

**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), in compliance with CVM Rule 358/2002, as amended, hereby informs its shareholders and the market that on this date it acquired, through its subsidiary Totalbanco Participações S.A., by exercising the call option envisaged in the Share Purchase Agreement and Other Covenants signed on October 13, 2009, for R\$ 10,539,204.91 (ten million, five hundred thirty-nine thousand, two hundred four reais and ninety-one centavos), on shares representing 30% (thirty percent) of the capital of **TOTALBANCO CONSULTORIA E SISTEMAS S.A.. (“TOTALBANCO”)**, a closed corporation that develops software for the financial sector and in which **TOTVS** already held 70% interest.

Consequent to the aforementioned acquisition **TOTVS** now holds all the shares of **TOTALBANCO**.

The acquisition will be submitted to the Brazilian antitrust authority (CADE).

São Paulo, March 31, 2011

José Rogério Luiz

Investor Relations Officer