FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of

the Securities Exchange Act of 1934

For the month of March, 2008

Commission File Number: 001-12102

YPF Sociedad Anónima

(Exact name of registrant as specified in its charter)

Av. Pte. R.S. Peña 777 8th Floor

1354 Buenos Aires, Argentina

(Address of principal executive office)

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 __X__ 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 __X__

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 __X__

Indicate by check mark whether by furnishing the information

contained in this Form, the Registrant is also thereby furnishing the information to the Commission

pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes ______ No __X__

If Yes is marked, indicate below the file number assigned to the registrant

in connection with Rule 12g3-2(b): N/A

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This Form 6-K is incorporated by reference into the registration statement on Form F-3 of YPF Sociedad Anónima filed with the Securities and Exchange Commission (File No. 333-149313).

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YPF Sociedad Anónima

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Financial Statements as of December 31, 2007
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English translation of the report originally issued in Spanish, except for the

omission of certain disclosures related to formal legal requirements for

reporting in Argentina and the addition of the last paragraph - see Note 13 to

the primary financial statements.

Report of Independent Public Accountants

To the Board of Directors of

YPF SOCIEDAD ANONIMA

Av. Pte. Roque Sáenz Peña 777

Buenos Aires City

1. Identification of financial statements subject to audit

We have audited the balance sheet of YPF SOCIEDAD ANONIMA (an Argentine Corporation) as of December 31, 2007 and the related statements of income, changes in shareholders equity and cash flows for the year then ended. We have also audited the consolidated balance sheet of YPF SOCIEDAD ANONIMA and its controlled and jointly controlled companies as of December 31, 2007 and the related consolidated statements of income and cash flows for the year then ended, which are presented as supplemental information in Schedule I.

These financial statements are the responsibility of the Company s Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. Audit scope

We conducted our audit in accordance with generally accepted auditing standards in Argentina. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. Audit opinion

In our opinion, the financial statements of YPF SOCIEDAD ANONIMA as of December 31, 2007 referred to in the first paragraph present fairly, in all material respects, the financial position of YPF SOCIEDAD ANONIMA and the consolidated financial position of YPF SOCIEDAD ANONIMA and its controlled and jointly controlled companies as of December 31, 2007 and the related results of operations and cash flows for the year then ended in accordance with generally accepted accounting principles in Argentina.

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In relation to the financial statements as of December 31, 2006 and 2005, which are presented for comparative purposes, we issued our unqualified independent public accountants reports dated March 6, 2007 and March 8, 2006, respectively.

Certain accounting practices of YPF SOCIEDAD ANONIMA used in preparing the accompanying financial statements conform with accounting principles generally accepted in Argentina, but do not conform with accounting principles generally accepted in the United States of America (see Note 13 to the accompanying primary financial statements).

Buenos Aires City, Argentina

March 7, 2008

Deloitte & Co. S.R.L.

Ricardo C. Ruiz

Partner

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YPF SOCIEDAD ANONIMA

FINANCIAL STATEMENTS AS OF DECEMBER 31, 2007 AND COMPARATIVE INFORMATION

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English translation of the financial statements originally filed in Spanish with the Argentine Securities Commission (CNV), except for the inclusion of Note 13 to the primary financial statements in the English translation.

In case of discrepancy, the financial statements filed with the CNV prevails over this translation.

YPF SOCIEDAD ANONIMA

Avenida Presidente Roque Sáenz Peña 777 Ciudad Autómona de Buenos Aires, Argentina

FISCAL YEAR NUMBER 31

BEGINNING ON JANUARY 1, 2007

FINANCIAL STATEMENTS AS OF DECEMBER 31, 2007 AND COMPARATIVE INFORMATION

Principal business of the Company: exploration, development and production of oil and 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, generation of electric power from hydrocarbons, rendering telecommunications services, as well as the production, industrialization, processing, marketing, preparation services, transportation and storage of grain and its derivates.

Date of registration with the Public Commerce Register: June 2, 1977.

Duration of the Company: through June 15, 2093.

Last amendment to the bylaws: January 8, 2008.

Optional Statutory Regime related to Compulsory Tender Offer provided by Decree No. 677/2001 art. 24: not incorporated.

Capital structure as of December 31, 2007

(expressed in Argentine pesos)

	Subscribed, paid-in and authorized for stock exchange listing (Note 4 to primary financial statements)
Shares of Common Stock, Argentine pesos 10 par value, 1 vote per share	3,933,127,930

ANTONIO GOMIS SÁEZ
Director

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Schedule I

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English translation of the financial statements originally filed in Spanish with the Argentine Securities Commission (CNV), except for the inclusion of Note 13 to the primary financial statements in the English translation.

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YPF SOCIEDAD ANONIMA AND CONTROLLED AND JOINTLY CONTROLLED COMPANIES

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2007 AND COMPARATIVE INFORMATION

(amounts expressed in millions of Argentine pesos - Note 1 to the primary financial statements)

	2007	**2006**	**2005**
Current Assets			
Cash	196	118	122
Investments (Note 2.a)	655	971	408
Trade receivables (Note 2.b)	3,235	2,242	2,212
Other receivables (Note 2.c)	4,361	5,033	4,433
Inventories (Note 2.d)	2,573	1,697	1,315
Other assets		1,128	
Total current assets	11,020	11,189	8,490
Noncurrent Assets			
Trade receivables (Note 2.b)	32	44	53
Other receivables (Note 2.c)	809	852	1,223
Investments (Note 2.a)	799	788	495
Fixed assets (Note 2.e)	25,434	22,513	21,958
Intangible assets	8	8	5
Total noncurrent assets	27,082	24,205	23,734
Total assets	38,102	35,394	32,224
Current Liabilities			
Accounts payable (Note 2.f)	4,339	3,495	2,932
Loans (Note 2.g)	471	915	346
Salaries and social security	213	207	153
Taxes payable	1,441	1,298	1,831
Net advances from crude oil purchasers	9	96	95
Reserves	466	273	230
Total current liabilities	6,939	6,284	5,587
Noncurrent Liabilities			
Accounts payable (Note 2.f)	2,542	2,448	1,915
Loans (Note 2.g)	523	510	1,107
Salaries and social security (Note 2.h)	164	202	241

Taxes payable	21	20	17
Net advances from crude oil purchasers		7	101
Reserves	1,853	1,578	1,007
Total noncurrent liabilities	5,103	4,765	4,388
Total liabilities	12,042	11,049	9,975
Shareholders Equity	26,060	24,345	22,249
Total liabilities and shareholders equity	38,102	35,394	32,224

Notes 1 to 4 and the accompanying Exhibits A and H to Schedule I and the primary financial statements

of YPF, are an integral part of and should be read in conjunction with these statements.

ANTONIO GOMIS SÁEZ
Director

Schedule I

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English translation of the financial statements originally filed in Spanish with the Argentine Securities Commission (CNV), except for the inclusion of Note 13 to the primary financial statements in the English translation.

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YPF SOCIEDAD ANONIMA AND CONTROLLED AND JOINTLY CONTROLLED COMPANIES

CONSOLIDATED STATEMENT OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 2007 AND COMPARATIVE INFORMATION

(amounts expressed in millions of Argentine pesos, except for per share amounts in Argentine pesos - Note 1 to the primary financial statements)

	2007	**2006**	**2005**
Net sales (Note 4)	29,104	25,635	22,901
Cost of sales	(19,000)	(15,821)	(11,258)
Gross profit	10,104	9,814	11,643
Administrative expenses (Exhibit H)	(805)	(674)	(552)
Selling expenses (Exhibit H)	(2,120)	(1,797)	(1,650)
Exploration expenses (Exhibit H)	(522)	(460)	(280)
Operating income	6,657	6,883	9,161
Income on long-term investments (Note 4)	34	183	39
Other expenses, net (Note 2.i)	(439)	(204)	(545)
Financial income (expense), net and holding gains:			
Gains on assets			
Interests	278	338	221
Exchange differences	142	5	129
Holding gains on inventories	451	394	244
Losses on liabilities			
Interests	(292)	(213)	(459)
Exchange differences	(61)	(70)	(33)
Income from sale of long-term investments	5	11	15
Reversal (impairment) of other current assets	69	(69)	
Net income before income tax	6,844	7,258	8,772
Income tax	(2,758)	(2,801)	(3,410)
Net income	4,086	4,457	5,362
Earnings per share	10.39	11.33	13.63

Notes 1 to 4 and the accompanying Exhibits A and H to Schedule I and the primary financial statements

of YPF, are an integral part of and should be read in conjunction with these statements.

ANTONIO GOMIS SÁEZ
Director

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English translation of the financial statements originally filed in Spanish with the Argentine Securities Commission (CNV), except for the inclusion of Note 13 to the primary financial statements in the English translation.

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YPF SOCIEDAD ANONIMA AND CONTROLLED AND JOINTLY CONTROLLED COMPANIES

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2007 AND COMPARATIVE INFORMATION

(amounts expressed in millions of Argentine pesos - Note 1 to the primary financial statements)

	2007	**2006**	**2005**
Cash Flows from Operating Activities			
Net income	4,086	4,457	5,362
Adjustments to reconcile net income to net cash flows provided by operating activities:			
Income on long-term investments	(34)	(183)	(39)
Dividends from long-term investments	54	43	16
(Reversal) impairment of other current assets	(69)	69	
Income from sale of long-term investments	(5)	(11)	(15)
Depreciation of fixed assets	4,139	3,718	2,707
Consumption of materials and fixed assets retired, net of allowances	247	272	276
Increase in allowances for fixed assets	116	192	74
Income tax	2,758	2,801	3,410
Income tax payments	(2,281)	(2,855)	(3,242)
Increase in reserves	1,005	882	326
Changes in assets and liabilities:			
Trade receivables	(981)	(21)	(144)
Other receivables	849	(255)	(312)
Inventories	(876)	(382)	(181)
Accounts payable	670	(99)	1,003
Salaries and social security	(25)	189	(14)
Taxes payable	(340)	(425)	(372)
Net advances from crude oil purchasers	(93)	(90)	(705)
Decrease in reserves	(537)	(268)	(117)
Interests, exchange differences and others	73	(15)	218
Net cash flows provided by operating activities	8,756 (1)	8,019 (1)	8,251(1)
Cash Flows from Investing Activities			
Acquisitions of fixed assets	(6,163)	(5,002)	(3,722)
Capital distributions from long-term investments			8
Capital contributions in long-term investments	(16)		
Proceeds from sale of long-term investments	6	32	454
Investments (non cash and equivalents)	(14)	(139)	(2)

Net cash flows used in investing activities	(6,187)	(5,109)	(3,262)
Cash Flows from Financing Activities			
Payment of loans	(1,860)	(666)	(736)
Proceeds from loans	1,411	688	253
Dividends paid	(2,360)	(2,360)	(4,878)
Net cash flows used in financing activities	(2,809)	(2,338)	(5,361)
(Decrease) increase in Cash and Equivalents	(240)	572	(372)
Cash and equivalents at the beginning of year	1,087	515	887
Cash and equivalents at the end of year	847	1,087	515
(Decrease) increase in Cash and Equivalents	(240)	572	(372)

For supplemental information on cash and equivalents, see Note 2.a.

(1) Includes (114), (103) and (262) corresponding to interest payments for the years ended December 31, 2007, 2006 and 2005, respectively.
Notes 1 to 4 and the accompanying Exhibits A and H to Schedule I and the primary financial statements

of YPF, are an integral part of and should be read in conjunction with these statements.

ANTONIO GOMIS SÁEZ
Director

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Schedule I

English translation of the financial statements originally filed in Spanish with the Argentine Securities Commission (CNV), except for the inclusion of Note 13 to the primary financial statements in the English translation.

In case of discrepancy, the financial statements filed with the CNV prevails over this translation.

YPF SOCIEDAD ANONIMA AND CONTROLLED AND JOINTLY CONTROLLED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2007 AND COMPARATIVE INFORMATION

(amounts expressed in millions of Argentine pesos - Note 1 to the primary financial statements, except where otherwise indicated)

1. CONSOLIDATED FINANCIAL STATEMENTS

Under General Resolution No. 368 from the Argentine Securities Commission (CNV), YPF Sociedad Anónima (the Company or YPF) discloses its consolidated financial statements, included in Schedule I, preceding its primary financial statements. Consolidated financial statements are supplemental and should be read in conjunction with the primary financial statements.

a) Consolidation policies:

Following the methodology established by Technical Resolution No. 21 of the Argentine Federation of Professional Councils in Economic Sciences (F.A.C.P.C.E.), the Company has consolidated its balance sheets and the related statements of income and cash flows as follows:

Investments and income (loss) related to controlled companies in which YPF has the number of votes necessary to control corporate decisions are substituted for such companies assets, liabilities, net revenues, cost and expenses, which are aggregated to the Company s balances after the elimination of intercompany profits, transactions, balances and other consolidation adjustments.

Investments and income (loss) related to companies in which YPF holds joint control are consolidated line by line on the basis of the Company s proportionate share in their assets, liabilities, net revenues, cost and expenses, considering intercompany profits, transactions, balances and other consolidation adjustments.

Investments in companies under control and joint control are detailed in Exhibit C to the primary financial statements.

b) Financial statements used for consolidation:

The consolidated financial statements are based upon the last available financial statements of those companies in which YPF holds control or joint control, taking into consideration, if applicable, significant subsequent events and transactions, available management information and transactions between YPF and the related companies which could have produced changes to their shareholders equity.

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c) Valuation criteria:

In addition to the valuation criteria disclosed in the notes to YPF primary financial statements, the following additional valuation criteria have been applied in the preparation of the consolidated financial statements:

Fixed assets

Properties on foreign unproved reserves have been valued at cost and translated into pesos as detailed in Note 2.e to the primary financial statements. Capitalized costs related to unproved properties are reviewed periodically by Management to ensure that the carrying value does not exceed their estimated recoverable value.

Salaries and Social Security Pension Plans and other Postretirement and Postemployment Benefits

YPF Holdings Inc., which has operations in the United States of America, has a number of trustee defined-benefits pension plans and postretirement and postemployment benefits.

The funding policy related to trustee pension plans is to contribute amounts to the plans sufficient to meet the minimum funding requirements under governmental regulations, plus such additional amounts as Management may determine to be appropriate. The benefits related to the plans were valued at net present value and accrued based on the years of active service of employees. The net liability for defined-benefits plans is disclosed as non-current liabilities in the Salaries and social security account and is the amount resulting from the sum of: the present value of the obligations, net of the fair value of the plan assets and net of the unrecognized actuarial losses generated since December 31, 2003. The unrecognized actuarial losses and gains are recognized as expense during the expected average remaining work of the employees participating in the plans and the life expectancy of the retired employees. The Company updates the actuarial assumptions at the end of each year.

YPF Holdings Inc. also has a noncontributory supplemental retirement plan for executive officers and other selected key employees.

YPF Holdings Inc. provides certain health care and life insurance benefits for eligible retired employees, and also certain insurance, and other postemployment benefits for eligible individuals in the case employment is terminated by YPF Holdings Inc. before their normal retirement. YPF Holdings Inc. accrues the estimated cost of retiree benefit payments during employees active service periods. Employees become eligible for these benefits if they meet minimum age and years of service requirements. YPF Holdings Inc. accounts for benefits provided when the minimum service period is met, payment of the benefit is probable and the amount of the benefit can be reasonably estimated.

Other postretirement and postemployment benefits are recorded as claims are incurred.

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Recognition of revenues and costs of construction activities

Revenues and costs related to construction activities are accounted by the percentage of completion method. When adjustments in contract values or estimated costs are determined, any change from prior estimates is reflected in earnings in the current year. Anticipated losses on contracts in progress are expensed as soon as they become evident.

2. ANALYSIS OF THE MAIN ACCOUNTS OF THE CONSOLIDATED FINANCIAL STATEMENTS

Details regarding the significant accounts included in the accompanying consolidated financial statements are as follows:

Consolidated Balance Sheet Accounts as of December 31, 2007 and Comparative Information

a) Investments:

	2007		2006		2005	
	Current	Noncurrent	Current	Noncurrent	Current	Noncurrent
Short-term investments and government securities	655 (1)	168 (3)	971 (1)	156 (3)	408 (1)	4
Long-term investments		837 (2)		843		802
Allowance for reduction in value of holdings in long-term investments		(206) (2)		(211)		(311)
	655	799	971	788	408	495

(1) Includes 651, 969 and 393 as of December 31, 2007, 2006 and 2005, respectively, with an original maturity of less than three months.

(2) In addition to the amounts detailed in Exhibit C to the primary financial statements, includes interest in Gas Argentino S.A. (GASA). As of December 31, 2007, the shareholders and creditors of GASA have signed a debt resctructuring agreement, whose approval is pending by the National Antitrust Protection Board.

(3) Restricted cash as of December 31, 2007 and 2006.

b) Trade receivables:

	2007		2006		2005	
	Current	Noncurrent	Current	Noncurrent	Current	Noncurrent
Accounts receivable	3,142	32	2,280	44	2,240	53
Related parties	533		391		352	
	3,675	32	2,671	44	2,592	53
Allowance for doubtful trade receivables	(440)		(429)		(380)	
	3,235	32	2,242	44	2,212	53

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c) Other receivables:

	2007		2006		2005	
	Current	**Noncurrent**	**Current**	**Noncurrent**	**Current**	**Noncurrent**
Deferred income tax		517		510		452
Tax credits and export rebates	931	15	692	18	529	18
Trade	97		71		34	
Prepaid expenses	111	60	130	73	66	95
Concessions charges	17	79	17	88	17	96
Related parties	2,681 (1)		3,883 (1)		3,139 (1)	371
Loans to clients	14	90	12	69	11	90
Advances to suppliers	132		65		40	
From joint ventures and other agreements	62		46		1	
Trust contribution under Decree No. 1,882/04					273	
Miscellaneous	438	98	254	146	444	155
	4,483	859	5,170	904	4,554	1,277
Allowance for other doubtful accounts	(122)		(137)		(121)	
Allowance for valuation of other receivables to their estimated realizable value		(50)		(52)		(54)
	4,361	809	5,033	852	4,433	1,223

(1) In addition to amounts detailed in Note 3.c to the primary financial statements, mainly includes 51 with Repsol Netherlands Finance B.V. as of December 31, 2007, which accrues interest at 5.23%, 218 and 48 with Repsol International Finance B.V. and Repsol Netherlands Finance B.V., respectively, as of December 31, 2006 and 319 with Repsol International Finance B.V as of December 31, 2005.

d) Inventories:

	2007	2006	2005
Refined products	1,612	1,047	747
Crude oil and natural gas	646	441	409
Products in process	46	47	19
Raw materials, packaging materials and others	269	162	140
	2,573	1,697	1,315

e) Fixed assets:

	2007	2006	2005
Net book value of fixed assets (Exhibit A)	25,481	22,562	22,009
Allowance for unproductive exploratory drilling	(3)	(3)	(3)
Allowance for obsolescence of material and equipment	(44)	(46)	(48)

25,434	22,513	21,958

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f) Accounts payable:

	2007		2006		2005	
	Current	**Noncurrent**	**Current**	**Noncurrent**	**Current**	**Noncurrent**
Trade	3,131	21	2,617	27	2,071	30
Hydrocarbon wells abandonment obligations	395	2,316	233	2,210		1,419
Related parties	140		238		279	
From joint ventures and other agreements	373		256		200	
Environmental liabilities	137	166	93	164	48	200
Miscellaneous	163	39	58	47	334	266
	4,339	2,542	3,495	2,448	2,932	1,915

g) Loans:

			2007		2006		2005	
	Interest rates (1)	**Principal maturity**	**Current**	**Noncurrent**	**Current**	**Noncurrent**	**Current**	**Noncurrent**
Negotiable Obligations - YPF	9.13 - 10.00%	2009 - 2028	14	523	559	509	27	1,031
Other bank loans and other creditors	1.25 - 14.00%	2008	457		356	1	319	76
			471	523	915	510	346	1,107

(1) Annual fixed interest rates as of December 31, 2007.

h) Noncurrent salaries and social security:
Defined benefit obligations and other benefits

	2007	2006	2005
Net present value of obligations	472	480	501
Fair value of assets	(247)	(226)	(199)
Deferred actuarial losses	(61)	(52)	(61)
Recognized net liabilities	164	202	241

Changes in the fair value of the defined-benefit obligations

	2007	2006	2005
Liabilities at the beginning of the year	480	501	479
Translation differences	15	5	5
Service cost	1	3	3
Interest cost	28	28	26
Actuarial losses	25	6	42

Benefits paid and terminations	(77)	(63)	(54)
Liabilities at the end of the year	472	480	501

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Changes in the fair value of the plan assets

	2007	2006	2005
Fair value of assets at the beginning of the year	226	199	188
Translation differences	7	2	5
Expected return on assets	17	15	15
Actuarial (losses) gains	(1)	8	(6)
Employer and employees contributions	60	50	53
Benefits paid and terminations	(62)	(48)	(56)
Fair value of assets at the end of the year	247	226	199

Amounts recognized in the Statement of Income

	Income (Expense)		
	2007	2006	2005
Service cost	1	3	3
Interest cost	28	28	26
Expected return on assets	(17)	(15)	(15)
Actuarial losses recognized in the year	1	2	1
Losses on terminations	8	4	1
Total recognized as other expense, net (Note 2.i)	21	22	16

Actuarial assumptions

	2007	2006	2005
Discount rate	6.5%	6%	5.75%
Expected return on assets	7%	7%	8.50%
Expected increase on salaries	N/A	5.5%	4.5 - 5.5%

Consolidated Statement of Income as of December 31, 2007 and Comparative Information

i) **Other expenses, net:**

	Income (Expense)		
	2007	2006	2005
Reserve for pending lawsuits and other claims	(194)	(173)	(180)
Environmental remediation YPF Holdings Inc.	(206)	(136)	(54)
Defined benefits pension plans and other postretirement benefits (Note 2.h)	(21)	(22)	(16)
Miscellaneous	(18)	127	(295)
	(439)	(204)	(545)

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3. COMMITMENTS AND CONTINGENCIES IN CONTROLLED COMPANIES

Laws and regulations relating to health and environmental quality in the United States of America affect nearly all of the operations of YPF Holdings Inc. These laws and regulations set various standards regulating certain aspects of health and environmental quality, provide for penalties and other liabilities for the violation of such standards and establish in certain circumstances remedial obligations.

YPF Holdings Inc. believes that its policies and procedures in the area of pollution control, product safety and occupational health are adequate to prevent unreasonable risk of environmental and other damage, and of resulting financial liability, in connection with its business. Some risk of environmental and other damage is, however, inherent in particular operations of YPF Holdings Inc. and, as discussed below, Maxus Energy Corporation (Maxus) and Tierra Solutions Inc. (Tierra) (both controlled by YPF Holdings Inc.) could have certain potential liabilities associated with operations of Maxus former chemical subsidiary.

YPF Holdings Inc. cannot predict what environmental legislation or regulations will be enacted in the future or how existing or future laws or regulations will be administered or enforced. Compliance with more stringent laws or regulations, as well as more vigorous enforcement policies of the regulatory agencies, could in the future require material expenditures by YPF Holdings Inc. for the installation and operation of systems and equipment for remedial measures, possible dredging requirements and in certain other respects. Also, certain laws allow for recovery of natural resource damages from responsible parties and ordering the implementation of interim remedies to abate an imminent and substantial endangerment to the environment. Potential expenditures for any such actions cannot be reasonably estimated.

In connection with the sale of Maxus former chemical subsidiary, Diamond Shamrock Chemicals Company (Chemicals) to Occidental Petroleum Corporation (Occidental) in 1986, Maxus agreed to indemnify Chemicals and Occidental from and against certain liabilities relating to the business or activities of Chemicals, including environmental liabilities relating to chemical plants and waste disposal sites used by Chemicals prior to the selling date. Tierra has agreed to assume essentially all of Maxus aforesaid indemnity obligations to Occidental in respect of Chemicals.

As of December 31, 2007, reserves for the environmental contingencies and other claims totaled approximately 421. YPF Holdings Inc. s Management believes it has adequately reserved for all environmental contingencies, which are probable and can be reasonably estimated as of such time; however, changes in circumstances, including new information or new requirements of governmental entities, could result in changes, including additions, to such reserves in the future. The most significant contingencies are described in the following paragraphs:

In the following discussion concerning plant sites and third party sites, references to YPF Holdings Inc. include, as appropriate and solely for ease of reference, references to Maxus and Tierra. As indicated above, Tierra is also a subsidiary of YPF Holdings Inc. and has assumed certain of Maxus obligations.

Newark, New Jersey. A consent decree, previously agreed upon by the U.S. Environmental Protection Agency (EPA), the New Jersey Department of Environmental Protection and Energy (DEP) and Occidental, as successor to Chemicals, was entered in 1990 by the United States District Court of New Jersey and requires implementation of a remedial action plan at Chemicals former Newark, New Jersey agricultural chemicals plant. The approved remedy has been completed and paid for by Tierra. This project is in the operation and maintenance phase. YPF Holdings Inc. has reserved approximately 49 as of December 31, 2007, in connection with such activities.

Passaic River, New Jersey. Studies have indicated that sediments of the Newark Bay watershed, including the Passaic River adjacent to the former Newark plant, are contaminated with hazardous chemicals from many sources. Maxus, forced to act on behalf of Occidental, negotiated an agreement with the EPA under which Tierra has conducted further testing and studies near the plant site. While some work remains, these studies were substantially completed in 2005. In addition:

The EPA and other agencies are addressing the lower Passaic River in a joint federal, state, local and private sector cooperative effort designated as the Lower Passaic River Restoration Project (PRRP). Tierra, along with other entities, participated in an initial remedial investigation and feasibility study (RIFS) in connection with the PRRP. The parties are discussing the possibility of further work with the EPA. The entities that have agreed to fund the RIFS have negotiated allocations of responsibility among themselves based on a number of considerations.

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In 2003, the DEP issued Directive No. 1 to approximately 66 entities, including Occidental and Maxus and certain of their respective related entities. Directive No. 1 seeks to address natural resource damages allegedly resulting from almost 200 years of historic industrial and commercial development of the lower 17 miles of the Passaic River and a part of its watershed. Directive No. 1 asserts that the named entities are jointly and severally liable for the alleged natural resource damages without regard to fault. The DEP has asserted jurisdiction in this matter even though all or part of the lower Passaic River has been designated as a Superfund site and is a subject of the PRRP. Directive No. 1 calls for the following actions: interim compensatory restoration, injury identification, injury quantification and value determination. Maxus and Tierra responded to Directive No. 1 setting forth good faith defenses. Settlement discussions between the DEP and the named entities have been held; however, no agreement has been reached or is assured.

In 2004, the EPA and Occidental entered into an administrative order on consent (the AOC) pursuant to which Tierra (on behalf of Occidental) has agreed to conduct testing and studies to characterize contaminated sediment and biota in the Newark Bay. The initial field work on this study, which includes testing in the Newark Bay, has been substantially completed. Discussions with the EPA regarding additional work that might be required are underway.

In December 2005, the DEP issued a directive to Tierra, Maxus and Occidental directing said parties to pay the State of New Jersey s costs of developing a Source Control Dredge Plan focused on allegedly dioxin-contaminated sediment in the lower six-mile portion of the Passaic River. The development of this plan is estimated by the DEP to cost approximately US$ 2 million. This directive was issued even though this portion of the lower Passaic River is a subject of the PRRP. The DEP has advised the recipients that (a) it is engaged in discussions with the EPA regarding the subject matter of the directive, and (b) they are not required to respond to the directive until otherwise notified.

In December 2005, the DEP sued YPF Holdings Inc., Tierra, Maxus and several affiliated entities, in addition to Occidental, in connection with dioxin contamination allegedly emanating from Chemicals former Newark plant and contaminating the lower portion of the Passaic River, Newark Bay, other nearby waterways and surrounding areas. The DEP seeks unspecified and punitive damages and other matters. The defendants have made responsive pleadings and filings.

In June 2007, EPA released a draft Focused Feasibility Study (the FFS) that outlines several alternatives for remedial action in the lower eight miles of the Passaic River. These alternatives range from no action, which would result in comparatively little cost, to extensive dredging and capping, which according to the draft FFS, EPA estimated could cost from US$ 0.9 billion to US$ 2.3 billion and are all described by EPA as involving proven technologies that could be carried out in the near term, without extensive research. Tierra, in conjunction with the other parties of the PRRP group, submitted comments on the draft FFS to EPA, as did other interested parties. In September 2007, EPA announced its intention to spend further time considering these comments, to issue a proposed plan for public comment by the middle of 2008 and to select a clean-up plan in the last quarter of 2008. Tierra will respond to any further EPA proposal as may be appropriate at the time.

In August 2007, the National Oceanic Atmospheric Administration (NOAA) sent a letter to the parties of the PRRP group, including Tierra and Occidental, requesting that the group enters into an agreement to conduct a cooperative assessment of natural resources damages in the Passaic River and Newark Bay. The PRRP group has responded through its common counsel requesting that discussions relating to such agreement be postponed until 2008, due in part to the pending FFS proposal by EPA. Tierra will continue to participate in the PRRP group with regard to this matter. In January 2008, the NOAA sent a letter to YPF S.A., YPF Holdings Inc., CLH Holdings Inc. and other entities, designating them as potentially responsible party (PRP).

As of December 31, 2007, there is a total of approximately 126 reserved in connection with the foregoing matters related to the Passaic River and surrounding area, comprising the estimated costs for studies, YPF Holdings Inc. s best estimate of the cash flows it could incur in connection with remediation activities considering the studies performed by Tierra, and in addition certain other matters related to Passaic River and the Newark Bay. However, it is possible that other works, including interim remedial measures, may be ordered. In addition, at such time as more information is known about the aforesaid directives and litigation, additional costs may be required to be incurred or additional reserves may be required.

Hudson County, New Jersey. Until 1972, Chemicals operated a chromite ore processing plant at Kearny, New Jersey (Kearny *Plant*). According to the DEP, wastes from these ore processing operations were used as fill material at a number of sites in and near Hudson County. The DEP and Occidental, as successor to Chemicals, signed an administrative consent order with the DEP in 1990 for investigation and remediation work at certain chromite ore residue sites in Kearny and Secaucus, New Jersey.

Tierra, on behalf of Occidental, is presently performing the work and funding Occidental s share of the cost of investigation and remediation of these sites and is providing financial assurance in the amount of US$ 20 million for performance of the work. The ultimate cost of remediation is uncertain. Tierra submitted its remedial investigation reports to the DEP in 2001, and the DEP continues to review the report.

Additionally, in May 2005, the DEP took two actions in connection with the chrome sites in Hudson and Essex Counties. First, the DEP issued a directive to Maxus, Occidental and two other chromium manufacturers directing them to arrange for the cleanup of chromite ore residue at three sites in Jersey City and the conduct of a study by paying the DEP a total of US$ 20 million. While YPF Holdings Inc. believes that Maxus is improperly named and there is little or no evidence that Chemicals chromite ore residue was sent to any of these sites, the DEP claims these companies are jointly and severally liable without regard to fault. Second, the State of New Jersey filed a lawsuit against Occidental and two other entities in state court in Hudson County seeking, among other things, cleanup of various sites where chromite ore residue is allegedly located, recovery of past costs incurred by the state at such sites (including in excess of US$ 2 million allegedly spent for investigations and studies) and, with respect to certain costs at 18 sites, treble damages. The DEP claims that the defendants are jointly and severally liable, without regard to fault, for much of the damages alleged. During mediation, the parties have engaged in discussion regarding possible settlement; however, there is no assurance that these discussions will be successful.

In November 2005, several environmental groups sent a notice of intent to sue the owners of the properties adjacent to the former Kearny Plant (the Adjacent Property), including among others Tierra, under the Resource Conservation and Recovery Act. The stated purpose of the lawsuit, if filed, would be to require the noticed parties to carry out measures to abate alleged endangerments to health and the environment emanating from the Adjacent Property. The parties have entered into an agreement that addresses the concerns of the environmental groups, and these groups have agreed, at least for now, not to file suit.

Pursuant to a request of the DEP, in the second half of 2006, Tierra and other parties tested the sediments in a portion of the Hackensack River near the former Kearny Plant. Whether additional work will be required, is expected to be determined once the results of this testing have been analyzed.

As of December 31, 2007, there is a total of approximately 60 reserved in connection with the foregoing chrome-related matters. The study of the levels of chromium in New Jersey has not been finalized, and the DEP is still reviewing the proposed action levels. The cost of addressing these chrome-related matters could increase depending upon the final soil action levels, the DEP s response to Tierra s reports and other developments.

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Painesville, Ohio. In connection with the operation until 1976 of one chromite ore processing plant (Chrome Plant), from Chemicals, the Ohio Environmental Protection Agency (OEPA) ordered to conduct a Remedial Investigation and Feasibility Study (RIFS) at the former Painesville s Plant area. Tierra has agreed to participate in the RIFS as required by the OEPA. Tierra submitted the remedial investigation report to the OEPA, which report was finalized in 2003. Tierra is submitting required feasibility reports separately. In addition, the OEPA has approved certain work, including the remediation of specific sites within the former Painesville Works area and work associated with the development plans discussed below (the Remediation Work). The Remediation Work has begun. As the OEPA approves additional projects for the site of the former Painesville Works, additional amounts may need to be reserved.

Over ten years ago, the former Painesville Works site was proposed for listing on the national Priority List under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (CERCLA): however, the EPA has stated that the site will not be listed so long as it is satisfactorily addressed pursuant to the Director s Order and OEPA s programs. As of the date of issuance of these financial statements, the site has not been listed. YPF Holdings Inc. has reserved a total of 23 as of December 31, 2007 for its estimated share of the cost to perform the RIFS, the remediation work and other operation and maintenance activities at this site. The scope and nature of any further investigation or remediation that may be required cannot be determined at this time; however, as the RIFS progresses, YPF Holdings Inc. will continuously assess the condition of the Painesville s plants works site and make any changes, including additions, to its reserve as may be required.

Third Party Sites. Pursuant to settlement agreements with the Port of Houston Authority and other parties, Tierra and Maxus are participating (on behalf of Chemicals) in the remediation of property adjoining Chemicals former Greens Bayou facility where DDT and certain other chemicals were manufactured. As of December 31, 2007, YPF Holdings Inc. has reserved 62 for its estimated share of future remediation activities associated with the Greens Bayou facility. Additionally, efforts have been initiated in connection with claims for natural resources damages. The amount of natural resources damages and the party s obligations in respect thereof are unknown at the present time.

In June 2005, the EPA designated Maxus as a PRP at the Milwaukee Solvay Coke & Gas site in Milwaukee, Wisconsin. The basis for this designation is Maxus alleged status as the successor to Pickands Mather & Co. and Milwaukee Solvay Coke Co., companies that the EPA has asserted are former owners or operators of such site. Preliminarily work in connection with the RIFS of this site commenced in the second half of 2006. Maxus has reserved 1 as of December 31, 2007 for its estimated share of the costs of the RIFS. Maxus lacks sufficient information to determine additional exposure or costs, if any, it might have in respect of this site.

Maxus has agreed to defend Occidental, as successor to Chemicals, in respect of the Malone Services Company Superfund site in Galveston County, Texas. This site is a former waste disposal site where Chemicals is alleged to have sent waste products prior to September 1986. It is the subject of enforcement activities by the EPA. Although Occidental is one of many PRPs that have been identified and have agreed to an Administrative Order on Consent, Tierra (which is handling this matter on behalf of Maxus) presently believes the degree of Occidental s alleged involvement as successor to Chemicals is relatively small.

Chemicals has also been designated as a PRP with respect to a number of third party sites where hazardous substances from Chemicals plant operations allegedly were disposed or have come to be located. At several of these, Chemicals has no known exposure. Although PRPs are typically jointly and severally liable for the cost of investigations, cleanups and other response costs, each has the right of contribution from other PRPs and, as a practical matter, cost sharing by PRPs is usually effected by agreement among them. At a number of these sites, the ultimate response cost and Chemicals share of such costs cannot be estimated at this time. As of December 31, 2007, YPF Holdings Inc. has reserved 7 in connection with its estimated share of costs related to these sites.

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Black Lung Benefits Act Liabilities. The Black Lung Benefits Act provides monetary and medical benefits to miners disabled with black lung disease, and also provides benefits to the dependents of deceased miners if black lung disease caused or contributed to the miner s death. As a result of the operations of its coal-mining subsidiaries, YPF Holdings Inc. is required to provide insurance of this benefit to former employees and their dependents. As of December 31, 2007, YPF Holdings Inc. has reserved 29 in connection with its estimate of these obligations.

Legal Proceedings. In 1998, a subsidiary of Occidental filed a lawsuit in state court in Ohio seeking a declaration of the parties rights with respect to obligations for certain costs allegedly related to Chemicals Ashtabula, Ohio facility, as well as certain other costs. A settlement of this matter was reached in March 2007, with those activities required by the settlement document completed in the second quarter of 2007.

In 2001, the Texas State Controller assessed Maxus approximately US$ 1 million in Texas state sales taxes for the period of September 1, 1995 through December 31, 1998, plus penalty and interest. In August 2004, the administrative law judge issued a decision affirming approximately US$ 1 million of such assessment, plus penalty and interest. YPF Holdings Inc. believes the decision is erroneous, has paid the revised tax assessment, penalty and interest (a total of approximately US$ 2 million under protest). Maxus filed suit in Texas state court in December 2004 challenging the administrative decision. The matter will be reviewed by a trial de novo in the court action.

In 2002, Occidental sued Maxus and Tierra in state court in Dallas, Texas seeking a declaration that Maxus and Tierra have the obligation under the agreement pursuant to which Maxus sold Chemicals to Occidental to defend and indemnify Occidental from and against certain historical obligations of Chemicals, including claims related to Agent Orange and vinyl chloride monomer (VCM), notwithstanding the fact that said agreement contains a 12-year cut-off for defense and indemnity obligations with respect to most litigation. Tierra was dismissed as a party, and the matter was tried in May 2006. The trial court decided that the 12-year cut-off period did not apply and entered judgment against Maxus. This decision was affirmed by the Court of Appeals in February 2008. This decision will require Maxus to accept responsibility of various matters which it has refused indemnification since 1998 which could result in the incurrence of material costs in addition to YPF Holdings Inc. s current reserves for this matter. This decision will also require Maxus to reimburse Occidental for past costs on these matters. Maxus believes that its current reserves are adequate for these past costs. Maxus is currently evaluating the decision of the Court of Appeals. As of December 31, 2007 YPF Holdings Inc. has reserved 46 in respect to this matter.

In March 2005, Maxus agreed to defend Occidental, as successor to Chemicals, in respect of an action seeking the contribution of costs incurred in connection with the remediation of the Turtle Bayou waste disposal site in Liberty County, Texas. The plaintiffs alleged that certain wastes attributable to Chemicals found their way to the Turtle Bayou site. Trial for this matter was bifurcated, and in the liability phase Occidental and other parties were found severally, and not jointly, liable for waste products disposed of at this site. Trial in the allocation phase of this matter was completed in the second quarter of 2007, and the court has entered a decision setting Occidental s liability at 18.73% of those costs incurred by one of the plaintiffs. Occidental s motion for reconsideration of a portion of this decision has been filed with the court, and the parties are awaiting the court s decision on this and other post-judgment motions. As of December 31, 2007, YPF Holdings Inc. has reserved 12 in respect of this matter.

In 2005, Skidmore Energy Company and others (Skidmore) have sued Maxus (U.S.) Exploration Company (Maxus US), a subsidiary of YPF Holdings Inc., in state court in Texas. Skidmore claims it was entitled to an assignment of approximately five oil and gas leases in the US Gulf of Mexico. Maxus US denies Skidmore s claims. Maxus US and Skidmore have entered into an agreement to submit this matter to binding arbitration; the arbitration hearing was held from October 29, 2007, to November 1, 2007, with briefs submitted to the arbitration panel on November 6, 2007. The decision of the arbitration panel, holding that Skidmore should take nothing, was rendered on November 29, 2007.

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YPF Holdings Inc., including its subsidiaries, is a party to various other lawsuits, the outcomes of which are not expected to have a material adverse effect on YPF s financial condition. The Company has established reserves for legal contingencies in situations where a loss is probable and can be reasonably estimated.

YPF Holdings Inc. has entered into various operating agreements and capital commitments associated with the exploration and development of its oil and gas properties which are not material except those for the Neptune Prospect. Total commitments related to the development of the Neptune Prospect located in the vicinity of the Atwater Valley Area, Blocks 573, 574, 575, 617 and 618 are US$ 28 million for 2008.

4. CONSOLIDATED BUSINESS SEGMENT INFORMATION

The Company organizes its business into four segments which comprise: the exploration and production, including contractual purchases of natural gas and crude oil purchases arising from service contracts and concession obligations, as well as, crude oil intersegment sales, natural gas and its derivatives sales and electric power generation (Exploration and Production); the refining, transport and marketing of crude oil to unrelated parties and refined products (Refining and Marketing); the petrochemical operations (Chemical); and other activities, not falling into these categories, are classified under Corporate and Other , which principally includes corporate administration costs and assets, construction activities and environmental remediation activities related to YPF Holdings Inc. is preceding operations (Note 3).

Operating income (loss) and assets for each segment have been determined after intersegment adjustments. Sales between business segments are made at internal transfer prices established by YPF.

	Exploration and Production	Refining and Marketing	Chemical	Corporate and Other	Consolidation Adjustments	Total
Year ended December 31, 2007						
Net sales to unrelated parties	3,288	20,375	2,563	109		26,335
Net sales to related parties	724	2,045				2,769
Net intersegment sales	14,056	1,858	892	440	(17,246)	
Net sales	18,068	24,278	3,455	549	(17,246)	29,104
Operating income (loss)	5,679	1,234	500	(620)	(136)	6,657
Income on long-term investments	18	16				34
Depreciation	3,616	377	92	54		4,139
Acquisitions of fixed assets	4,861	898	143	314		6,216
Assets	19,893	11,199	2,220	5,421	(631)	38,102
Year ended December 31, 2006						
Net sales to unrelated parties	3,076	17,651	2,401	109		23,237
Net sales to related parties	774	1,624				2,398
Net intersegment sales	14,033	1,526	647	282	(16,488)	
Net sales	17,883	20,801	3,048	391	(16,488)	25,635
Operating income (loss)	6,564	258	572	(540)	29	6,883
Income on long-term investments	167	16				183
Depreciation	3,263	329	85	41		3,718
Acquisitions of fixed assets	4,886	733	137	176		5,932
Assets	18,987	9,349	1,876	6,049	(867)	35,394

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	Exploration and Production	Refining and Marketing	Chemical	Corporate and Other	Consolidation Adjustments	Total
Year ended December 31, 2005						
Net sales to unrelated parties	2,910	15,791	2,062	87		20,850
Net sales to related parties	626	1,425				2,051
Net intersegment sales	11,659	962	207	243	(13,071)	
Net sales	15,195	18,178	2,269	330	(13,071)	22,901
Operating income (loss)	7,140	1,900	542	(451)	30	9,161
Income (loss) on long-term investments	28	12	(1)			39
Depreciation	2,230	367	75	35		2,707
Acquisitions of fixed assets	3,706	541	104	108		4,459
Assets	17,911	8,807	1,658	4,818	(970)	32,224

Export sales for the years ended December 31, 2007, 2006 and 2005 were 8,400, 8,649 and 8,644, respectively. Export sales were mainly to the United States of America, Brazil and Chile.

ANTONIO GOMIS SÁEZ
Director

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Schedule I

Exhibit A

English translation of the financial statements originally filed in Spanish with the Argentine Securities Commission (CNV), except for the inclusion of Note 13 to the primary financial statements in the English translation.

In case of discrepancy, the financial statements filed with the CNV prevails over this translation.

YPF SOCIEDAD ANONIMA AND CONTROLLED AND JOINTLY CONTROLLED COMPANIES

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2007 AND COMPARATIVE INFORMATION

FIXED ASSETS EVOLUTION

(amounts expressed in millions of Argentine pesos - Note 1 to the primary financial statements)

			2007 Cost		
Main account	**Amounts at beginning of year**	**Translation net effect (5)**	**Increases**	**Net decreases, transfers and reclassifications**	**Amounts at end of year**
Land and buildings	2,326			65	2,391
Mineral property, wells and related equipment	42,534	9	82	8,970	51,595
Refinery equipment and petrochemical plants	8,650		108	469	9,227
Transportation equipment	1,850			37	1,887
Materials and equipment in warehouse	611		1,028	(848)	791
Drilling and work in progress	3,569	(3)	4,815	(3,764)	4,617
Exploratory drilling in progress	135	3	145	(136)	147
Furniture, fixtures and installations	556		6	60	622
Selling equipment	1,341			65	1,406
Other property	367	1	32	(23)	377
Total 2007	61,939	10	6,216(2)	4,895(1)(6)	73,060
Total 2006	61,812	2	5,932(2)	(5,807)(1)(6)	61,939
Total 2005	57,752	2	4,459(2)	(401)(1)	61,812

		2007 Depreciation					2006	2005
Main account	**Accumulated at beginning of year**	**Net decreases, transfers and reclassifications**	**Depreciation rate**	**Increases**	**Accumulated at end of year**	**Net book value**	**Net book value**	**Net book value**
Land and buildings	1,053	(2)	2%	57	1,108	1,283	1,273	1,265
Mineral property, wells and related equipment	29,496	4,071	(4)	3,564				