YPF and Argentina

April 17, 2012

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Energy Situation in Argentina

Characteristics of Argentina's Energy Situation

1. Hydrocarbons-intensive energy matrix.

2. Mature Basins, First Oil in 1907.

3. Country with high inflation, large salary increases and frozen energy prices, far below international prices.

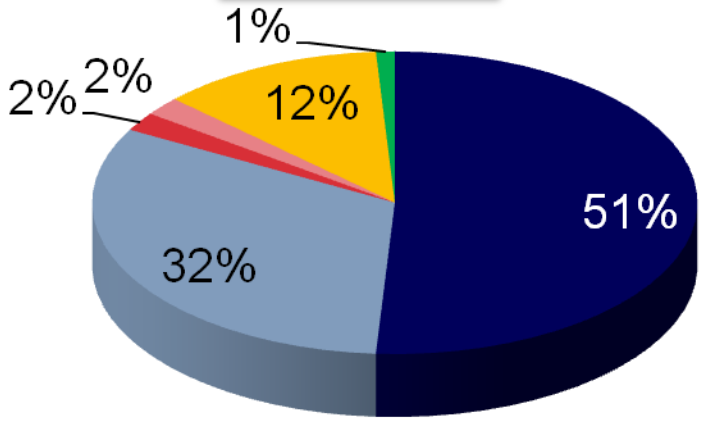
4. Difference between international import prices and domestic rates bridged with increaseing subsidies. This policy discourages energy saving and affects public finances.

5. Fall in dollar reserves

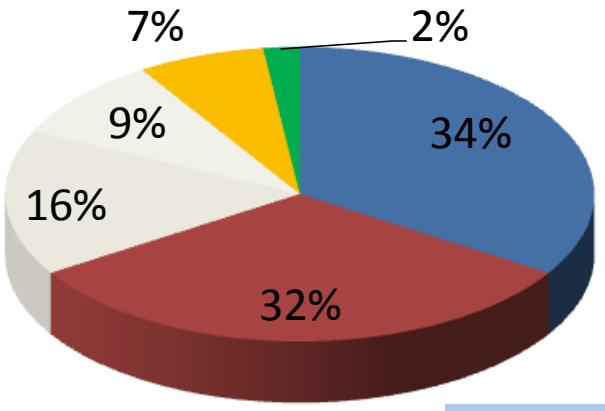
Energy Situation in Argentina

Primary energy Matrix

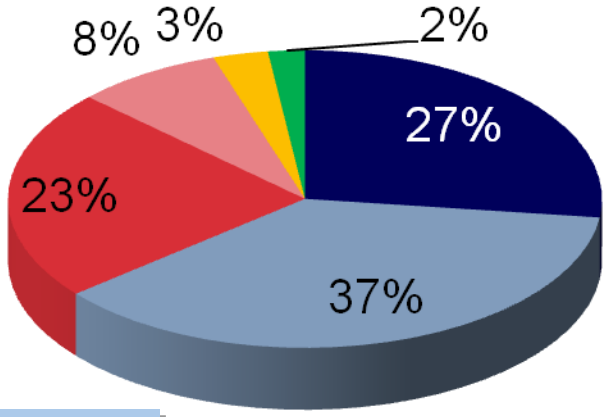
Argentina



Europe



U.S.



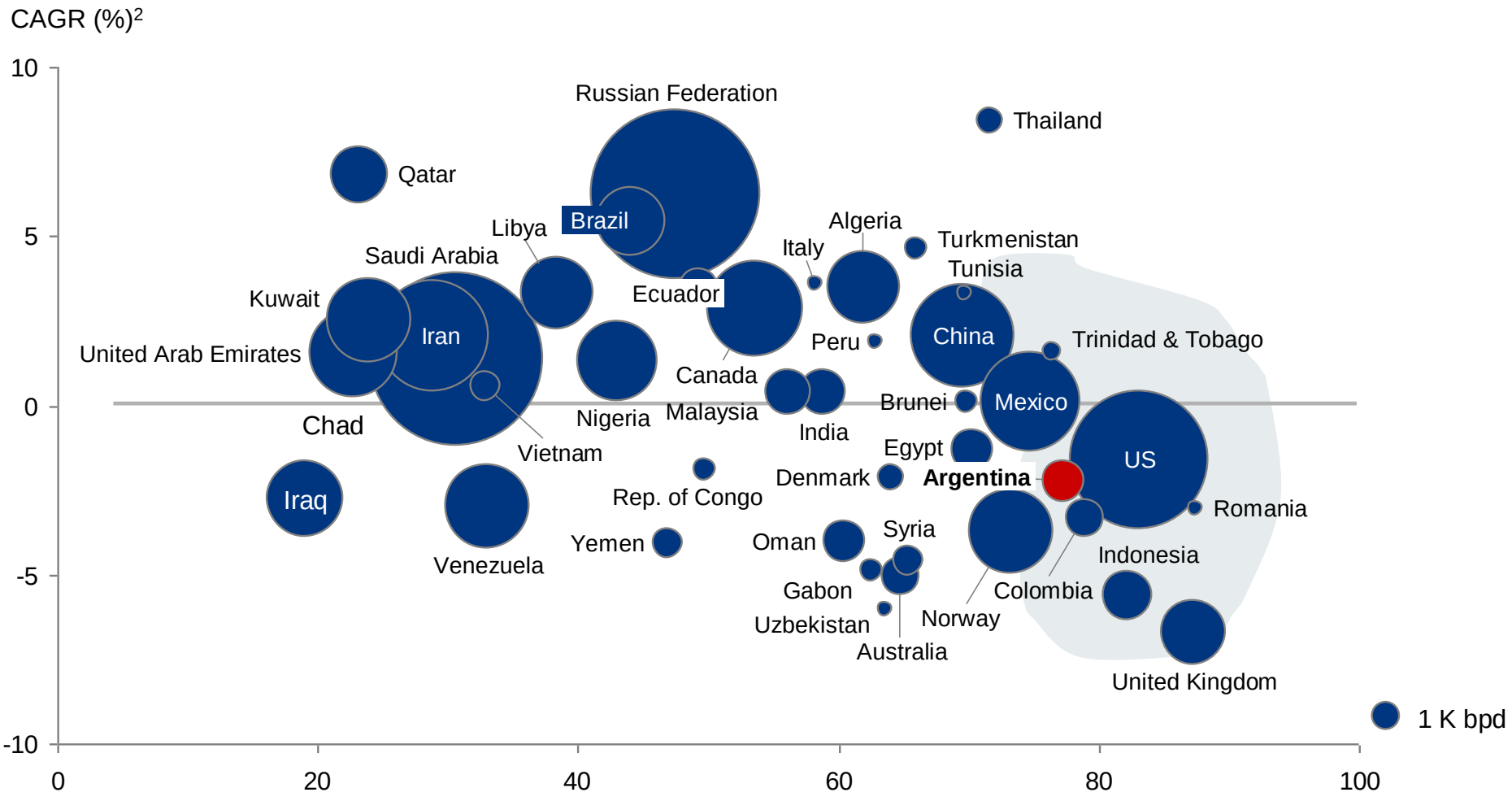
- Natural Gas
- Coal
- Hydropower
- Crude
- Nuclear
- Renewables

Argentina is highly dependent on hydrocarbons, mainly natural gas.

Fuente: BP statistical Review 2010

Energy Situation in Argentina

A mature basin with challenges similar to basins in the US and Mexico



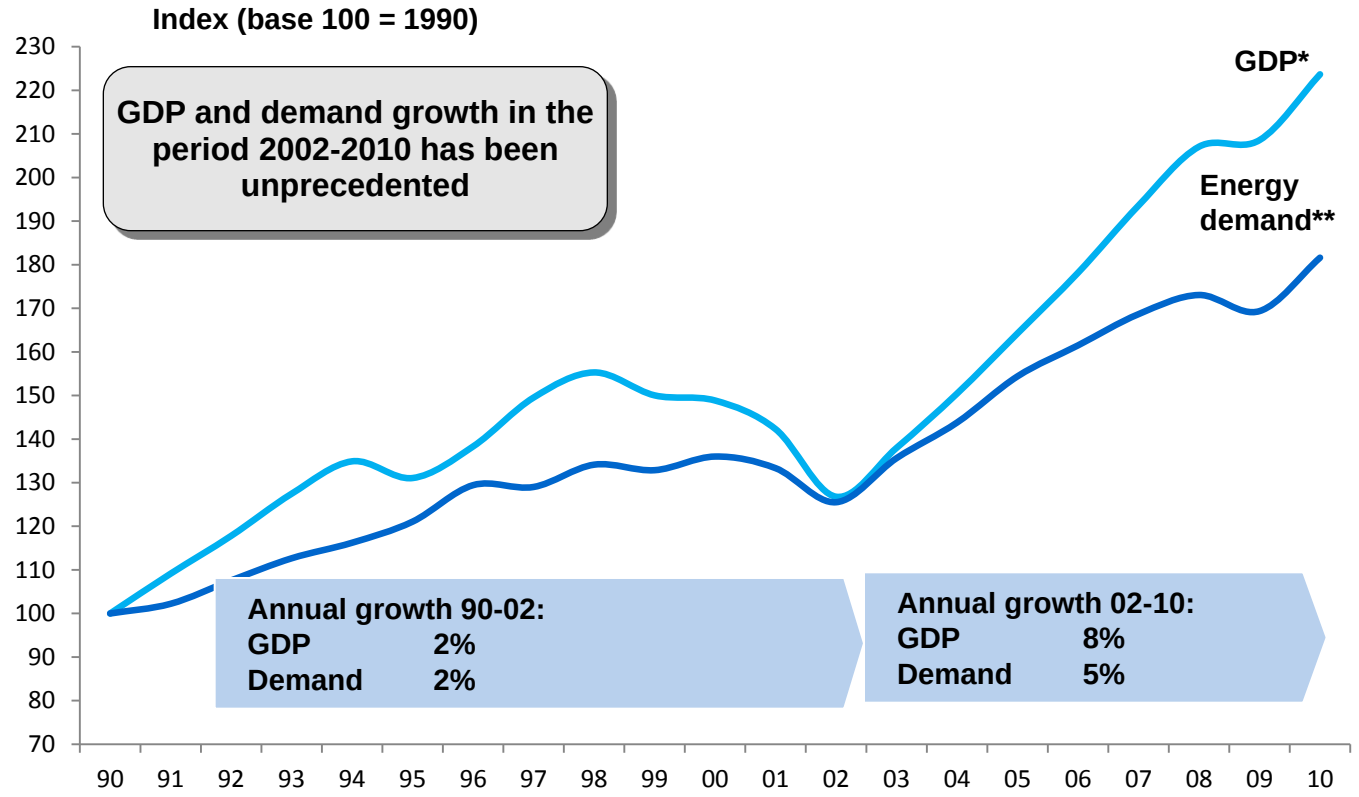
A responsible country plans based on reality and not on desires

1. Maturity = Accumulated production 1965-2007 / (Accumulated production 1965 - 2007 + proven reserves in 2007); 2. Annualized growth rate in 2000-2007

Source: BP Statistical Review

Energy Situation in Argentina

Economic evolution in Argentina and demand growth



* GDP in trillions of pesos in constant terms
** Total domestic demand in primary energy in millions of TOE

In an environment of high GDP growth, subsidies and frozen prices cause energy demand to rise exponentially, making self-supply unsustainable

Source: INDEC, Secretaría de Energía y Enargas

Energy Situation in Argentina

Natural Gas imports since 2004

Main Highlights

2008 — First LNG imports in the Bahía Blanca port.
6 shipments, 441 Mm3

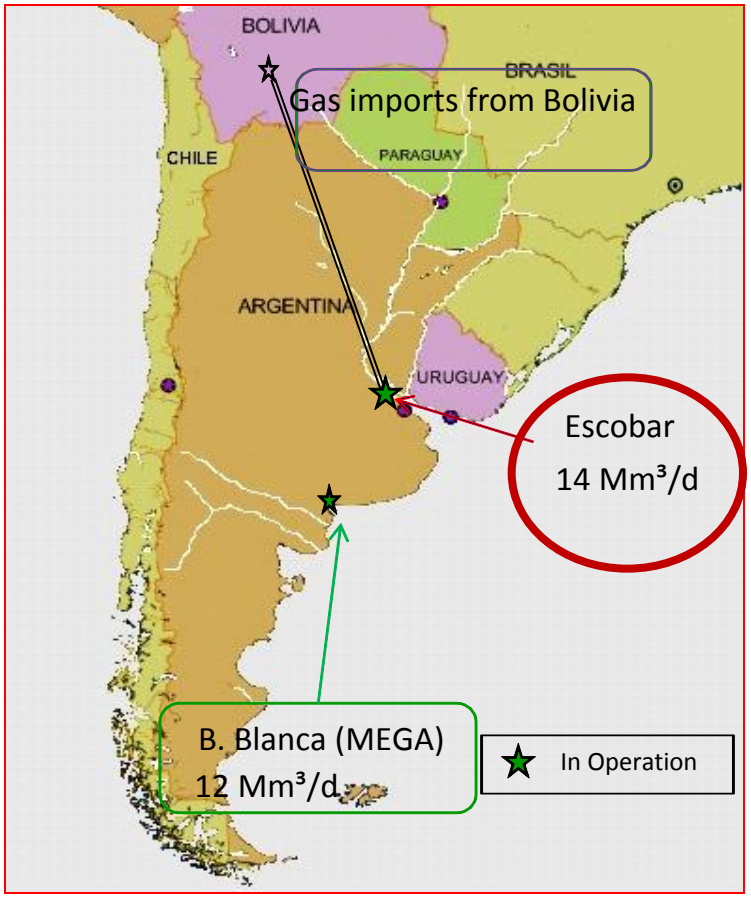
2009 — LNG imports from May to September
10 cargoes, 783 Mm3

2010 — LNG imports. Regasification
23 cargoes in 2010

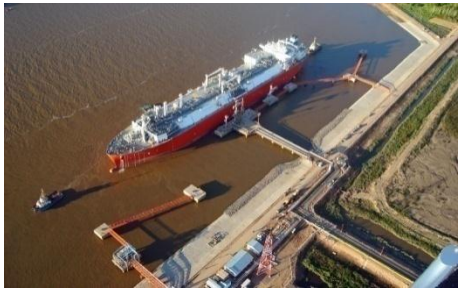
2011 — LNG imports. Regasification
50 cargoes in 2011

2012 — Enarsa began an auction for 80 cargoes (aprox.15 pending) in 2012.

LNG and Bolivia projects



Escobar LNG



Bahía Blanca LNG

Bolivian gas imports

Gas from LNG and Bolivia are already part of Argentina's energy mix, with the first investmensts in 2006

Source: YPF

Energy Situation in Argentina

Difference between international import prices and domestic rates leads to growing subsidies

The total amount in subsidies increases:

- because of the difference between import prices and internal rates,
- and because of growing import volumes

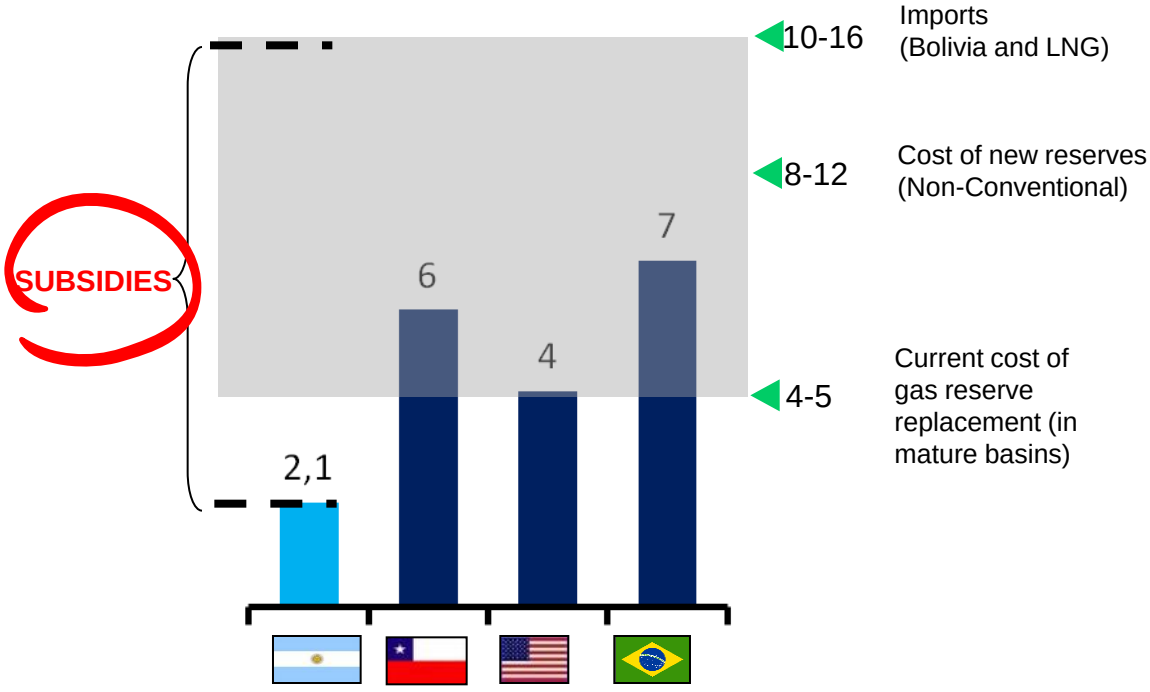
ENERGY TRADE BALANCE
In Millions of Dolars

Año	Exportaciones	Importaciones	Balance
2003	5.412	548	**4.864**
2004	6.195	1.004	**5.192**
2005	7.132	1.545	**5.587**
2006	7.760	1.729	**6.031**
2007	6.919	2.845	**4.074**
2008	7.996	4.334	**3.662**
2009	6.438	2.626	**3.812**
2010	6.401	4.443	**1.958**
2011 e	5.657	9.095	**-3.438**

Fuente: OJF & Asociados en base a INDEC

Gas realization prices (at the wellhead)

2011 USD/MBtu



Imports of LNG and from Bolivia are at international prices, much higher than prices in the country.

Source: Secretaría de Energía (Argentina), Ministerio de economía (Argentina), Ministerio de Minas e Energia-ANP (Brazil), Fondo de Compensación y Comisión Nacional de Energía (Chile), EIA (Henry-Hub)

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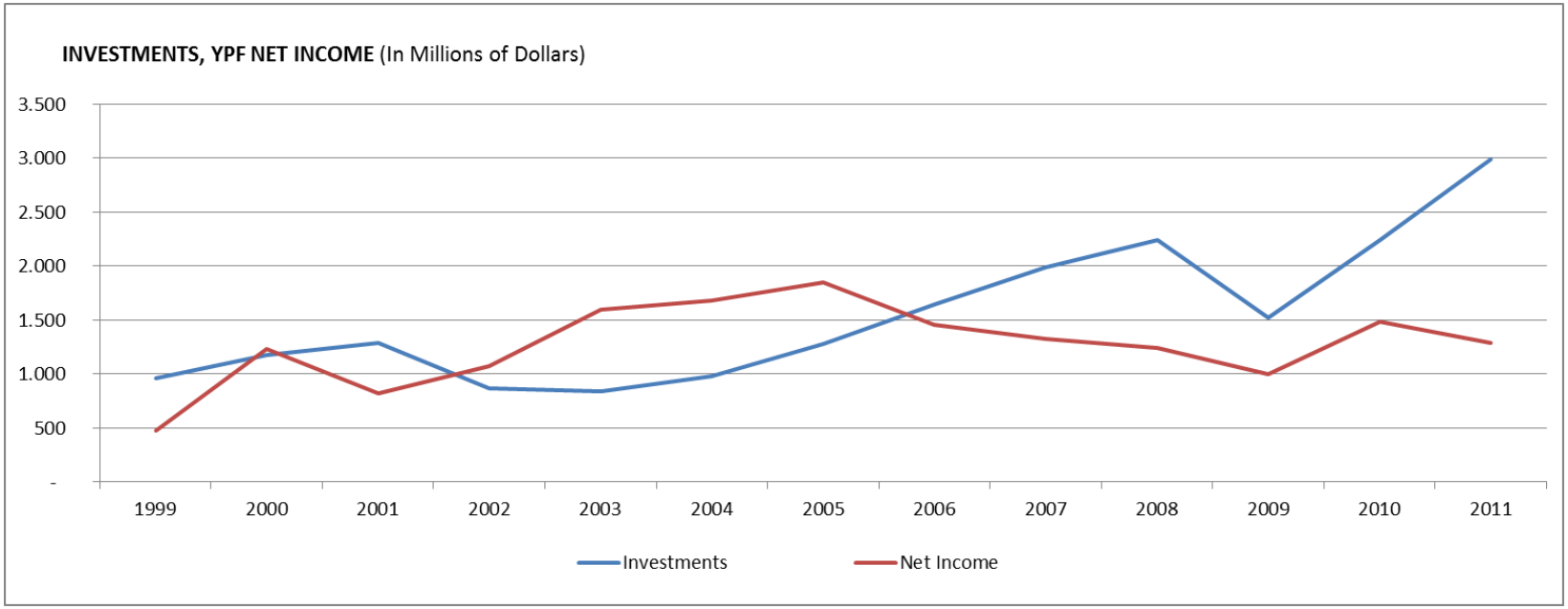
Evolution of YPF Key Metrics

Evolution of investments and earnings



INVESTMENT IN FIXED ASSETS ACQUISITION YPF (In Millions of Dollars)												
1999	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
963	1.173	1.286	867	834	981	1.282	1.638	1.991	2.239	1.518	2.242	2.990

YPF NET INCOME (In Millions of Dollars)												
1999	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
477	1.229	819	1.076	1.596	1.679	1.847	1.459	1.320	1.241	994	1.487	1.289

Since 2006 investment has been higher than earnings.
Record investment in 2011

According to Argentinean Gaap (pesos) with accumulated average exchange rate pesos/US$

Evolution of YPF Key Metrics

Reserve addition (SEN data)

Crude

Reserves (Million barrels)

	2006	2007	2008	2009	2010
YPF	639	614	601	582	621
Rest of competitors	1,948	2,002	1,920	1,922	1,904
Total country	2,587	2,616	2,520	2,505	2,525

Incorporation of reserves (Million of barrels)

	2006	2007	2008	2009	2010
YPF	24	73	79	70	126
Rest of competitors	607	191	56	141	117
Total country	632	264	135	212	243

RRR

	2006	2007	2008	2009	2010
YPF	0.23	0.75	0.85	0.79	1.44
Rest of competitors	4.43	1.40	0.40	1.02	0.87
Total country	2.62	1.13	0.58	0.93	1.09

Data until end of life. Source: IAPG

Gas

Reserves (Million boe)

	2006	2007	2008	2009	2010
YPF	846	798	694	637	637
Rest of competitors	1,960	1,981	1,812	1,745	1,619
Total country	2,806	2,780	2,507	2,383	2,256

Incorporation of reserves (Million of barrels)

	2006	2007	2008	2009	2010
YPF	60	76	16	52	102
Rest of competitors	310	218	29	129	68
Total country	371	295	45	181	170

RRR

	2006	2007	2008	2009	2010
YPF	0.48	0.62	0.13	0.48	1.00
Rest of competitors	1.56	1.11	0.15	0.66	0.35
Total country	1.14	0.92	0.14	0.59	0.57

Data until end of life. Source: IAPG

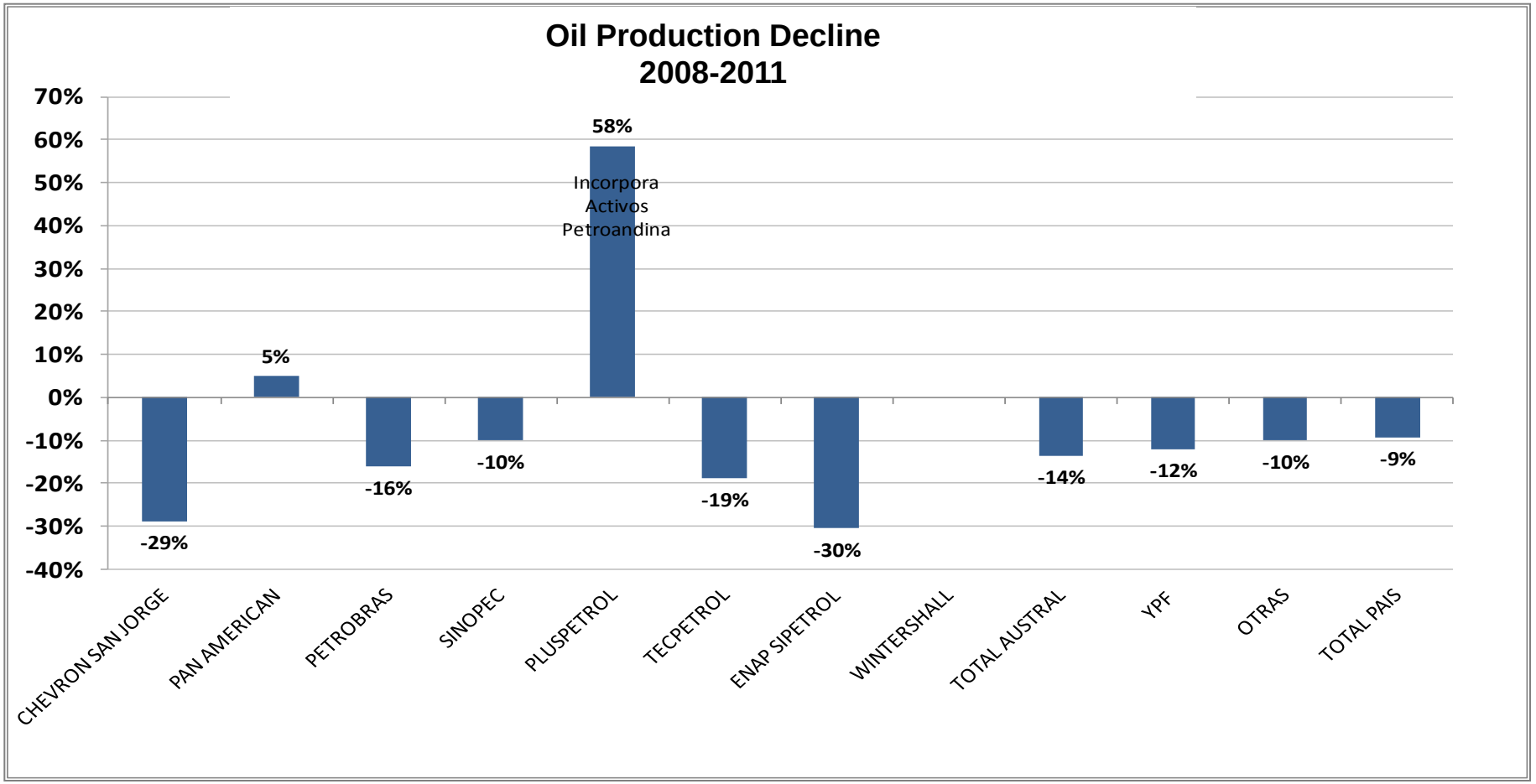
In 2010, YPF's reserve replacement ratio was 144% for oil and 100% in gas, higher than the average of other companies.

In 2011 the oil and gas reserve replacement ratio is expected to be 113% (**).

(*) Ajdjustment due to reserve writedown in 2005
(**) SEC criteria

Evolution of YPF Key Metrics

Oil production and reserves

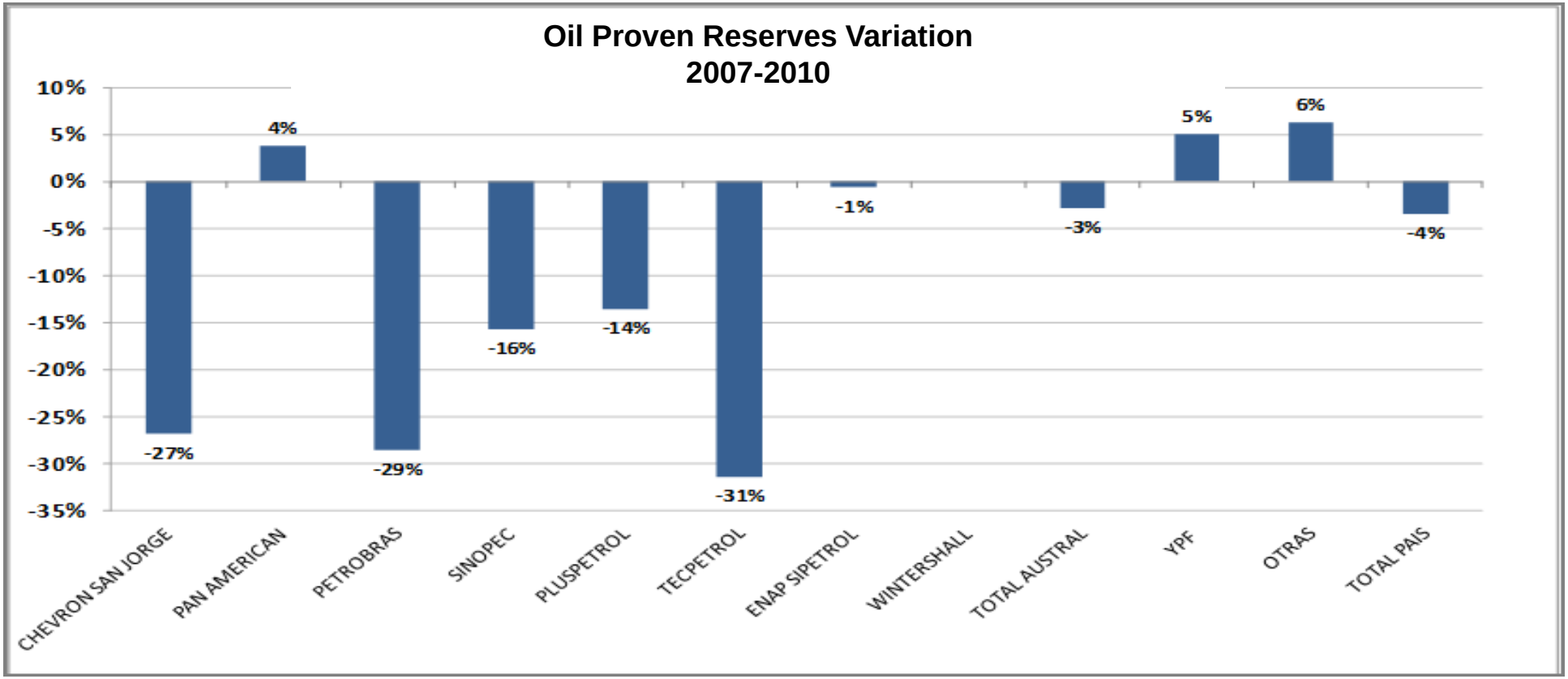


YPF's production is 34% of the oil produced in the country

Fuente: IAPG

Evolution of YPF Key Metrics

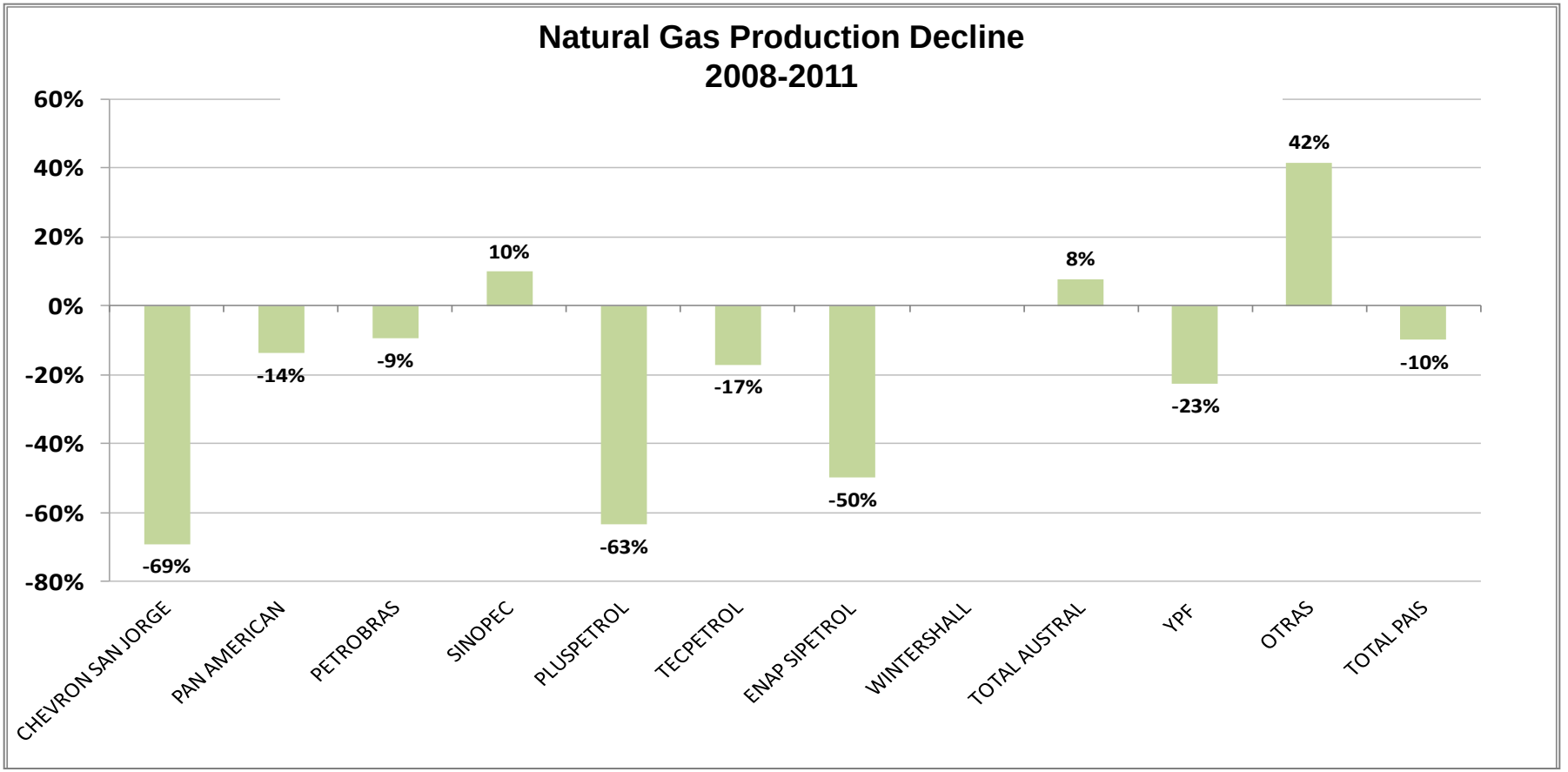
Oil production and reserves



Fuente: IAPG

Evolution of YPF Key Metrics

Natural Gas production and Reserves

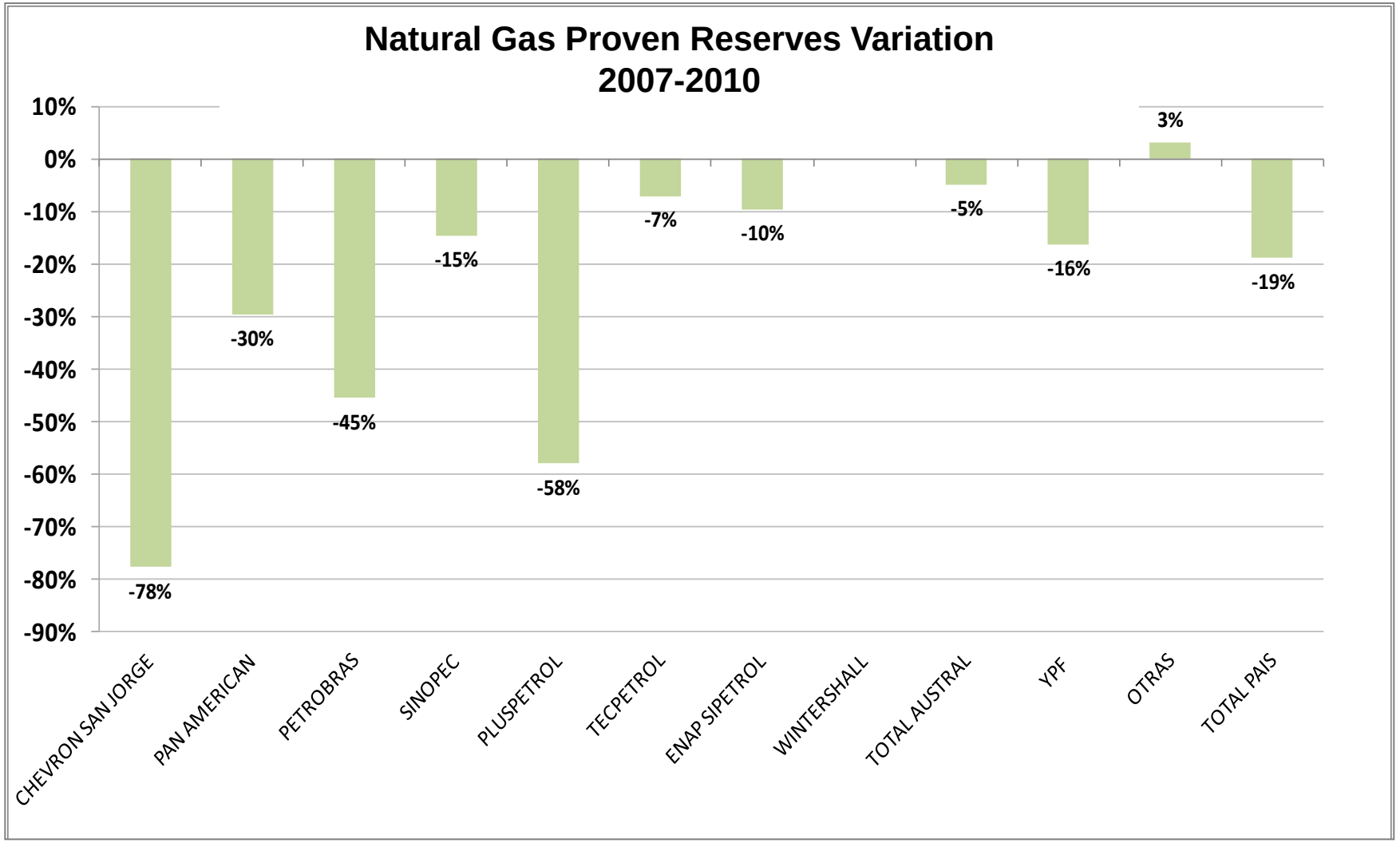


YPF's production is 23% of the natural gas produced in the country

Fuente: IAPG

Evolution of YPF Key Metrics

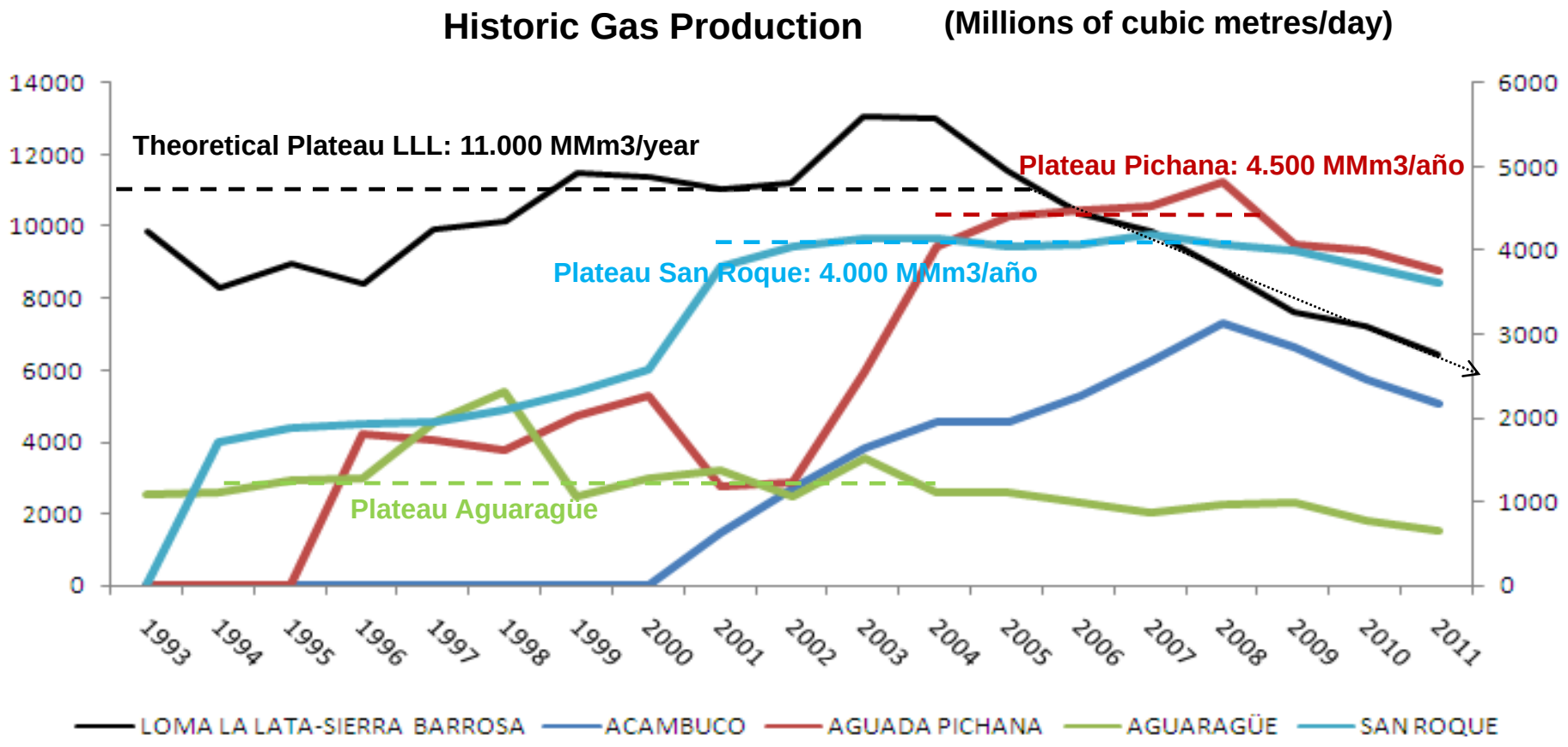
Natural Gas production and Reserves



Fuente: IAPG

Evolution of YPF Key Metrics

Historical production in the largest fields

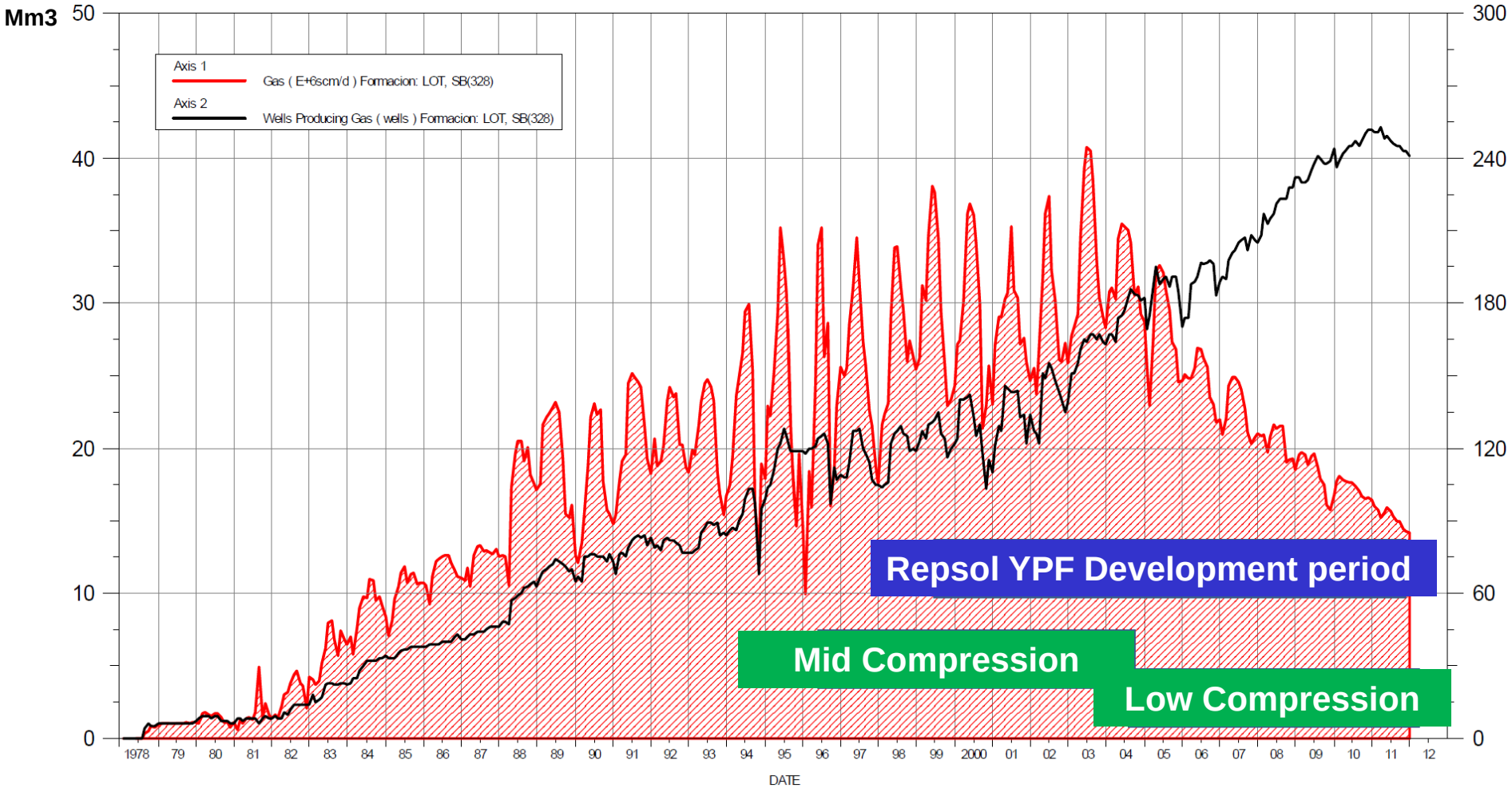


Loma La Lata can be considered to have ended its plateau, reaching peak production in 2004

Source: IAPG

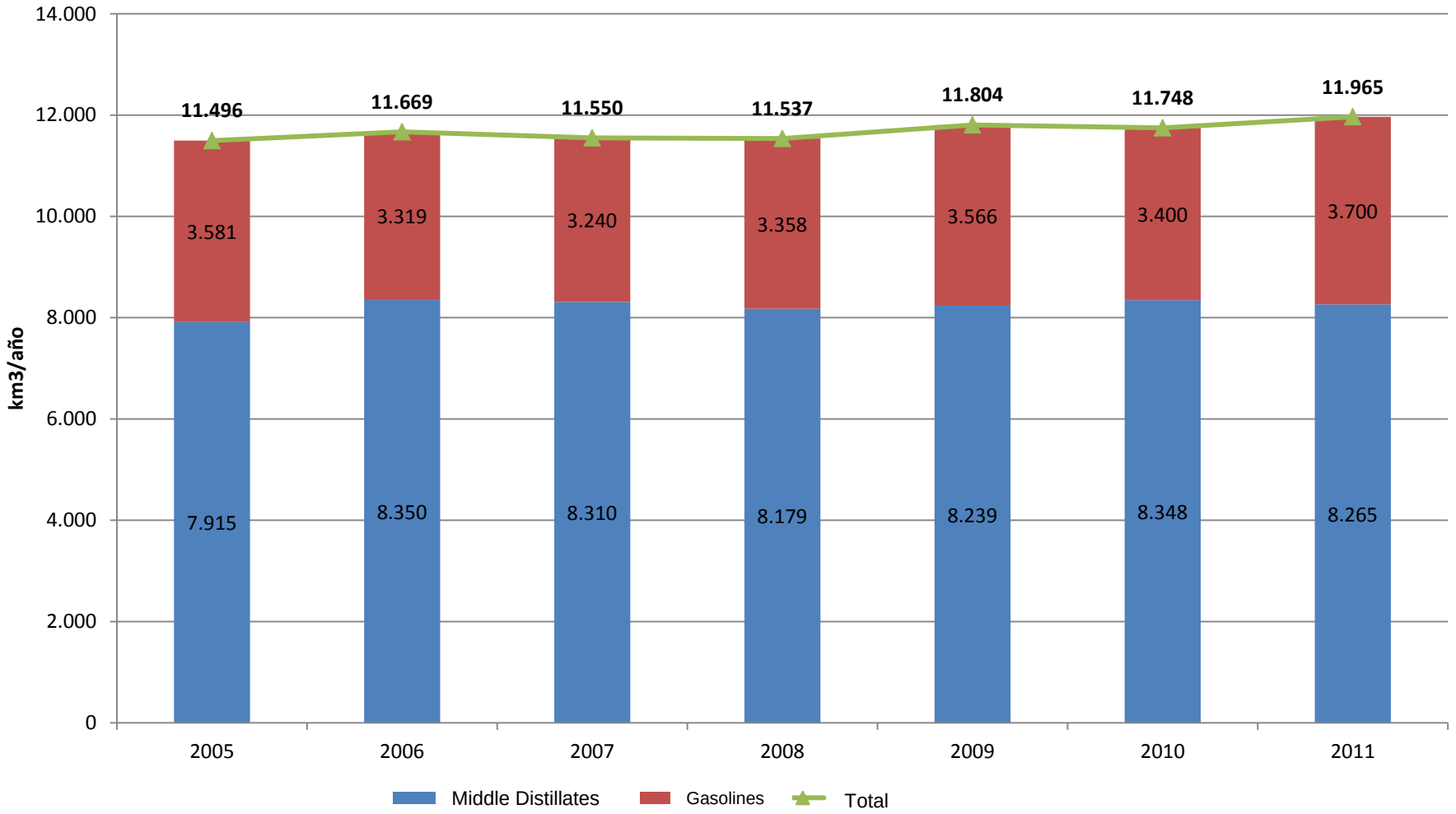
Evolution of YPF Key Metrics

Loma La Lata: Evolution of production and producing wells to date



Evolution of YPF Key Metrics

Yield and market share: Production of gasoline and middle distilates

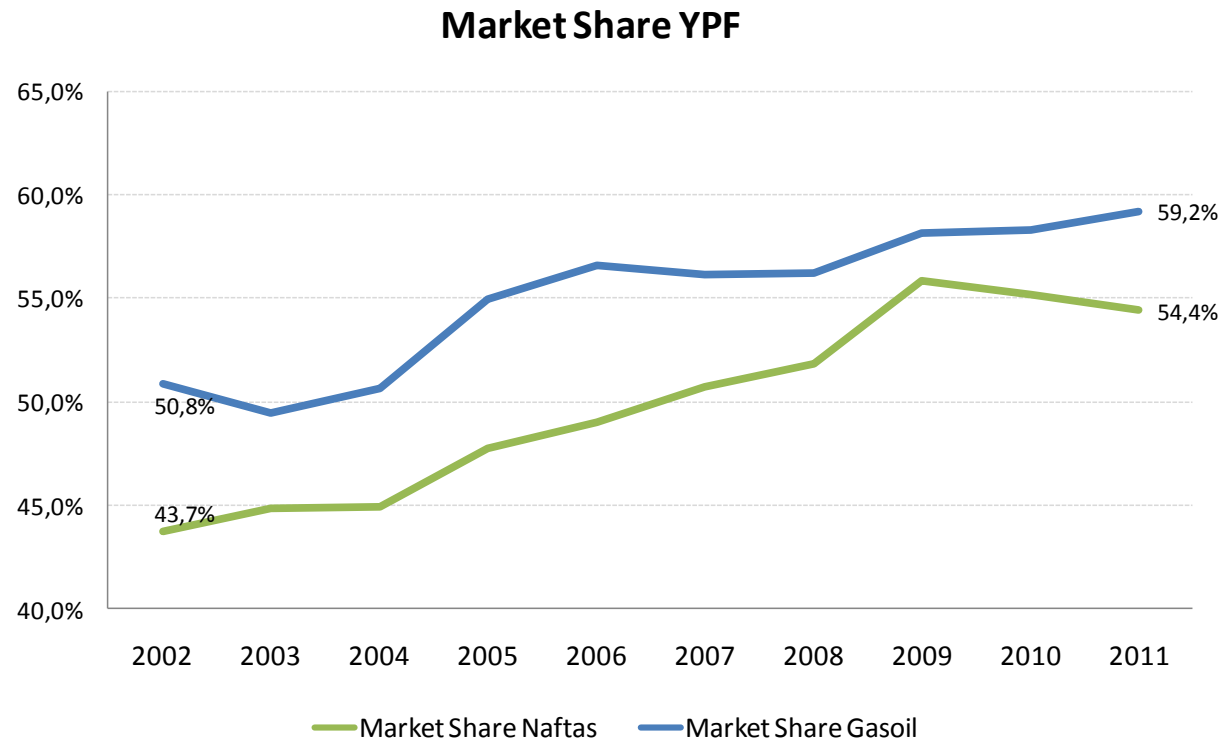


YPF has maintained gasoline and middle distillate production in the last few years.

Source: Secretaria de Energía

Evolution of YPF Key Metrics

Evolution of YPF market share



Fuente: SESCO Secretaría de Energía

YPF's market share went from 44% in gasolines and 51% in diesel in 2002 to 54% in gasolines and 59% in gasoil in 2011.

Note: 2011 preliminary data

Evolution of YPF Key Metrics

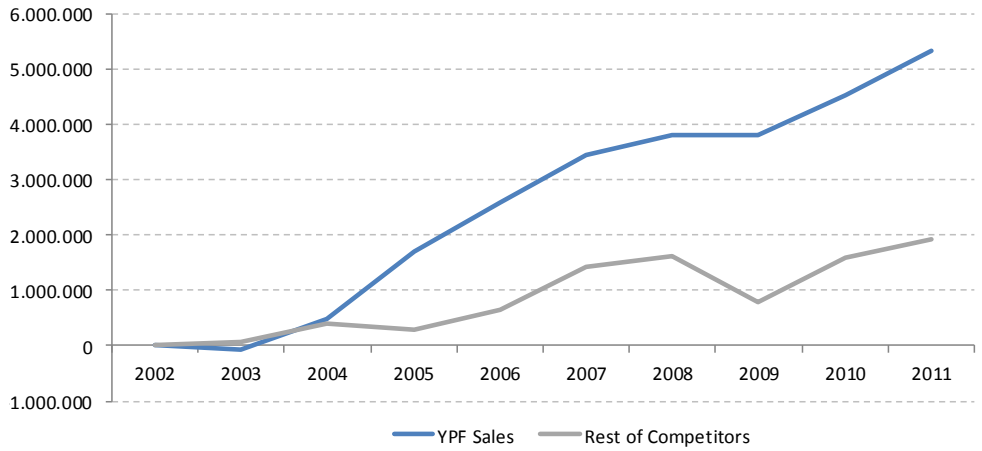
Gasoil and gasoline sales

Diesel and Gasolines Sales to Local Market (m3)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
YPF Sales	6,823,599	6,759,210	7,309,074	8,512,124	9,406,796	10,275,442	10,631,181	10,616,558	11,348,330	12,150,857
Rest of competitors	7,124,980	7,196,582	7,510,537	7,424,070	7,785,267	8,548,394	8,737,039	7,898,321	8,703,485	9,035,551
Total Country	13,948,579	13,955,792	14,819,611	15,936,194	17,192,063	18,823,836	19,368,220	18,514,879	20,051,814	21,186,409

Source: SEN

Increase in Sales since 2002 (m3)

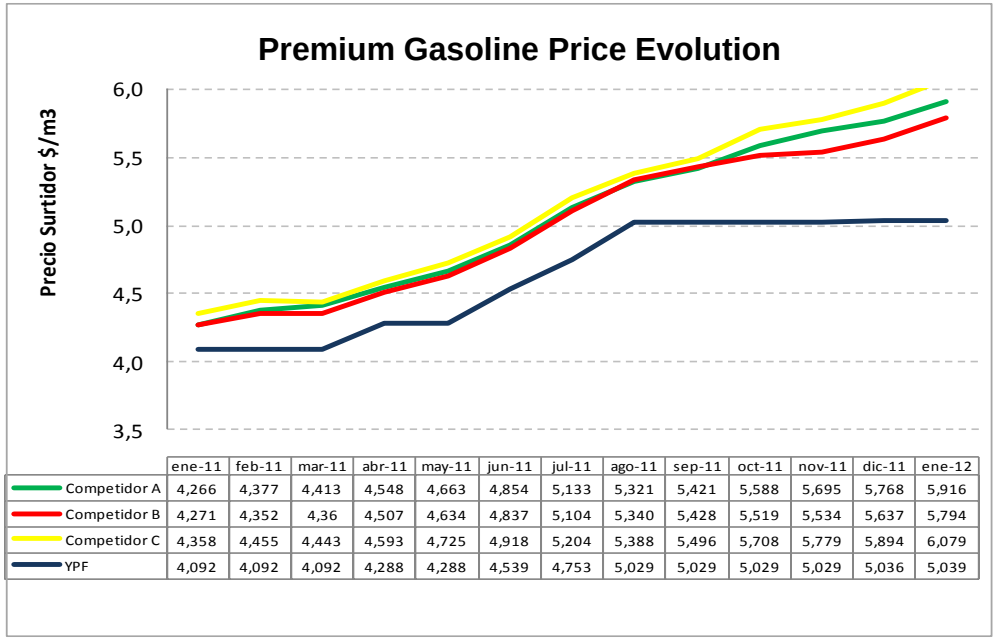


YPF has supplied more than 74% of market growth since 2002

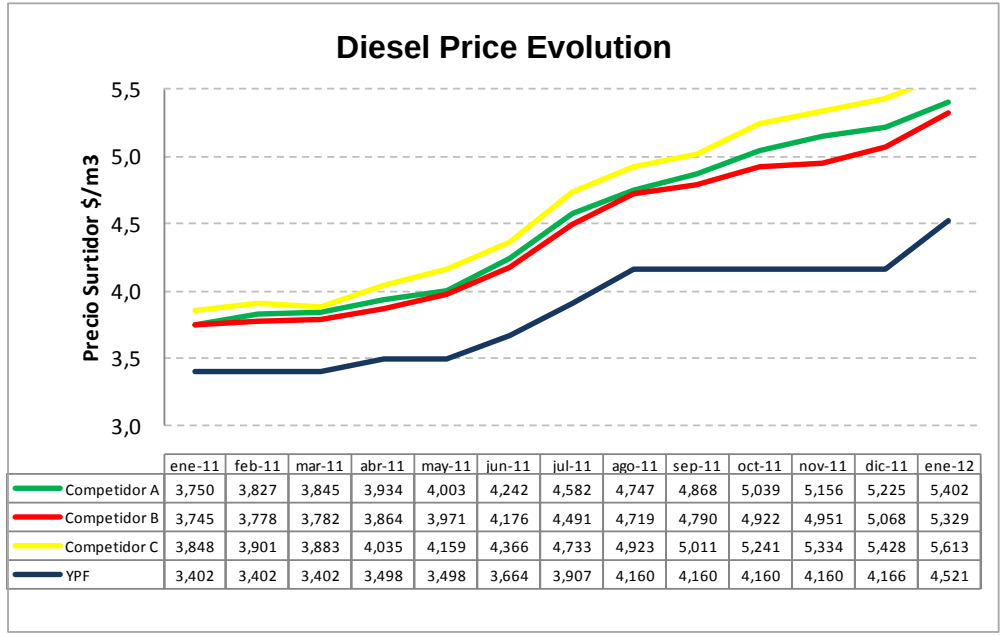
Source: SEN

Evolution of YPF Key Metrics

Gasoil and gasoline prices



	ene-11	feb-11	mar-11	abr-11	may-11	jun-11	jul-11	ago-11	sep-11	oct-11	nov-11	dic-11	ene-12
Competidor A	4,266	4,377	4,413	4,548	4,663	4,854	5,133	5,321	5,421	5,588	5,695	5,768	5,916
Competidor B	4,271	4,352	4,36	4,507	4,634	4,837	5,104	5,340	5,428	5,519	5,534	5,637	5,794
Competidor C	4,358	4,455	4,443	4,593	4,725	4,918	5,204	5,388	5,496	5,708	5,779	5,894	6,079
YPF	4,092	4,092	4,092	4,288	4,288	4,539	4,753	5,029	5,029	5,029	5,029	5,036	5,039



	ene-11	feb-11	mar-11	abr-11	may-11	jun-11	jul-11	ago-11	sep-11	oct-11	nov-11	dic-11	ene-12
Competidor A	3,750	3,827	3,845	3,934	4,003	4,242	4,582	4,747	4,868	5,039	5,156	5,225	5,402
Competidor B	3,745	3,778	3,782	3,864	3,971	4,176	4,491	4,719	4,790	4,922	4,951	5,068	5,329
Competidor C	3,848	3,901	3,883	4,035	4,159	4,366	4,733	4,923	5,011	5,241	5,334	5,428	5,613
YPF	3,402	3,402	3,402	3,498	3,498	3,664	3,907	4,160	4,160	4,160	4,160	4,166	4,521

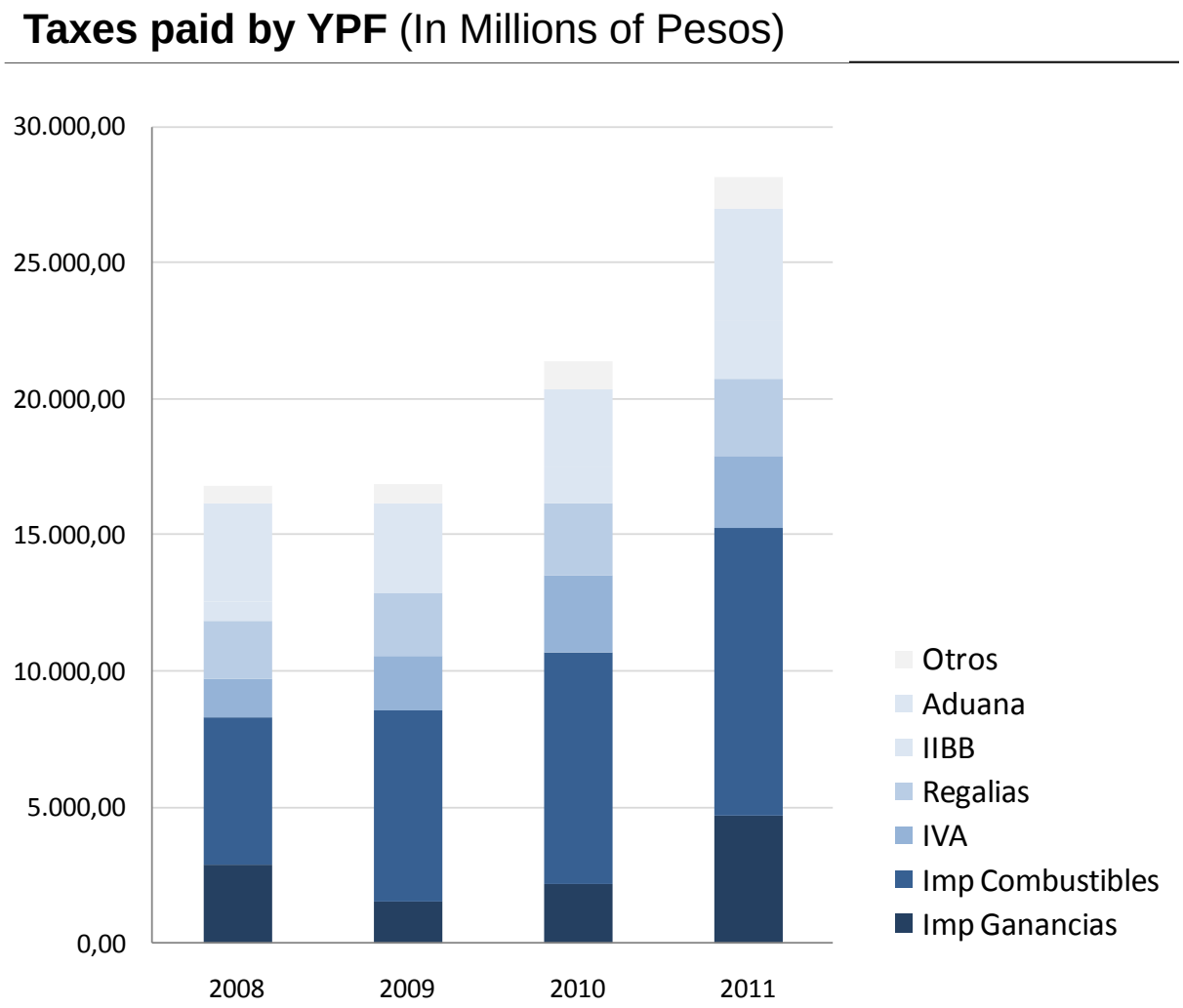
Prices on the las thuirsday of every month. Competition: sample of 335 competitors' service stations. YPF entire network average.

Average country prices

YPF has the lowest prices in the market. In January 2012 competitors had prices which were 18% and 21% higher than YPF's in premium gasoline and diesel respectively.

Evolution of YPF Key Metrics

Taxes paid by YPF

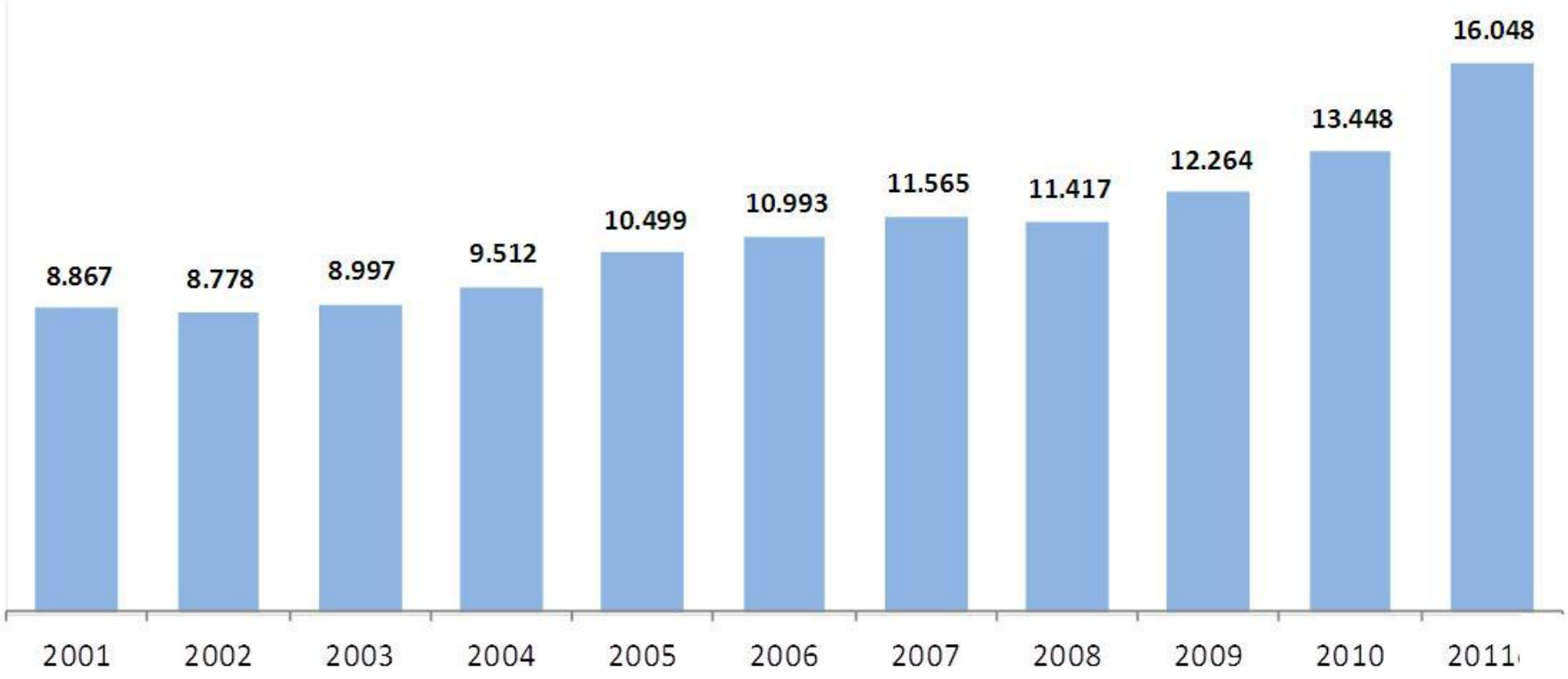


Note: 2011 preliminary data

Evolution of YPF Key Metrics

Workplaces: Evolution of YPF total workforce

Total workforce GRUPO YPF



YPF's workforce has doubled in 10 years

Grupo YPF includes personnel from YPF and its affiliates taht are consolidated by proportional or global integration , such as : OPESSA, AESA, YPF Servicios Petroleros, Refinor, Profertil, MEGA, Pluspetrol Energy, YPF Holding, YPF Services, etc.

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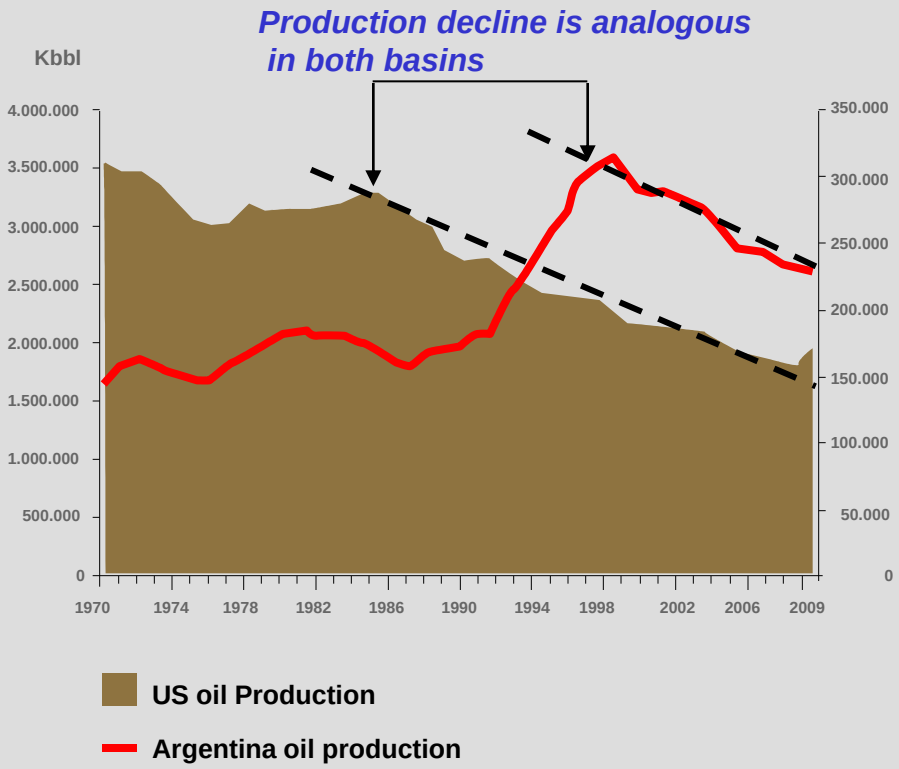
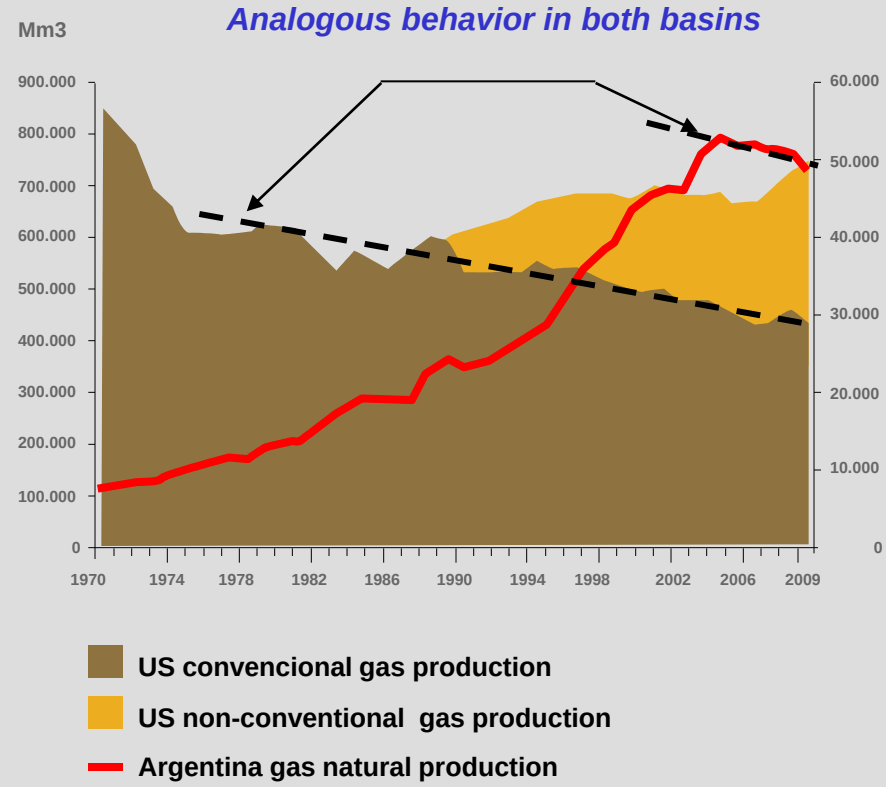
Argentina – US Comparison

Oil & Gas production evolution

Oil Production



Gas Natural Production

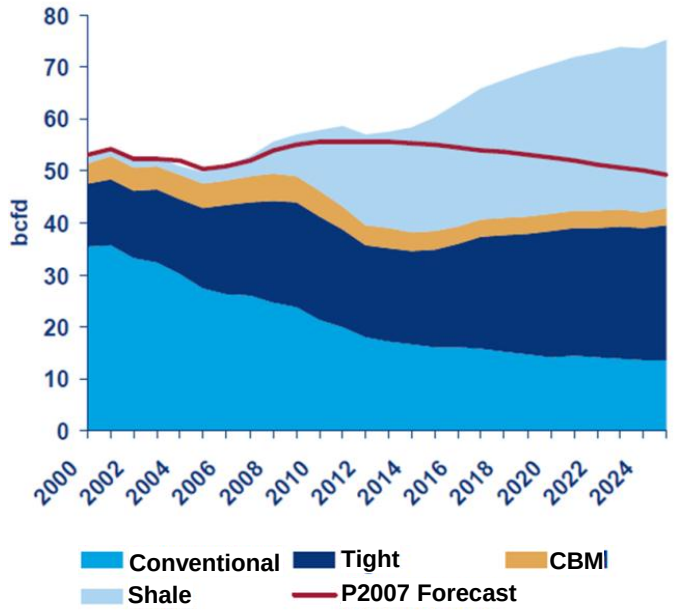


Source: Wood Mackenzie / SEN Argentina

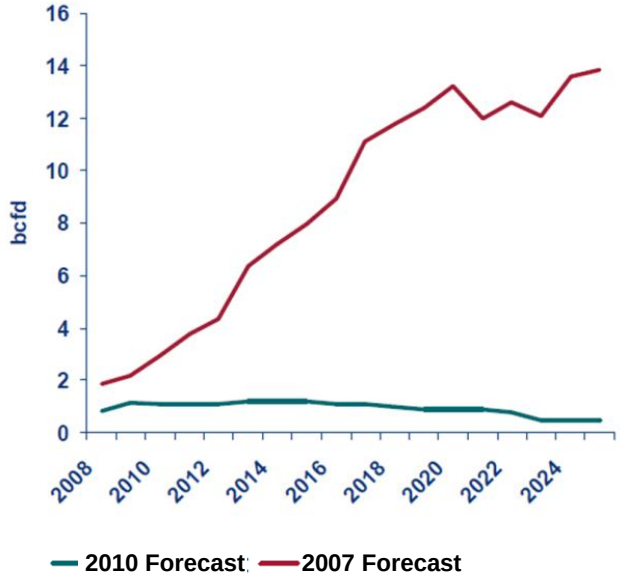
Argentina – US comparison

US Shale: Impact on natural gas supply

Gas production
US



LNG Imports
US



Source: Wood Mackenzie NAGS

The Shale Gas development in the US has totally changed the energy balance and has eliminated to a large degree the LNG import needs.

Currently 23% of the US natural gas production comes from Shale

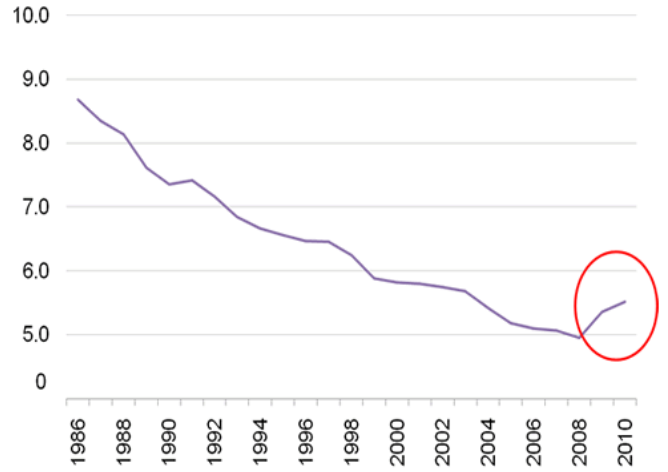
NOTE: 1 m3 is equivalent to 35,31 Cubic Feet

Argentina – US comparison

Shale in the US: Oil production impact

US oil production

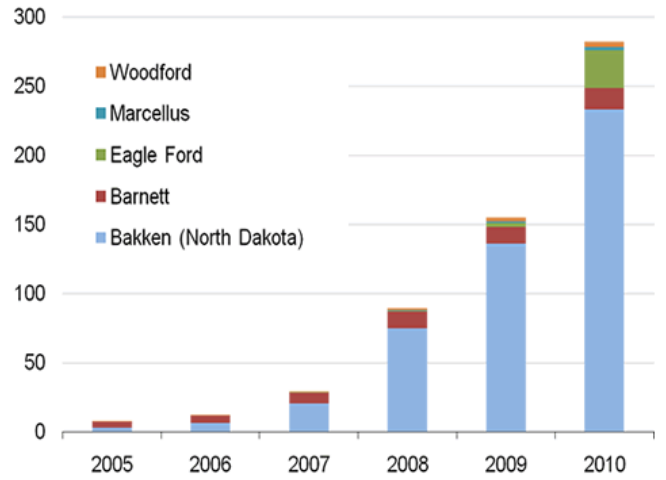
Million barrels per day (oil + condensate excluding plant production)



Sourde: U.S. Energy information administration (EIA)

Shale oil production in the US

(million barrels per day)



Source: HPDI, LLC

The 2010 production increase in the US was driven by the rise of horizontal shale drilling campaigns, reversing the historic decline tendency the country had.

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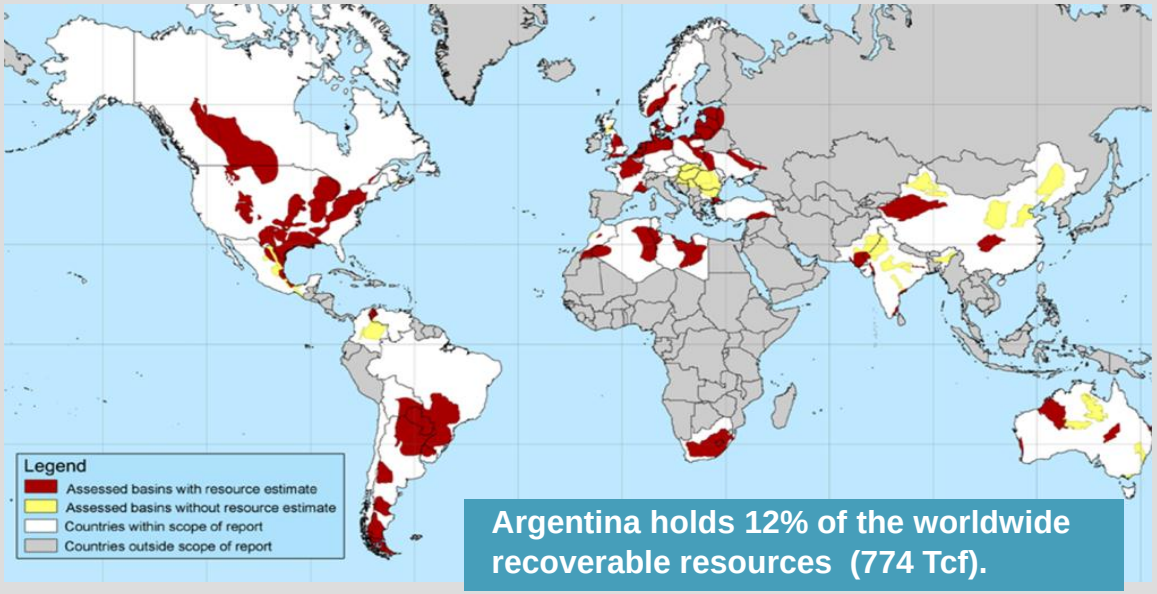
Vaca Muerta
Shale gas: Worldwide resources

Main shale gas basins



Argentina holds 12% of the worldwide recoverable resources (774 Tcf).

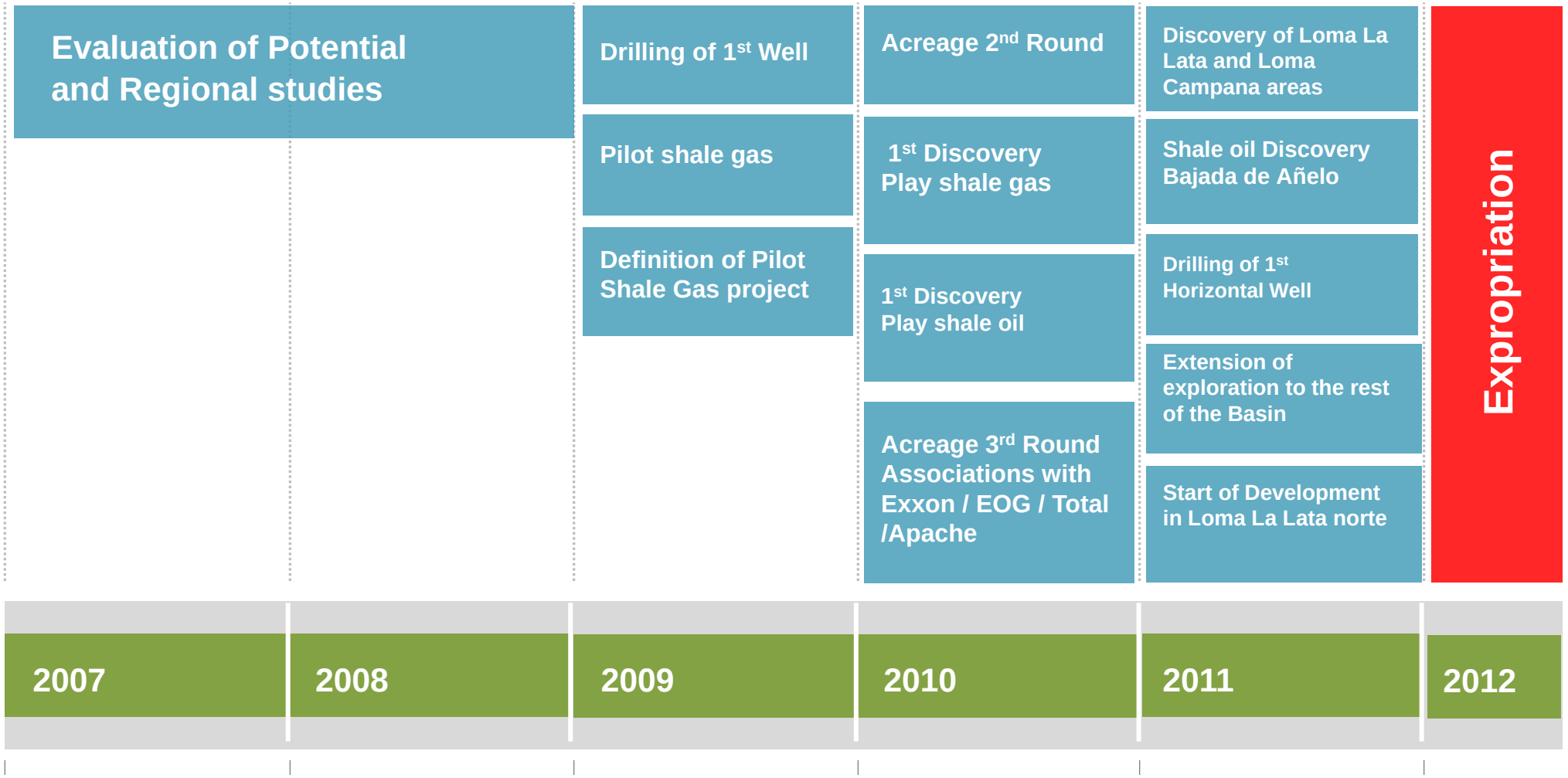
Continent	Risked technically recoverable (Tcf)
North America	**1.931**
South America	**1.225**
Europe	**624**
Africa	**1.042**
Asia	**1.404**
Australia	**396**
Total	**6.622**

Argentina is ranked third in worldwide shale gas resources according to the EIA report "World Shale Gas Resources", published in April 2010.

It is estimated that the non conventional natural gas resources worldwide (6.622 Tcf) is equivalent to the conventional natural gas proved reserves (6.609 Tcf)

Source: EIA

Vaca Muerta
Story of a Discovery



Vaca Muerta

Evaluation of Reserves and Resources made by Ryder Scott

- **Total Hydrocarbon Resources and Reserves discovered at the Vaca Muerta formation amounts to 22,807 million barrels of oil equivalent (Mboe).**

- **These volumenes discovered correspond only to 49% of YPF's acreage in the formation.**

The average of analysts gives these resources a net present value (NPV) of USD 1/boe, which means that this portion of YPF's acreage in Vaca Muerta has a value of approximately 13,700 Million USD.

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Accounting Impact

Greater Exposure in the Finantial Expenses: 5,664 M€

	% YPF over total Group
2011 P&L:	
Operating Income	**25.6%**
Net Income	**21.0%**
Investments	**33.7%**

Accounting Impact and Valuation

IPO price according to Privatization Law and YPF Bylaws

- **In the hipothetical case of an acquisition equal or greater than 15% and as per Articles 7 and 28 of theYPF bylaws, the party acquiring the shares must launch a tender offer for the total shares of the company, which shall be paid in cash, according to the highest price of 4 possible caculation criteria.**

- **The applicable price which emerges from the calculations consists of the YPF maximum PER of the last two years multiplied by the net income per share share of the last twelve months.**

After applying the abovementioned formula, the estimated value comes to us$ 46.55 per share, resulting in a valuation of us$ 18,300 million for 100% of the company and us$ 10,504 million for 57.4%.

Accounting Impact and Valuation

Comparaison of Government Calculations vs YPF Data

Government Data (MU$)	
Initial Investment 1999 (97.8%)	-13,158
Dividends to Repsol 1999-2011	15,728
Income from Petersen Adquisition 25.46%	3,539
IPO Income 17.09%	2,704
Net Income	**8,813**

YPF REALITY (MU$)	
Initial Investment	15,005
Divestments	6,239
Petersen Group	3,554
IPO + Others	2,685
Net Share 57.4%	**8,766**
Dividends paid 100% YPF	15,124

Annual average financial profitability since YPF acquisition has been 7-8%, which unfavorably compares to the Argentinean WACC in U$ terms that is 14-16% (*)

(*) Range of WACC used by analysts of Argentinean Markets as of 04/16/2012

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Final Considerations

- Until the end of 2011, the Argentinean Government has made numerous expresions of satisfaction with YPF, publicly praising its management and thanking its commitment to Argentina:

  "because of their investment in the country and being the most important contributor" **(Cristina Fernández de Kirchner, septiembre 2010).**

  "This Plan that YPF is presenting today reafirms everything with optimism and hope in the present and in the future".
  (Cristina Fernández de Kirchner, presentation of the Strategic Plan 2010 - 2014).

  "The Federal State completely agrees with the activities carried out by the Company".
  (Roberto Baratta, November 2011).

Final Considerations

- In November 2011 Repsol YPF hosted in Argentina a Field Trip in which more than 40 international financial analysts and institutional investors participated. During the Field Trip, they gathered the following comments after the meeting with the Minister of Planning, Julio de Vido:

  "One conclusion from the meeting with the Minister of Planning, Julio de Vido, is that there is and will continue to be a continuous dialogue between the government, YPF and Repsol. There is no Argentina without YPF and vice-versa" (ITAU)

  "Comments from the government authorities and from management seemed to suggest a clear awareness of the need to provide an economic climate conducive to attracting the investments to realize full potential of the resources" (BoA)

  "Regarding natural gas prices, the Minister of Planning and Infrastructure, Julio De Vido, mentioned a price of US$4/mmbtu which does not seem to be enough to encourage the necessary investments in the non conventional fields" (Santander)

Final Considerations

- Repsol considers the announcement:
  - Unlawful
  - Discriminatory
  - Does not justify the public interest pursued
  - Obligations assumed at the time of privatization of YPF by the Argentinean state have been breached
  - Violates the international investment community confidence.
- Consequently, Repsol will take all legal measures to preserve the value of its assets and interests of all shareholders.

The unlawful expropriation of YPF does not affect the growth capacity of any of Repsol's businesses outside Argentina

YPF and Argentina

April 17, 2012