

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

**SUMMARY OF THE MAIN DELIBERATIONS OF THE BOARD OF DIRECTORS HELD ON
AUGUST 1, 2016**

Dear Sirs,

We hereby send you the content of the main deliberations at the meeting of the Board of Directors of TOTVS S.A. ("Company"), held on August 1, 2016, at 9:00 a.m:

- (i) Approve the Management Reports and the Financial Statements of the Company regarding the second quarter of 2016.

- (ii) Authorize, pursuant to article 19(xviii) of the Company's Bylaws, the payment of interest on capital to the shareholders of the Company, in the amount of forty-three million, six hundred and five thousand, four hundred and ninety reais and thirty-seven centavos (R\$43,605,490.37), related to the first semester of 2016, corresponding to R\$0.26703514 per share, which shall be included in the minimum mandatory dividends in accordance with article 34 of Company's By-laws. All shareholders registered as such on August 04, 2016 shall be entitled to receive the payment of the interest on capital. The Company's shares will be traded "ex-interest on equity" as of August 05. The interest on equity will be paid on August 24, 2016, with no monetary readjustment from August 04, 2016 to August 24, 2016, 2016.

Furthermore, we inform you that the full text of the minutes of the Meeting of the Board of Directors will be available within seven (7) days, provided through the IPE system, through EmpresasNet system.

Sincerely,

Ricardo Correa Helfer
Secretary of the Board of Directors Meeting