



**TOTVS S.A.**  
Publicly-Held Company

Corporate Taxpayer's ID (CNPJ/MF): 53.113.791/0001-22  
Company Registry (NIRE): 35.300.153.171

## **NOTICE TO THE MARKET**

TOTVS S.A. (BM&FBOVESPA: TOTS3) ("TOTVS" or "Company"), in compliance with the provisions of CVM Instruction 358/2002, as amended, hereby informs its shareholders and the market in general that received today a correspondence from the shareholder **Harris Associates L.P.** ("Harris") informing that it presently **holds an interest of 5.10% in the Company's capital.**

Harris also informed that it does not intend to alter the Company's control or administrative structure, does not hold any convertible debenture issued by TOTVS and hasn't entered into any agreement or contract to regulate the voting rights or the purchase and sale of securities issued by TOTVS.

The following correspondence is the document received and filed at the Company's headquarters.

São Paulo, May 31, 2016

**Gilsomar Maia Sebastião**  
Executive and Financial Vice-President and  
Investor Relations Officer

**Investor Relations**  
Phone: + 55 (11) 2099-7105/7773/7097/7089  
ir@totvs.com  
ir.totvs.com

# HARRIS ASSOCIATES

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Chicago, Illinois, May 31, 2016

**TOTVS S.A.**  
Avenida Braz Leme, 1.631  
São Paulo, SP, Brazil  
02511-000

Att: **Mr. Gilsomar Maia Sebastião**  
Investor Relations Officer

By Email: [www.totvs.com/ir](http://www.totvs.com/ir)

**Subject: TIME SENSITIVE - CVM Instruction 358 Notification - Disclosure of Crossing of 5% Shareholding in Totvs S.A. ("Totvs")**

Ladies and Gentlemen,

1. Harris Associates L.P. ("Harris") is a Delaware partnership that engages in investment management.
2. Please be advised that clients whose managed accounts are under our discretionary management have acquired a relevant shareholding in Totvs.
3. In compliance with our disclosure duty under article 12 of Securities and Exchange Commission of Brazil ("CVM") Instruction No. 358 dated January 3, 2002 (as amended, "CVM Instruction 358"), the complete information required thereunder is as follows:
  - (i) Harris' Particulars: Harris has head office at 111 South Wacker Drive, Suite 4600, Chicago, Illinois, 60606, USA;
  - (ii) Objective: None of Harris' clients intends to alter the control or administrative structure of Totvs.
  - (iii) Holding: as at May 27, 2016, Harris' clients hold **8,330,600** of Totvs common shares and such holding represents **5.10%** of the common shares of Totvs in issue;
  - (iv) Other certain Totvs Securities. Harris is not aware whether its clients hold any positions in any other securities or derivative financial instruments referenced to Totvs shares. We understand, however, that even if they do, such convertible debentures would not be aggregated with any portion they own in the holdings hereby reported since these holdings were purchased under our discretionary management.
  - (v) Voting Rights Agreements: Other than a managed account agreement entered into between us and each client for purposes

of asset management pursuant to which, generally, we may exercise voting rights in respect of such client's investment portfolio, there is no agreement or contract between us, on the one hand, and part or all of the clients who own the aggregate holdings reported hereby, on the other, regulating any acting in concert or similar arrangement with respect to the voting rights or the purchase and sale of securities issued by Totvs.

4. You are receiving concurrently herewith an executed Portuguese version of this letter. Both this English version and the Portuguese version shall have the same legal effect. You may rely on the Portuguese version for the purposes of CVM Instruction 358.

We look forward to receiving confirmation that you have made the relevant reporting to the CVM.

Should any further clarification or information be required on this notification, please contact Kim Colwell, Senior Compliance Officer, at phone number 1 312 646 3600 or e-mail [KColwell@harrisassoc.com](mailto:KColwell@harrisassoc.com).

Thank you for your attention to this matter.

Very truly yours,

**Harris Associates L.P.**



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Name: Kim Colwell

Title: Senior Compliance Officer