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 Antônio Dib Mussi, 366, registered in the corporate tax register (CNPJ) under number 02.474.103/0001-19 ("Tractebel"), wishes to notify its shareholders and the market in general that as a result of the announcement published today ("Announcement") by its indirect controlling company, GDF SUEZ S.A. ("GDF SUEZ"), it has learnt of the signature of a Memorandum of Understanding between the boards of directors of GDF SUEZ and International Power plc ("International Power"), detailing the principles which will govern a possible merger of assets of the international energy business unit (outside Europe) pertaining to GDF SUEZ and certain assets located in the United Kingdom and Turkey (denominated jointly as "GDF SUEZ Energy International Assets"), with the assets of International Power, for the creation of a more robust International Power (the "New International Power"), listed and traded on the London Stock Exchange (the "Operation"). Tractebel is part of the GDF SUEZ Energy International Assets.

In accordance with the Announcement, should the Operation come to fruition, it is expected that the GDF SUEZ Energy International Assets will contribute to a capital increase in International Power through the issue of new shares of International Power to GDF SUEZ, which as a result will become the majority shareholder in the New International Power with an estimated stake of 70% of the capital and voting stock. The current shareholders of International Power would then hold an estimated stake in the New International Power of 30% in the Company's capital and voting stock as well as receiving a cash payment of 92 pence per share in International Power through the distribution of a special dividend to be implemented by International Power.

It should be pointed out that the conclusion of the Operation is contingent on fulfilling certain preliminary conditions, among which is the signature of binding contracts between GDF SUEZ and International Power with respect to the Operation and the prior approval of the shareholders of International Power, the employees of GDF SUEZ and certain official anti-

trust bodies and regulatory agencies. There is no assurance that the binding contracts will be signed or that the Operation will be approved and finally implemented.

According to publicly available information, International Power has no assets in Brazil. In this context and based exclusively on this public information, the Operation, if and when finalized, is not expected to result in modifications or adversely affect Tractebel's operations or the structure of the Brazilian electricity market. In the same way, in the event that the Operation is concluded according to the conditions announced today, change in control of Tractebel is not anticipated, since GDF SUEZ will remain as its indirect controlling company.

We shall provide additional information on the Operation and its impacts on Tractebel and the market in Brazil as and when more details become known to Tractebel or when the Operation is completed.

Florianópolis, August 10, 2010.

Eduardo Antonio Gori Sattamini
Finance and Investor Relations Director

Manoel Arlindo Zaroni Torres
Chief Executive Officer