TRACTEBEL ENERGIA S.A.
A Publicly Listed Company – CNPJ 02.474.103/0001-19
NIRE 4230002438-4

ANNOUNCEMENT TO THE MARKET

TRACTEBEL ENERGIA S.A., a publicly listed company with its registered offices in the city of Florianópolis, state of Santa Catarina at Rua Paschoal Apóstolo Pítsica, 5064, enrolled in the corporate tax register (CNPJ) under number 02.474.103/0001-19 ("Tractebel Energia"), pursuant to the contents of CVM Instruction 358/2002 ("ICVM 358"), wishes to notify its shareholders and the market in general that the Extraordinary General Meeting held on the present date approved the upstream merger into Tractebel Energia of its controlled company Companhia Energética São Salvador ("CESS"), a closely held corporation with registered offices in the city of Florianópolis, State of Santa Catarina, CNPJ/MF n.º 04.848.623/0001-70, holder of Concession Contract No. 17/2002-ANEEL, pursuant to a decision of the Company's Board of Directors at a meeting held on August 13, 2013, by means of the absorption of CESS's equity at book value.

With the operation's approval, the Executive Officers of Tractebel Energia have been authorized to take all steps needed to complete the process.

Florianópolis, December 30, 2013.

Eduardo Antonio Gori Sattamini
Chief Financial and
Investor Relations Officer

Manoel Arlindo Zaroni Torres
Chief Executive Officer