

TOTVS S.A.
Publicly-held Company
Corporate Taxpayer's ID (CNPJ/MF): 53.113.791/0001-22
Corporate Registry (NIRE): 35.300.153.171
NOTICE TO SHAREHOLDERS / NOTICE TO THE MARKET

Payment of Interest on Equity

TOTVS S.A. ("Company" or "TOTVS"), whose ordinary shares are listed on BM&FBOVESPA - Bolsa de Valores, Mercadorias e Futuros under the code of "TOTS3", hereby informs its shareholders and the market in general that the Board of Directors, in a Meeting held on this date, pursuant to the resolutions below, approved the payment of interest on equity in the total amount of twenty-nine million, one hundred and ninety-five thousand, five hundred and ninety reais and two centavos (R\$29,195,590.02), referring to the first semester of 2015, corresponding to R\$0.179340618 per share, which shall be included in the minimum mandatory dividends in accordance with article 34 of Company's By-laws.

The payment of interest on equity above will be subject to the following conditions:

1.1. All shareholders registered as such on August 03, 2015 shall be entitled to receive the payment of the interest on equity; 1.2. TOTVS' shares will be traded "ex-interest on equity" as of August 04, 2015; 1.3. The interest on equity will be paid on August 19, 2015, with no monetary readjustment from August 03, 2015 to August 19, 2015, at the bank account and at the banking domicile of the Shareholder informed to Banco Itaú S.A.; 1.4. Shareholders whose registration does not contain their individual or corporate taxpayer's number (CPF/CNPJ) or their bank/branch and/or current account number, will have their payment credited as soon as they update their registration details at any branch of Banco Itaú S.A., or by means of letter addressed to Gerência de Escrituração, at Rua Ururai, nº 111, Prédio B, CEP: 03084-010, São Paulo, SP; 1.5. Payments will be subject to Income Tax withholding pursuant to the legislation in force; and 1.6. For exempt Corporate Shareholders not to be subject to the withholding of income tax stated above, such Corporate Shareholders shall comply with the legislation in force by sending the proof of immune or exempt condition, which should be delivered until August 04, 2015, at the Company's headquarters at Av. Braz Leme, 1.717, Jardim São Bento - CEP: 02511-000 – São Paulo - SP - Phone: (11) 2099-7097 - Fax: (11) 2099-7335, to the Investor Relations Department of TOTVS.

São Paulo, July 27, 2015

TOTVS S.A.

GILSOMAR MAIA SEBASTIÃO
Investor Relations Officer

INVESTOR RELATIONS

Tel.: +55 (11) 2099-7105/7097/7773

ir@totvs.com

ir.totvs.com