

MATERIAL FACT

TOTVS S.A.
Publicly-Held Company

Corporate Taxpayers' ID (CNPJ/MF) # 53.113.791/0001-22
Corporate Registry ID (NIRE) # 35.300.153.171

TOTVS S.A., pursuant to CVM Instruction 358/2002, hereby informs its shareholders and the market that, on this date, it signed a share purchase agreement to acquire all the shares of RM Sistemas S.A., an unlisted joint-stock company which develops management software.

The above acquisition was formalized against the payment, on this date, of one hundred and sixty-four million Reais (R\$ 164,800,000.00) to RM Sistemas' previous controllers. A deposit of forty-one million, two hundred thousand Reais (R\$ 41,200,000.00) was made by TOTVS, whose freeing, in February 2007, is subject to certain conditions.

The acquisition was approved by a meeting of the Board of Directors of TOTVS' S.A. held on this date and will be submitted for the approval of the shareholders at an Extraordinary Shareholders' Meeting to be held at an opportune moment, pursuant to article 256 of Law 6404 of 1976. The operation will be also be submitted to the Administrative Council of Economic Defense – CADE.

São Paulo, April 12, 2006.

José Rogério Luiz
Investor Relations Officer