



TOTVS S.A.

Publicly Held Company

Corporate Taxpayer ID (CNPJ/MF): 53.113.791/0001-22

Company Registry (NIRE): 35.300.153.171

NOTICE TO THE MARKET

TOTVS S.A. (B3: TOTS3) ("Company" or "TOTVS") hereby announces to its shareholders and the market that the Board of Directors was informed of the resignation tendered by director Pedro Moreira Salles in view of new professional commitments recently assumed by him, which will take up most of his time.

In compliance with its duties under Article 45, especially sub-items (i), (iii), (iv) and (v) of the Charter of the Board of Directors, the Governance and Designation Committee analyzed a list of names submitted to it by the directors. The analysis was based on strategic skills identified by the Committee as important for the Board of Directors of TOTVS in the coming years. At the meeting held on September 6, 2017, the Committee recommended Ms. **Claudia Elisa de Pinho Soares** to the Board.

On this date, the Board of Directors received a resignation letter from the board member **Pedro Moreira Salles**, effective immediately, and elected to take his place Ms. **Claudia Elisa de Pinho Soares** as independent member of the Board of Directors of the Company, who will hold office until the next Shareholders Meeting, in accordance with Article 150 of Federal Law 6,404/76, and also appointed her as a member of the Personnel and Compensation Committee.

The Company thanks Mr. **Pedro Moreira Salles** for his tremendous contribution and dedication during the time he served as director and as leader of the Personnel and Compensation Committee.

Ms. **Claudia Elisa de Pinho Soares** has a degree in Business Administration from PUC-RJ, an MBA in General Management from INSEAD and an MBA in Human Resources from FIA. She has held diverse executive and board positions at leading companies during her career. The director will bring her experience to the Personnel and Compensation Committee of the Company.

São Paulo, September 26, 2017

Gilsomar Maia Sebastião

Investor Relations Officer

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