

TOTVS S.A.
Publicly-held Company
CNPJ nº 53.113.791/0001-2

BEMATECH S.A.
Publicly-held Company
CNPJ nº 82.373.077/0001-71

NOTICE TO SHAREHOLDERS

TOTVS S.A. (BM&FBOVESPA: TOTS3) (“TOTVS”) and Bematech S.A. (BM&FBOVESPA: BEMA3) (“Bematech”), hereby jointly, in continuation to the information disclosed on August 20th and September 03rd, 2015, inform the following:

1. Final Approval by Antitrust Authorities

On October 21st, 2015, the legal term of 15 days following the publishing of the decision of CADE’s General Superintendence as of October 6, 2015, approving the merger of Bematech’s shares by Makira II Empreendimentos e Participações S.A. (“Makira II”), and the subsequent merger of Makira II by TOTVS (“Restructuring”), ended with no objection by third parties or call-back (avocação) by CADE’s Court. It is possible, therefore, for the transaction to be concluded, as detailed below.

2. Right of Withdrawal of Bematech’s Shareholders

On October 09th, 2015 the legal term for Bematech’s shareholders to exercise their right of withdrawal ended without any shareholder having exercised its right, therefore, there is no reimbursement to be paid as a result of the merger of Bematech shares into Makira II.

3. Bematech’s Shareholders Base and Delivery of Shares

The shareholders base of Bematech on October 27th, 2015, shall receive 15 common shares and 85 redeemable preferred shares of Makira II for each common share of Bematech held, resulting in the total issuance, by Makira II, of 4,999,087,000 shares, of which 749,863,050 will be common shares and 4,249,223,950 will be redeemable preferred shares, all registered and with no par value. The redeemable preferred shares issued will be redeemed by Makira II immediately after their issuance, subject to the provision of item 4 below regarding the payment of the amount of the refund.

As a following act, each Makira II share will be replaced by 0.002894737 common share of TOTVS (which is the equivalent to 0.043421048 common share of TOTVS for each common share of Bematech), resulting in the total issuance, by TOTVS, of 2,170,656 common shares, and negotiations of Bematech shares will cease as of October 28th, 2015. Thus, on October 27th, 2015, Bematech shareholders will become TOTVS Shareholders as of October 28th, 2015.

4. Payment of the Redemption to Bematech's Shareholders

On November 10th, 2015, former shareholders of Bematech will receive, from TOTVS, in the capacity of successor of Makira II, the amount of R\$0,11 for the redemption of each redeemable preferred share of Makira II, which is the equivalent to R\$9.35 for each share of Bematech, restated by 100% of the interest rate for certificates of interbank deposits for one business day, published by CETIP S.A. – Mercados Organizados, expressed in annual percentage, equivalent to the daily result calculated based on a 252-business day year, as of October 5th, 2015 (first business day following the 45-day term as of the submission of the Restructuring to CADE) until November 10th, 2015 (date of the effective payment).

With regard to Bematech's shareholders not residing in Brazil ("Non Resident Shareholders"), TOTVS will, in accordance with the applicable law, withhold the Income Tax levied on the positive difference, as the case might be, between the amount received for the redemption of the preferred shares of Makira II and the corresponding cost of acquisition of the shares owned by the applicable Non Resident Shareholder, at the rate of 15% (or 25% if the Non Resident Shareholder is located in jurisdictions with low or no taxation, as defined by the tax authorities).

Thus, Non Resident Shareholders will receive the amounts of refund arising from the redemption of the preferred shares of Makira II, net of any amount to be paid as Withheld Income Tax.

For such purpose, the Non Resident Shareholders must inform until October 28th, 2015, the average cost of acquisition of the shares issued by Bematech directly to TOTVS, to the attention of the Chief Investor Relations Officer, via the electronic address ri@totvs.com.br or through the delivery of mail at *Avenida Braz Leme, 1.631, Santana*, city of São Paulo, State of São Paulo, Zip Code (CEP) 02511-000, as well as to their respective custody agents, in each case being required to send documents necessary to evidence the average cost informed by the respective Non Resident Shareholder. The average cost of acquisition shall be expressed in Brazilian Reais, based on the conversion rate of the foreign currency from the date of acquisition of shares issued by Bematech. In case a Non Resident Shareholder does not inform its respective average cost of acquisition, or, in TOTVS' discretion, do not send the necessary document to support the average cost informed, until October 28th, 2015 (including), TOTVS shall consider that the cost of acquisition of such Non Resident Shareholder equals to zero, as authorized by the applicable law. In any case, any collection that TOTVS may receive due to the insufficiency of payment of Income Tax, including due to the content of the information sent, will be responsibility of the Non Resident Shareholder and its legal representative in Brazil.

The shareholders which enrollments do not include the CPF/CNPJ or indication of the Bank/Branch and or Checking Account, will have their rights credited after the duly correction of their enrollment with the branches of Itaú Unibanco S.A., or by means of a letter delivered to the Bookkeeping Management to the following address: *Rua Ururai, 111, Prédio B*, Zip Code (CEP): 03084-010, city of São Paulo, SP.

5. Fraction of TOTVS' Shares issued as a result of the Merger of Makira II

The fraction of TOTVS' common shares resulting from the exchange of the position of each shareholder of Makira II due to its merger by TOTVS shall be rounded down and paid in cash, by

the Company, within 7 business days as of the receipt of the funds from the sale, at *BM&FBOVESPA - Bolsa de Valores, Mercadorias e Futuros*, of the shares corresponding to this group of fractions.

Such amounts will be credited to the current accounts of the owners of fractions or transferred by *BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros* to the custody agents of each shareholder. In case it is not possible to identify the account for the deposit, the amounts will remain available to the owners of the fractions at Itaú Unibanco S.A.

São Paulo, October 22nd, 2015.

GILSONAR MAIA SEBASTIÃO and MARCOS ANDREETTO PERILLO
Chief Investor Relations Officers