

TOTVS ACQUIRES PC SISTEMAS



São Paulo, January 24, 2013 - TOTVS S.A. ("TOTVS", BM&FBOVESPA: TOTS3), the leader in developing and marketing integrated enterprise management software and provision of related services in Brazil, announces that through its wholly-owned subsidiary TOTVS Brasília Software Ltda. it acquired 100% of the capital stock of W&D PARTICIPAÇÕES S.A., owner of the companies PC SISTEMAS S.A. and PC INFORMÁTICA S.A. (jointly "PC Sistemas"), focused on the development of software to the Distribution, Wholesale and Retail segments in Brazil.

With more than 26 years acting in the software market, PC Sistemas operates in all Brazilian regions, with approximately 500 employees serving more than 1,500 companies that benefit from its solutions specifically designed to the Distribution, Wholesale and Retail segments. PC Sistemas is the leader in its segment and its clients include 34% of Brazil's largest retailers/distributors according to the ABAD ranking. In 2012, the company posted net revenue of R\$52 million.

With this acquisition, TOTVS strengthens its positioning in this extremely dynamic segment that grows beyond the average expected for the Brazilian economy, adding to its portfolio solutions that integrate the distribution, wholesale and retail markets, including the so called *atacarejo* (cash and carry) sector. This partnership offers PC Sistemas the opportunity to benefit from synergies through the expansion of its product portfolio, broadening the solution portfolio offered to its clients and maintaining its differentiated service model.

The initial payment totaled R\$80.0 million, but it may come to a maximum of R\$95.0 million, depending on the attainment of certain goals by PC Sistemas in 2013.

IR Contacts:

Alexandre Dinkelmann

Executive Financial and Strategy Vice-President, and Chief Investor Relations Officer

Investor Relations

Phone: (11) 2099-7105/7097/7773

ri@totvs.com

www.totvs.com/ri

About TOTVS

TOTVS is Latin America's largest developer of application software, the world's 6th biggest ERP developer and the leader in emerging markets. It is the absolute leader in Brazil and Latin America. TOTVS was the first IT company in Latin America to go public and its shares are listed on the *Novo Mercado* segment of the BM&FBOVESPA. Its ERP operations are complemented by a broad portfolio of vertical solutions, as well as value-added services such as consulting, infrastructure and BPO. For further information, visit www.totvs.com.

This report contains forward-looking statements that are based on the beliefs and expectations of TOTVS management. The words "anticipate", "desire", "expect", "foresee", "intend", "plan", "predict", "project", "aim" and similar words are intended to identify statements that, necessarily, involve known and unknown risks. Known risks include uncertainties that are not limited to the impact of price and product competitiveness, acceptance of products by the market, the market performance of the Company's products and those of its competitors, regulatory approval, currency fluctuations, supply and production difficulties and changes in product sales, among others.