

TOTVS S.A.
Publicly-Held Company
Corporate Taxpayer's ID (CNPJ/MF): 53.113.791/0001-22

Company Registry (NIRE): 35.300.153.171

MATERIAL FACT

TOTVS S.A., pursuant to CVM Rule 358/2002, hereby informs its shareholders and the market that it signed on this date, through its subsidiary TOTVS Brasília Software Ltda, a stock purchase agreement for the acquisition of all shares representing the capital stock of W&D PARTICIPAÇÕES S.A., holder of all the shares of PC SISTEMAS S.A. and PC INFORMÁTICA S.A. (jointly referred to as "PC Sistemas"), focused on software development for Brazil's Distribution, Wholesale and Retail segments.

TOTVS S.A. paid out the amount of eighty million reais (R\$80,000,000.00) to the former controlling shareholders of W&D PARTICIPAÇÕES S.A. The agreement also envisages the payment of a variable amount totaling up to fifteen million reais (R\$15,000,000.00), which will be disbursed according to the achievement of certain targets for PC Sistemas during 2013.

Pursuant to Article 256 of Law 6404 of 1976, the acquisition will be subject to the shareholders' ratification at the Extraordinary Shareholders' Meeting to be appropriately called. Any dissenting shareholder at the Extraordinary Shareholders' Meeting ratifying the acquisition of PC Sistemas may exercise the right to withdraw under Law 6404/76, and the right to withdraw will be granted to shareholders on January 24, 2013 (i.e., the trades as of January 25, 2013 will not be considered for the purposes of such right to withdraw).

São Paulo, January 24, 2013

Alexandre Dinkelmann

Investor Relations Officer