



**TOTVS S.A.**  
Publicly-Held Company

Corporate Taxpayer's ID (CNPJ/MF): 53.113.791/0001-22  
Company Registry (NIRE): 35.300.153.171

## **NOTICE TO THE MARKET**

A TOTVS S.A. (B3:TOTS3) ("TOTVS" or "Company"), in compliance with the provisions of CVM Instruction 358/2002, as amended, hereby informs its shareholders and the market in general that received today a correspondence from **Kinney Asset Management, LLC** group ("Kinney") informing that has reduced its shareholding participation and **presently holds an interest of 4.67% in the Company's capital.**

Kinney also informed that it does not intend to alter the Company's control or administrative structure and hasn't entered into any agreement or contract to regulate the voting rights or the purchase and sale of securities issued by TOTVS.

The following correspondence is the document received and filed at the Company's headquarters.

São Paulo, January 29, 2019

**Gilsomar Maia Sebastião**  
Investor Relations Officer

### **Investor Relations**

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[ir@totvs.com](mailto:ir@totvs.com)

<http://ir.totvs.com/>

# KINNEY ASSET MANAGEMENT, LLC

980 North Michigan Avenue  
Suite 1200  
Chicago, Illinois 60611

January 29, 2019

Gilsomar Maia Sebastião - Investor Relations Officer  
TOTVS S.A.  
Avenida Braz Leme, 1000  
Casa Verde, São Paulo, SP, Brasil

## **Subject: Shareholding below 5% in TOTVS**

Dear TOTVS,

Please be advised of the following:

1. Kinney Asset Management, LLC is a Registered Investment Advisor located at 980 N. Michigan Ave. Suite 1200, Chicago, IL 60611.
2. The below mentioned interest is strictly for investment purposes with no intention of changing TOTVS's shareholding or management structure.
3. Clients of Kinney Asset Management, LLC now hold an interest in 7,729,754 TOTVS common shares, and such holdings represent 4.67% of the Company.
4. Kinney Asset Management has no debentures convertible or any other securities convertible into shares of the Company in which it holds voting rights.
5. Other than Managed Account Agreements, Kinney Asset Management has no voting agreements or purchase and sale arrangements in relation to the Company's shares.

Should you have any further questions or need for clarification please do not hesitate to contact us directly.

Best Regards,

Brent Batts  
CFO & CCO