



**ELECTRICITY DISTRIBUTION
TARIFF INCREASE**

EDEMSA is pleased to communicate that on 25th June 2013, Decree 885/13 (the “Decree”) was published in the Official Gazette of the Province of Mendoza, in which the Provincial Government decreed an increase in the electricity tariff as follows:

(i) As from the date of publication of the Decree and up to 31st October 2013, the provincial electricity distribution companies should invoice an increase in their VAD (distribution margin) of 14%, representing an average tariff increase of approximately 9%;

(ii) A from 1st November 2013, they should apply an additional 10% increase to their VAD, representing an average tariff increase of approximately 7%

The provincial regulator, EPRE, is instructed to prepare the new tariff schedules for each category based on these parameters.

Among the considerations included in the Decree it is mentioned that the distributors’ income and costs shall be adapted to the result of the tariff review process, currently underway, for the Fourth Tariff Period, which comes into effect on 1st February 2014.

Updated financial information and press releases on EDEMSA can be found on the website of the Argentine Securities Commission (Comisión Nacional de Valores, “CNV”) using the link: <http://www.cnv.gob.ar/InfoFinan/Zips.asp?Lang=0&CodiSoc=452&DescriSoc=Emp%2E+Distribuidor+a+de+Electricidad+de+Mendoza+S%2EA%2E+++++&Letra=E&TipoDocum=7&TipoArchivo=1&TipoBalance=0>