

Significant differences between Edenor’s corporate governance practices and U.S. companies’ practices under NYSE Listing Standards

Pursuant to Section 303A.11 of the Listed Company Manual of the New York Stock Exchange (the “NYSE”), we are required to provide a summary of the significant ways in which our corporate governance practices differ from those required for U.S. companies under NYSE listing standards. We are an Argentine corporation with shares listed on the Buenos Aires Stock Exchange (*Bolsa de Comercio de Buenos Aires*). Our corporate governance practices are governed by our bylaws, Argentine corporate and securities law (including the Business Companies Law, Decree N°677/01) and the regulations issued by the Argentine National Securities Commission (*Comisión Nacional de Valores*, or “CNV”). Our corporate governance practices are described in greater detail in our annual report on Form 20-F, which is on file with the U.S. Securities and Exchange Commission.

The most relevant differences between our corporate governance practices and those required for U.S. companies listed on the NYSE are as follows:

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Section 303A.01 Listed companies must have a majority of independent directors.	Edenor follows Argentine law, which does not require that a majority of the board of directors be comprised of independent directors. Argentine law instead requires that public companies in Argentina have a sufficient number of independent directors to be able to form an audit committee of at least three members, the majority of which must be independent pursuant to the criteria established by the CNV. As of May 2008, four of Edenor’s twelve directors were independent under Argentine law and Rule 10A-3 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”).
Section 303A.02 To qualify as “independent,” directors must meet the independence tests specified by the NYSE.	In defining the “independence” of directors, CNV standards (General Resolution No. 400) are substantially similar to NYSE standards. In order to meet the CNV definition of independence, independence is required with respect to the Company itself and to its shareholders with direct or indirect material holdings (35% or more). To qualify as an independent director, a director must not perform executive functions within the company. Close relatives of any persons who would not qualify as “independent directors” shall also not be considered “independent.” The board evaluates the independence of each director appointed to the audit committee.
Section 303A.03 Non-management directors must	Neither Argentine law nor Edenor’s bylaws require

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<p>meet at regularly scheduled executive meetings not attended by management.</p>	<p>that any such meetings be held.</p> <p>Edenor's board of directors as a whole is responsible for monitoring the company's affairs. Under Argentine law, the board of directors may approve the delegation of specific responsibilities to designated directors or non-director managers of the Company. Also, it is mandatory for public companies to form a supervisory committee (<i>Comisión Fiscalizadora</i>), which is responsible for monitoring legal compliance by the Company under Argentine law and compliance with its by-laws and shareholders' resolutions. The supervisory committee, without prejudice to the role of external auditors, is also required to present to the shareholders at the annual ordinary general meeting a written report on the reasonableness of the financial information of the Company's annual report and the financial statements presented to the shareholders by Edenor's board of directors. The supervisory committee also presents a report to the board of directors on Edenor's quarterly financial statements. The members of the supervisory committee are not directors of the company.</p>
<p>Section 303A.04 Listed companies shall have a nominating/ corporate governance committee composed entirely of independent directors.</p>	<p>Neither Argentine law nor Edenor's bylaws require the formation of a nominating committee nor a corporate governance committee.</p> <p>The board of directors is permitted to and often does nominate board member candidates for consideration by the shareholders, who elect the board of directors.</p> <p>The entire board of directors is charged with overseeing Edenor's corporate governance practices.</p>
<p>Section 303A.05 Listed companies shall have a "compensation committee" comprised entirely of independent directors.</p>	<p>Neither Argentine law nor Edenor's bylaws require the formation of a "compensation committee" and Edenor has no such committee.</p> <p>Shareholders at the annual ordinary general meeting determine the fee paid to members of the board of directors.</p> <p>The CEO of Edenor sets the salary of the other members of the senior management. The board of</p>

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	directors determines the salary of the CEO.
<p>Section 303A.06 Listed companies must have an “audit committee” that satisfies the requirements of Rule 10A-3 under the Exchange Act. Foreign private issuers must satisfy the requirements of Rule 10A-3 under the Exchange Act as of July 31, 2005.</p>	<p>Edenor is subject to and in compliance with §303A.06 and Rule 10A-3. Edenor’s audit committee consists entirely of independent members of Edenor’s board of directors.</p>
<p>Section 303A.07 The audit committee must comply with a number of criteria including requirements related to the qualifications of its members, the duties and responsibilities of its members, and internal and external audits.</p>	<p>As a foreign private issuer, Edenor is not subject to §303A.07. As such, Edenor’s audit committee charter may not provide for every one of the specific duties required by §303A.07.</p> <p>The duties of the audit committee include monitoring Edenor’s internal control, administrative and accounting systems; supervising the application of Edenor’s risk management policies; providing the market adequate information regarding conflicts of interests that may arise between Edenor’s company and Edenor’s directors or controlling shareholders; rendering opinions on transactions with related parties; and supervising and reporting to regulatory authorities the existence of any kind of conflict of interest.</p> <p>Under Argentine law, there is no requirement related to the financial expertise of the members of the audit committee. However, the members of Edenor’s audit committee have extensive corporate and financial experience. At least one member of the audit committee has sufficient expertise as an external auditor to be recognized by the board of directors of Edenor as an “audit committee financial expert” as defined in Item 16A of Form 20F.</p> <p>In accordance with Edenor’s internal policies, Edenor’s audit committee must pre-approve all audit and non-audit services provided by external auditors.</p>
<p>Section 303A.08 Shareholders must be given the opportunity to vote on all equity-compensation plans.</p>	<p>Edenor does not have any equity compensation plans and therefore does not have in place procedures for shareholder approval of such plans.</p>

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<p>Section 303A.09 Listed companies must adopt and disclose corporate governance guidelines, including several issues for which such reporting is mandatory, and include such information on the company's website, which should also include the charters of the audit committee, the nominating committee and the compensation committee.</p> <p>Furthermore, the board of directors must make a self-assessment of its performance at least once a year to determine if it and its committees function effectively and report thereon.</p>	<p>Decree No. 677/01 (the "Transparency Decree") requires Edenor to provide governance-related information in the annual reports to the CNV, including information relating to the decision-making organization (corporate governance), the company's internal control system, norms for director and management compensation, stock options, and any other compensation system applying to board members and managers. All relevant information sent by the Company to the CNV is forwarded to the CNV through the CNV's electronic financial reporting database and may be viewed by the public on the website of CNV. Edenor's Annual Report, financial statements and press releases may also be viewed on the Company's Web site (www.edenor.com.ar). Under Argentine law, the board's performance is evaluated at the annual Shareholders' Meeting.</p>
<p>Section 303A.10 Companies must adopt a Code of Business Conduct and Ethics.</p>	<p>Under Argentine law there is no requirement that companies adopt a code of conduct. Nonetheless, our company adopted a code of ethics in 2003, which applies to all of our employees, including our principal executive, financial and accounting officers. Following the recent initial public offering of our company's shares and ADSs, we are currently reviewing and updating this code of ethics.</p>
<p>Section 303A.12(a) The CEO shall on a yearly basis certify to NYSE that he/she knows of no violation by the company of NYSE rules relating to corporate governance.</p>	<p>No similar obligation exists under Argentine legislation. However, in accordance with Argentine law the directors of a company must annually submit for its shareholders' approval such company's annual report and financial statements at such company's annual shareholders' meeting. Also, Edenor discloses material events in regulatory filings both with the CNV in Argentina and with the SEC on form 6K in the United States (as "materiality" is understood in each of those respective jurisdictions). Under applicable rules of the NYSE, Edenor is required to disclose to the NYSE certain changes in its audit committee, including any change that affects the committee's independence.</p>
<p>Section 303A.12(b) The CEO shall promptly notify the NYSE in writing after any executive officer of the company becomes aware of any</p>	<p>Edenor is subject to and complies with §303A.12(b), to the extent that it relates to the sections of the NYSE Listed Company Manual that</p>

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material non-compliance with any applicable provisions of Section 303A of the Listed Company Manual.	apply to foreign private issuers.