sovereign bonds.

Cash position strengthened by new debt issuances and strong cash flow generation in 2016.

**Financial debt amortization schedule** <sup>(1)</sup> <sup>(2)</sup>

(in millions of USD)



**73%** denominated in USD and **27%** in Pesos

Average interest rates of **7.79%** in USD and **27.74%** in Pesos

Average life of almost **4.4** years

Net Debt / Adj. LTM EBITDA<sup>(3)(4)</sup> = **2.04x**

(1) As of December 31, 2016, does not include consolidated companies.

(2) Converted to USD using the December 31, 2016 exchange rate of Ps 15.84 to U.S \$1.00.

(3) Includes cash & equivalent, including Argentine sovereign bonds BONAR 2020 and BONAR 2021.

(4) Net debt to Adj. EBITDA calculated in USD. Net debt at period end exchange rate of Ps 15.84 to U.S \$1.00 and Adj. EBITDA LTM calculated as sum of quarters.

Balance sheet	12/31/16 (Ps million)	12/31/15 (Ps million)	VAR % 2016 / 2015
Cash & ST investments	10,757	15,387	-30%
Property, plant & equipment	308,014	270,905	14%
Other assets	102,368	77,161	33%
<b>Total assets</b>	<b>421,139</b>	<b>363,453</b>	<b>16%</b>

Loans	154,345	105,751	46%
Liabilities	148,133	137,241	8%
<b>Total Liabilities</b>	<b>302,478</b>	<b>242,992</b>	<b>24%</b>
<b>Shareholders' equity</b>	<b>118,661</b>	<b>120,461</b>	<b>-1%</b>

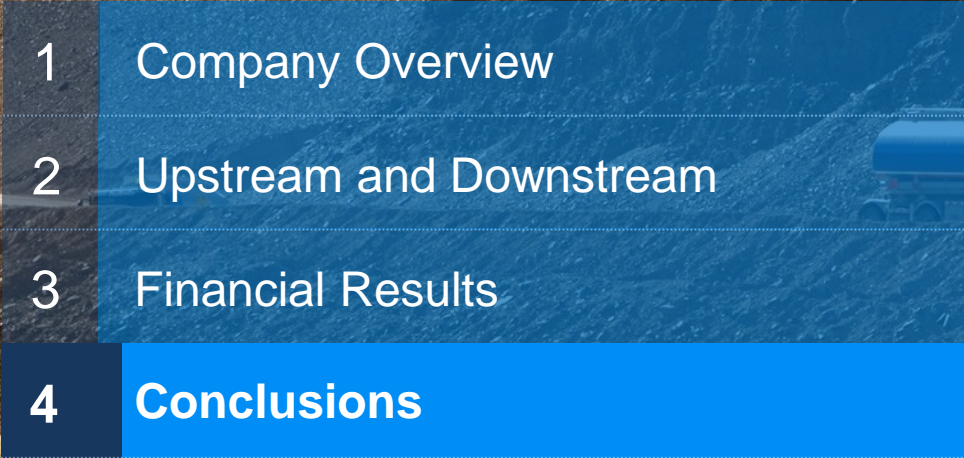
Income statement	12 months 2016 (Ps million)	12 months 2015 (Ps million)	VAR % 2016 / 2015	Q4 2016 (Ps Million)	Q4 2015 (Ps Million)	VAR % Q4 2016 / Q4 2015
Revenues	210,100	156,136	35%	54,558	40,946	33%
Operating income	-24,246	16,588	-246%	3,396	910	273%
Adj. EBITDA <sup>1</sup>	58,216	47,556	22%	13,933	11,589	20%
Net income	-28,379	4,579	-741%	1,775	-1,865	195%

Source: YPF financial statements

(1) Adjusted EBITDA = Net income attributable to shareholders + Net income for non controlling interest - Deferred income tax - Income tax - Financial income (losses) gains on liabilities - Financial income gains (losses) on assets - Income on investments in companies + Depreciation of property, plant & equipment+ Amortization of intangible assets + Unproductive exploratory drillings + Impairment of property, plant & equipment





- 
- A semi-transparent blue rectangular overlay is positioned in the center of the page. It contains a vertical list of four items. The first three items are in a darker blue section, and the fourth item, 'Conclusions', is in a lighter blue section. The numbers 1, 2, and 3 are white, while the number 4 is dark blue. The text for all items is white.
- 1 Company Overview
  - 2 Upstream and Downstream
  - 3 Financial Results
  - 4 Conclusions**



2016 was a transition year with management and BOD changes but strategy was reaffirmed; the Company performed in line with guidance

Main accomplishments were significant improvements in Vaca Muerta and the reduction in costs while adjusting activity to the new reality; we also acquired and restructured holdings and, more recently, announced a JV with Shell

In 2017 we will slightly reduce Capex but at the same time increase focus on safety and exploration, including extending Vaca Muerta's limits

We will continue our focus on natural gas

We expect a stronger local fuel market and a pricing dynamic to preserve or expand our margins

Financial discipline is a priority: smart capital allocation, costs control and a strong balance sheet





# YPF

NUESTRA ENERGÍA