

TOTVS S.A.
Public-Held Company
CNPJ/MF n.º 53.113.791/0001-22
NIRE 35.300.153.171
MATERIAL FACT

TOTVS S.A. (BMF&Bovespa: TOTS3) (“TOTVS”), pursuant to the provisions of Normative Regulation No. 358, of January 3, 2002, of the Securities Commission, as amended, hereby informs its shareholders and the market in general that:

Through its subsidiary TOTVS NORDESTE SOFTWARE LTDA., executed, on the evening of July 15th, 2013, the Share and Quota Purchase Agreement (“Agreement”) by which it will pay thirty seven million, four hundred thousand reais (R\$ 37,400,000.00), for the acquisition of 100% (one hundred percent) of the shares of **RMS Software S.A.** and **Webstrategie Software Ltda. (jointly “RMS” or “Company”)**. The Agreement also establishes the payment of a variable amount that can reach the amount of five million reais (R\$5,000,000.00), which shall be paid based on the performance of RMS during a twelve-month period following the transaction closing, in accordance with metrics defined in the Agreement . The transaction closing is contingent upon the fulfillment of suspensive conditions adjusted in the Agreement (“Transaction”).

RMS is focused on the development of enterprise management software for retail and supermarket sectors in Brazil. Its revenue in 2012 was approximately nineteen million, two hundred thousand reais (R\$ 19,200,000.00). RMS was appointed as “Top of Mind” software by the *Supermercado Moderno Magazine*, a Brazilian publication, specialized in the supermarket industry.

With such movement, TOTVS reinforces its strategy of specialization as well as it’s positioning in the retail and supermarket industry, combining its strengths in distribution and customer service with RMS’s solutions and specialized know-how.

In due course, TOTVS’s management will inform its shareholders and the market in general about the progress of negotiations involving the Transaction.

São Paulo, July 16th, 2013.

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