TRACTEBEL ENERGIA S.A.

A PUBLICLY LISTED COMPANY – CNPJ 02.474.103/0001-19
NIRE 4230002438-4

NOTICE TO SHAREHOLDERS

We hereby notify all Shareholders and the market in general that the Board of Directors of Tractebel Energia S.A., meeting on August 14 2007 pursuant to subsection XV of Article 19 of the Company's Bylaws, approved the distribution of interim dividends based on the financial statements raised on June 30 2007 pursuant to Article 204 of Law 6,404/76 with respect to the following values and conditions:

a) Value
The value of the interim dividends shall be R$ 360,066,578.47 (three hundred and sixty million, sixty-six thousand, five hundred and seventy-eight Reais and forty-seven cents), corresponding to R$ 0.5516214256 per share.

b) Share Trading
The Company's shares shall be traded ex-interim dividends as from August 28 2007;

c) Payout of interim dividends

The interim dividends shall be paid according to the existing shareholder registration details at Banco Itaú S.A., on a date to be decided by the Board of Executive Officers and notified by means of a Notice to Shareholders.

The said dividends, together with interest on shareholders' equity credited on June 30 2007 in the amount of R$ 88,000,000.00 (eighty-eight million Reais), corresponding to R$ 0.1348158600, approved by the Board of Directors at its meeting on May 10 2007, shall represent a payout of R$ 448,066,578.47 (four hundred and forty-eight million, sixty-six thousand, five hundred and seventy-eight Reais and forty-seven cents), corresponding to 95% of the first semester net income.

Florianópolis, August 14 2007.

Marc Verstraete
Finance and Investor Relations Director