

**TOTVS S.A.**  
**Publicly Held Company**  
**Corporate Taxpayers' ID. (CNPJ/MF): 53.113.791/0001-22**  
**Company Registry (NIRE): 35.300.153.171**

**MATERIAL FACT**

**TOTVS S.A.** ("TOTVS") (Bovespa: TOTS3), pursuant to CVM Instruction 358/2002, as amended, hereby informs its shareholders and the market in general that, on this date, by means of its subsidiary TOTVS NORDESTE SOFTWARE LTDA. ("TOTVS NE"), entered into a Share Purchase Agreement by which it acquired the total capital stock of **M2I SERVIÇOS DE IMPLANTAÇÃO DE SOFTWARE LTDA.** ("M2I") and the total capital stock of **M2S SERVIÇOS DE SUPORTE LTDA.** ("M2S") for the total amount of R\$ 5,300,000.00 (five million and three hundred thousand Reais), being R\$ 530,000.00 (five hundred thousand Reais) referred to M2I and R\$ 4,770,000.00 (four million and seven hundred thousand Reais) referred to M2S, both RM product distribution channels in Bahia.

The acquisitions of M2I and M2S are in line with TOTVS' strategy to reassemble its distribution channels, which was intensified in the second semester of 2009.

The transaction will be submitted to the Brazilian antitrust agency, CADE (Administrative Council for Economic Defense).

São Paulo, January 5, 2010

José Rogério Luiz  
Investor Relations Officer