



**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 SHAREHOLDERS**

### **PAYMENT OF DIVIDENDS AND INTEREST ON EQUITY**

**TOTVS S.A.** (B3: TOTS3) ("Company" or "TOTVS") 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 dividends and interest on equity, to the Company's shareholders**, referring to the first semester of 2018, as described below:

Distribution of dividends in the amount of seventeen million, nine hundred and seventy-seven thousand, five hundred and twenty reais (R\$17,997,520.00), corresponding to R\$0.11 per share, and interest on capital in the amount of R\$14,708,880,00 (fourteen million, seven hundred and eight thousand, eight hundred and eighty reais), corresponding to R\$0.09 per share, totaling thirty-two million, six hundred eighty-six thousand, four hundred reais (R\$32,686,400.00).

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

**1.** All shareholders registered as such on August 01, 2018 shall be entitled to receive the payment of the interest on equity; **2.** TOTVS' shares will be traded "ex-interest on equity" as of August 02, 2018; **3.** The interest on equity will be paid on October 03, 2018, with no monetary readjustment from this date to on October 03, 2018, at the bank account and at the banking domicile of the Shareholder informed to Banco Itaú S.A.; **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.; **5.** Payments will be subject to Income Tax withholding pursuant to the legislation in force; and **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, 2017, at the Company's headquarters at Avenida Braz Leme, nº 1000, Casa Verde - CEP: 02511-000 – São Paulo - SP - Phone: (11) 2099-7773, to the Investor Relations Department of TOTVS.

The payment of dividends will be subject to the following conditions:

**1.** All shareholders registered as such on August 01, 2018 (inclusive) shall be entitled to receive the payment of dividends; **2.** TOTVS' shares will be traded "ex-dividends" as of August 02, 2018; **3.** The dividends will be paid on October 03, 2018, with no monetary readjustment; and **4.** The dividends shall be paid without withholding income tax, in the following manner: (i) by automatic credit to the account of those shareholders with CPF/CNPJ (Individual Taxpayers Registry/Corporate Taxpayers' Registry) registration numbers who

have given their banking details (Bank/Branch/Account Number), on October 03, 2018; (ii) Shareholders whose registration does not contain their individual or corporate taxpayer's number (CPF/CNPJ) or their bank/branch and/or current account number, the dividends will be paid as soon as they update their registration details at Banco Itaú S.A; (iii) shareholders using fiduciary custodian accounts shall have their dividends paid according to the procedures defined by the Stock Exchanges.

São Paulo, July 25, 2017

**Gilsomar Maia Sebastião**

Investor Relations Officer

**Investor Relations**

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