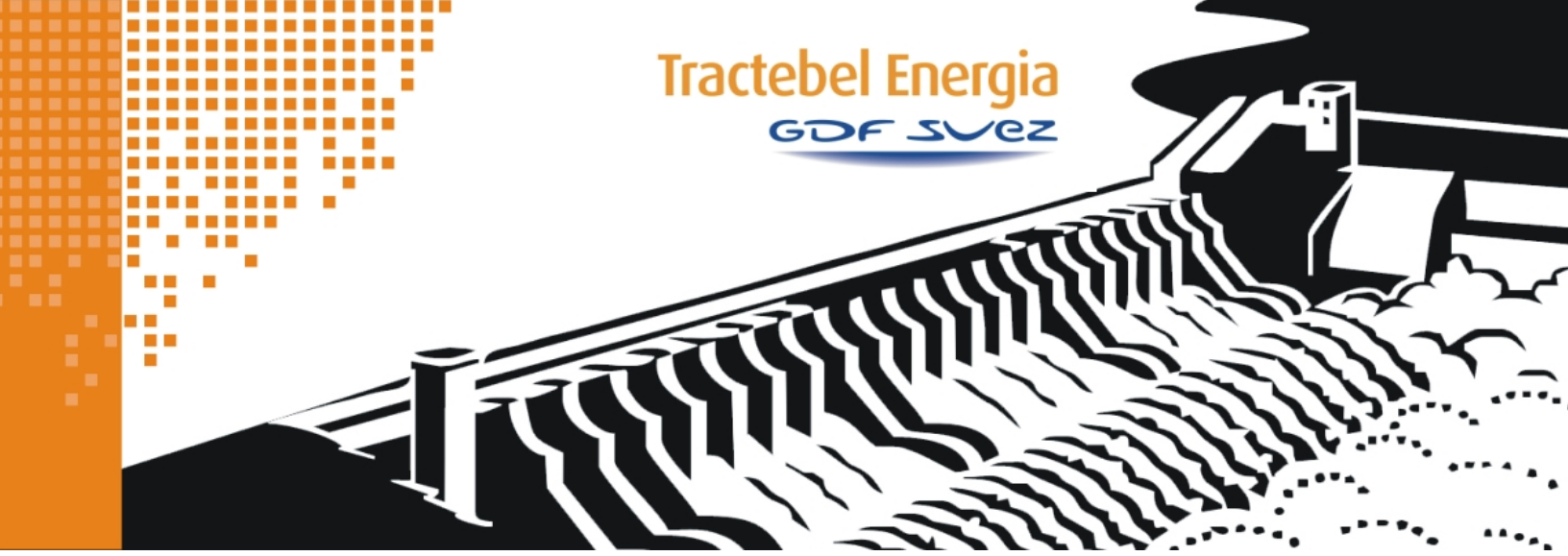


TRACTEBEL ENERGIA S.A.

A PUBLICLY-HELD CORPORATION – CNPJ 02.474.103/0001-19
NIRE 4230002438-4

ANNOUNCEMENT TO THE MARKET

TRACTEBEL ENERGIA S.A., a publicly-held corporation with its head-office in the City of Florianópolis, State of Santa Catarina, at Rua Antônio Dib Mussi, 366, duly enrolled with the Brazilian corporate taxpayers' Register (CNPJ) under number 02.474.103/0001-19 ("Tractebel"), pursuant to CVM Instruction CVM 358/2002, and following notification through the Announcement to the Market published on July 25, 2008, hereby informs shareholders and the market at large that the tender offer for the acquisition of 100% of the shares of Econergy International PLC ("Econergy"), for approximately 39 million pounds sterling (approximately R$ 138 million) by SESA BidCo Ltd. has been concluded. SESA BidCo Ltd is a corporation constituted and existing under the laws of the Island of Man, the control of which is exercised by the GDF SUEZ group, of which Tractebel is a component part.

Tractebel wishes to notify that studies are in progress for the eventual acquisition of the generation assets held by Econergy in Brazil in accordance with the best corporate governance practices with respect to transactions between related parties.

Tractebel further informs that pursuant to Authoritative Resolution 1591, the National Electricity Energy Agency – ANEEL has given its approval for the structuring of the acquisition process through a subsidiary company to proceed.

Florianópolis, October 28, 2008.

Manoel Arlindo Zaroni Torres
Chief Executive Officer