



TOTVS S.A.
Publicly-Held Company

Corporate Taxpayer's Identification (CNPJ) No. 53.113.791/0001-22
Company Registry (NIRE) No. 35.300.153.171

NOTICE TO THE MARKET

Replacement of Market Maker

TOTVS S.A. (BM&FBOVESPA: TOTS3) ("Company" or "TOTVS") in compliance with the provisions of CVM Ruling No. 358/2002 and CVM Ruling No. 384/2003, as amended, ("ICVM 384"), hereby informs its shareholders and the market the termination of the agreement entered into with **BRASIL PLURAL CORRETORA DE CÂMBIO, TÍTULOS E VALORES MOBILIÁRIOS** to operate as the market maker of its common shares ticker "TOTS3" listed in the São Paulo Stock Exchange ("BM&FBOVESPA"), executed on May 29, 2013. BRASIL PLURAL had been the Company's market maker from June 10, 2013 to today.

Furthermore, the Company informs that, replacing BRASIL PLURAL, it has contracted **BTG PACTUAL CORRETORA DE TÍTULOS E VALORES MOBILIÁRIOS S.A.**, with its head offices at Av. Brigadeiro Faria Lima, 3.477, 15th floor-part, in the city of São Paulo, State of São Paulo, enrolled with the Brazilian Corporate Tax Register (CNPJ/MF) under No. 43.815.158/0001-22 ("Market Maker"), to operate from December 26, 2016 as the market maker of its common shares ticker "TOTS3" listed in BM&FBOVESPA with the purpose of increasing the liquidity of the abovementioned shares, for a period of 12 (twelve) months, renewable by the parties, been agreed also that after 3 (three) months of its execution the agreement can be terminated by either party with a prior 30 (thirty) days communication. The Company also informs that it has 163.344.952 common shares outstanding in the market and that it has not entered into any agreement with the market maker regulating the exercise of voting rights or the purchase and sale of securities of its issuance.

São Paulo, December 23, 2016

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