

TOTVS S.A.  
CNPJ/MF nº 53.113.791/0001-22  
NIRE 35.300.153.171

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS**  
**HELD ON OCTOBER 27, 2015**

1. **DATE, TIME AND PLACE OF THE MEETING:** Held on October 27, 2015, at 9:00 a.m., outside the headquarters of TOTVS S.A. ("**Company**"), at Rua Ministro Jesuino Cardoso, No. 454, suites 93 and 94, in the City and State of São Paulo.
2. **ATTENDANCE:** The following members of the Board of Directors: Maria Helena dos Santos Fernandes de Santana, Laércio José de Lucena Cosentino, Danilo Ferreira da Silva, Pedro Moreira Salles.
3. **BOARD:** Chairman: Mrs. Maria Helena dos Santos Fernandes de Santana; and Secretary: Mr. Ricardo Correa Helfer.
4. **RESOLUTIONS:** After discussing the matters, the following resolutions were taken by unanimous vote of the Directors, without restrictions or exemptions:
  - 4.1. After the analysis of the Company's Results of the third quarter of 2015, to approved, without exemptions, the Management Reports and the Financial Statements of the Company regarding the third quarter of 2015, filed at the Company's headquarters.
  - 4.2. In view of the resolutions approved on the Company's Extraordinary General Meeting, of September 3, 2015, which approved the acceptance, by the Company, of the stock options granted within the Stock Option or Share Subscription Plan, approved by the extraordinary general meeting of Bematech, of March 16, 2007 ("**Bematech's Plan**"):
    - (i) to approve the granting to the beneficiaries of Bematech's Plan of new stock options of the Company replacing those options granted within Bematech's Plan and not exercised until this date ("**New Options**");
    - (ii) to record that the Exercise Price of the New Options is of R\$41.94 per option;
    - (iii) to record that the 48,000 options of Bematech's Plan will be replaced by 13,901 New Options;
    - (iv) to determine that the New Options fully replace the options granted within Bematech's Plan, which were cancelled;

- (v) to determine that the New Options are subject to the same rules and conditions applicable to the options granted within Bematech's Plan, except for the adjustments to the number of options and to the exercise price approved herein;
- (vi) to determine that the amount of the New Options granted to each of the beneficiaries shall be the one defined in the respective Amendment to the Stock Option or Share Subscription Agreement, which will remain in force, as amended ("**Amendment(s)**");
- (vii) to determine that any doubts or conflict that may arise regarding Bematech's Plan, the Stock Option or Share Subscription Agreements or the Amendment(s) shall be submitted and settled by the Company's Board of Directors; and
- (viii) to authorize the Company's Board of Officers to execute the Amendments with each of the beneficiaries.

4.3. Considering the consummation of the corporate governance involving the merger of shares issued by Bematech by Makira II Empreendimentos e Participações S.A. ("**Makira II**"), followed by incorporation of Makira II by the Company ("Transaction"), and considering that on October 21<sup>st</sup>, 2015, the legal term of 15 days following the publishing of the decision of CADE's General Superintendence ended, to approve the guarantee to be granted by the Company, as the sole shareholder of Bematech, in connection with the Financial Agreements No.10.2.0050.1, of R\$ 30,287,800.00, and No. 14.2.0262.1, of R\$ 42,357,000.00, both entered into between Bematech and Banco Nacional de Desenvolvimento Econômico e Social (BNDES), in accordance with Article 19 (xxi) of the Company's By-laws.

5. **CLOSING, DRAW-UP AND APPROVAL OF THE MINUTES:** There being no further to be discussed, the meeting was ended, in relation to which these minutes were drawn-up, read, found in order, and signed by all those in attendance.

São Paulo, October 27, 2015.

Board:

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Maria Helena dos Santos Fernandes de Santana

**Chairman**

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Ricardo Correa Helfer

**Secretary**

Board of Directors Members:

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Maria Helena dos Santos Fernandes de Santana

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Pedro Moreira Salles

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Danilo Ferreira da Silva

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Laércio José de Lucena Cosentino