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 registered offices in the city of Florianópolis, state of Santa Catarina at Rua Paschoal Apóstolo Pítsica, 5064, enrolled in the tax register (CNPJ) under number 02.474.103/0001-19 ("Tractebel Energia" or "Company"), in response to Official Letter CVM/SAE/GAE 2499-14, wishes to provide the following clarifications:

Questioning from BM&FBovespa and the Brazilian Securities and Exchange Commission - CVM

BM&FBovespa and CVM have requested clarification on a report issued on July 28, 2014 by the Agência Estado – Broadcast online news service, under the headline "Tractebel expects stronger 2nd half results thanks to greater energy allocation" in which it is cited, among other information, that the Company's degree of leverage (ratio of net debt to Ebitda) during the year should be close to 1.1 time, perhaps 1.2 time, in addition to other information deemed important and attributed to Eduardo Antonio Gori Sattamini, Chief Financial and Investor Relations Officer.

Tractebel Energia's clarifications

The information provided at the meeting with research analysts and investors held in São Paulo on July 28, 2014, as scheduled in the Corporate Calendar of Events, filed with the CVM and BM&FBovespa, reflects the outlook for improved results in the second half. This is due to the Company adopting a strategy of seasonal weighting, the purpose being to allocate greater commercial capacity in this period in relation to the allocation in the first six months of 2014. This procedure produced a negative effect in the 2nd quarter of 2014 as was observed in the 4th paragraph of the results release for 2Q14, made available to shareholders and the market at large in the websites of the CVM, BM&FBovespa and the Company on July 25, 2014.

If the improvement in results due to a greater weighting of commercial capacity in the second half of 2014 is confirmed, then as a consequence the management expects leverage to return to the levels reported in 2013 and 2012, or about 1.1 time.

We would point out that the clarifications provided herein are merely forecasts of events and future results and should in no way be construed as a recommendation to eventual investors or the basis of an investment decision.

Florianópolis, July 29, 2014.

Eduardo Antonio Gori Sattamini
Chief Financial and Investor Relations Officer

Manoel Arlindo Zaroni Torres
Chief Executive Officer