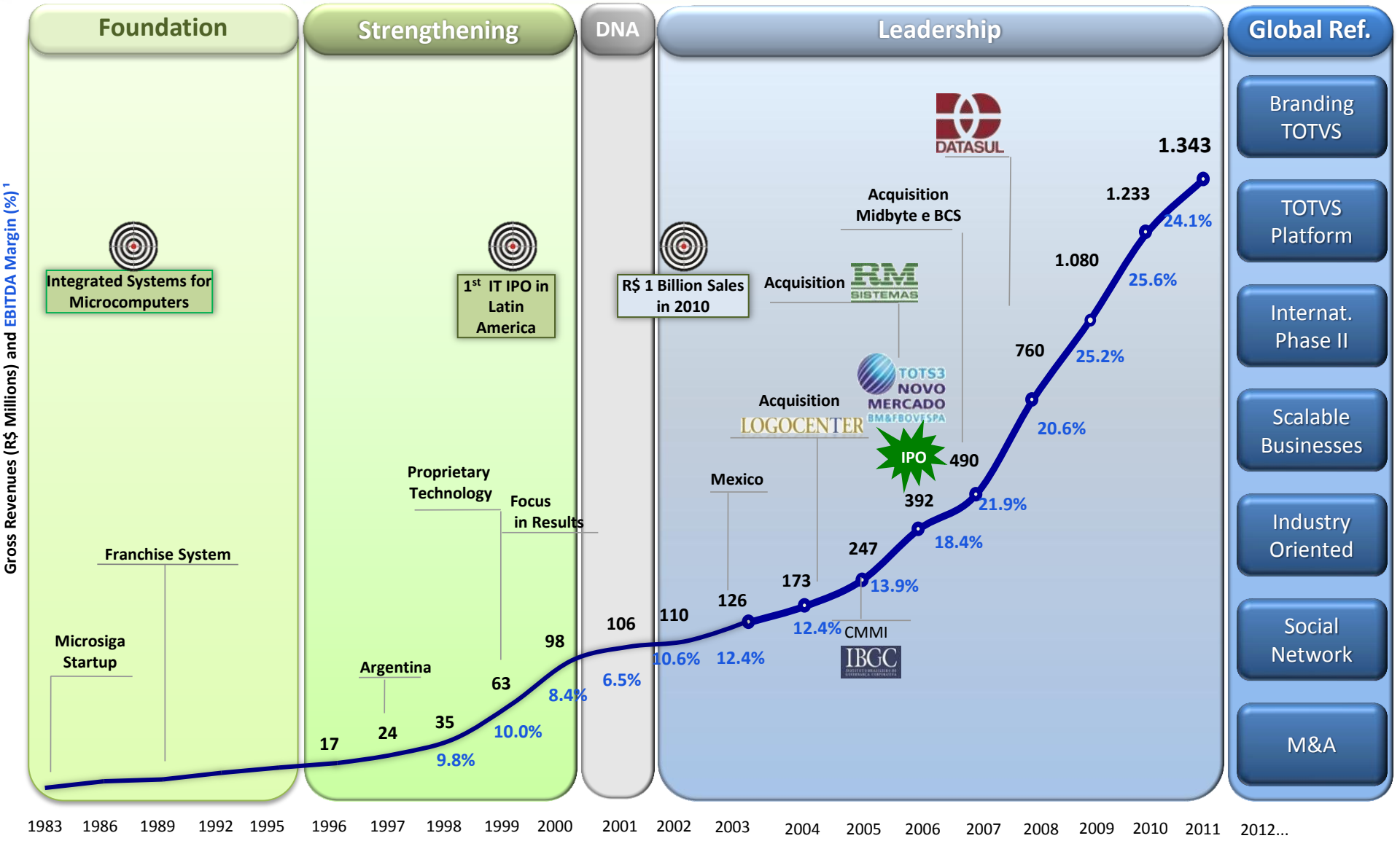


TOTVS

2011 and 4Q11 Earnings Conference Call

February 1st . 2012

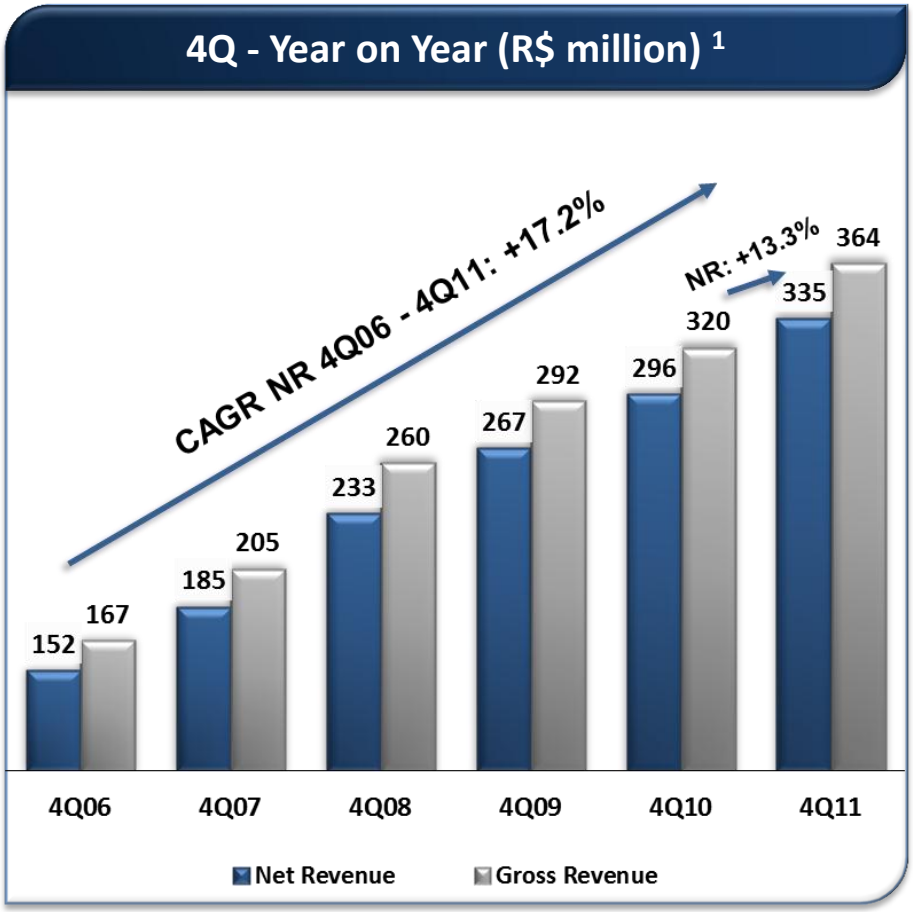
Company's History



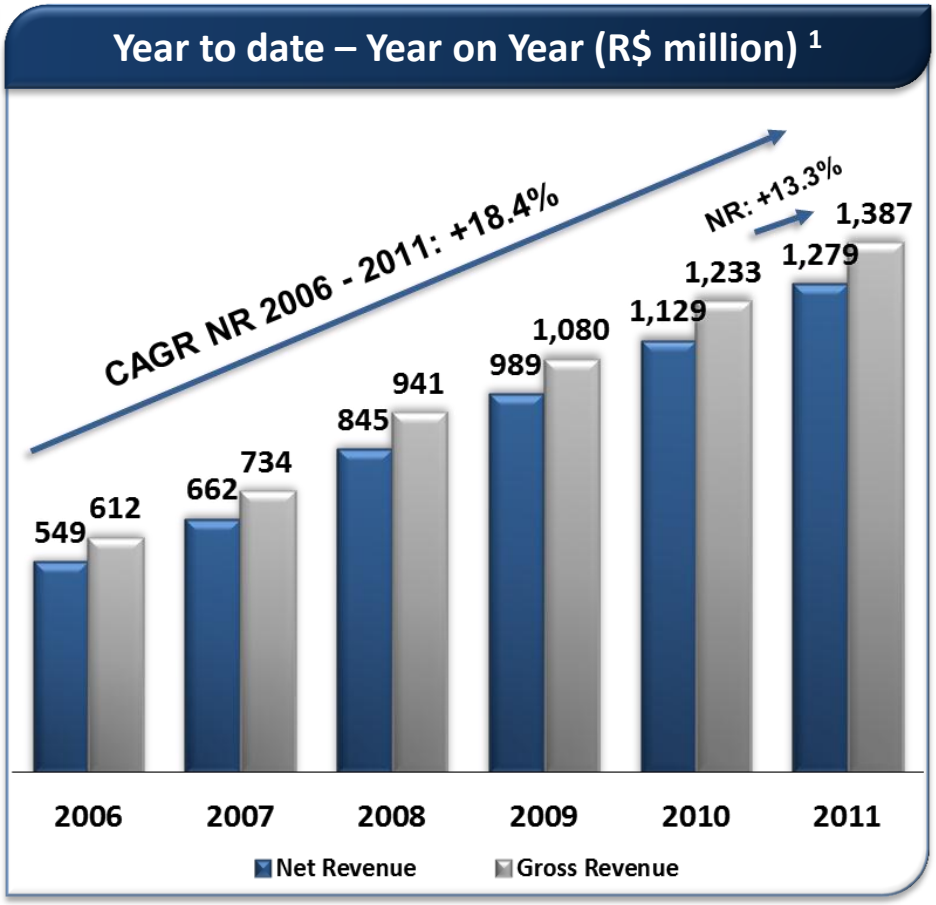
(1) EBITDA Margin does not include extraordinary expenses

Gross and Net Revenue growth

4Q - Year on Year (R$ million) [1]



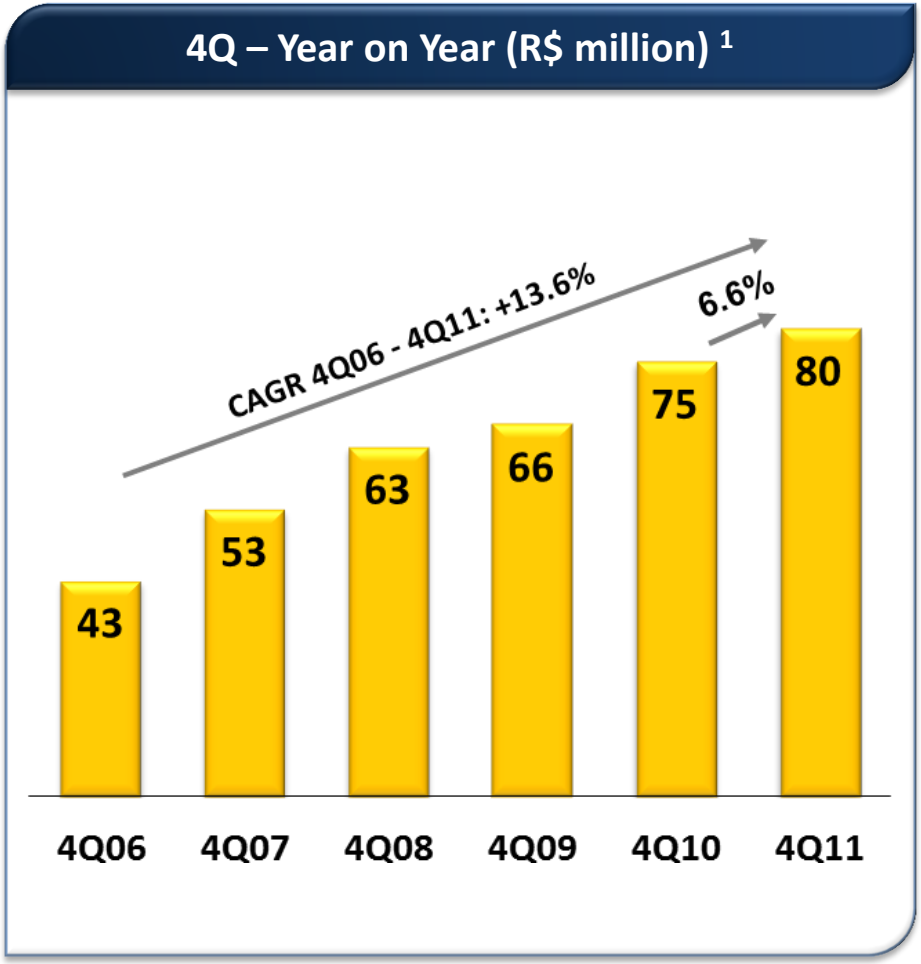
Year to date – Year on Year (R$ million) [1]



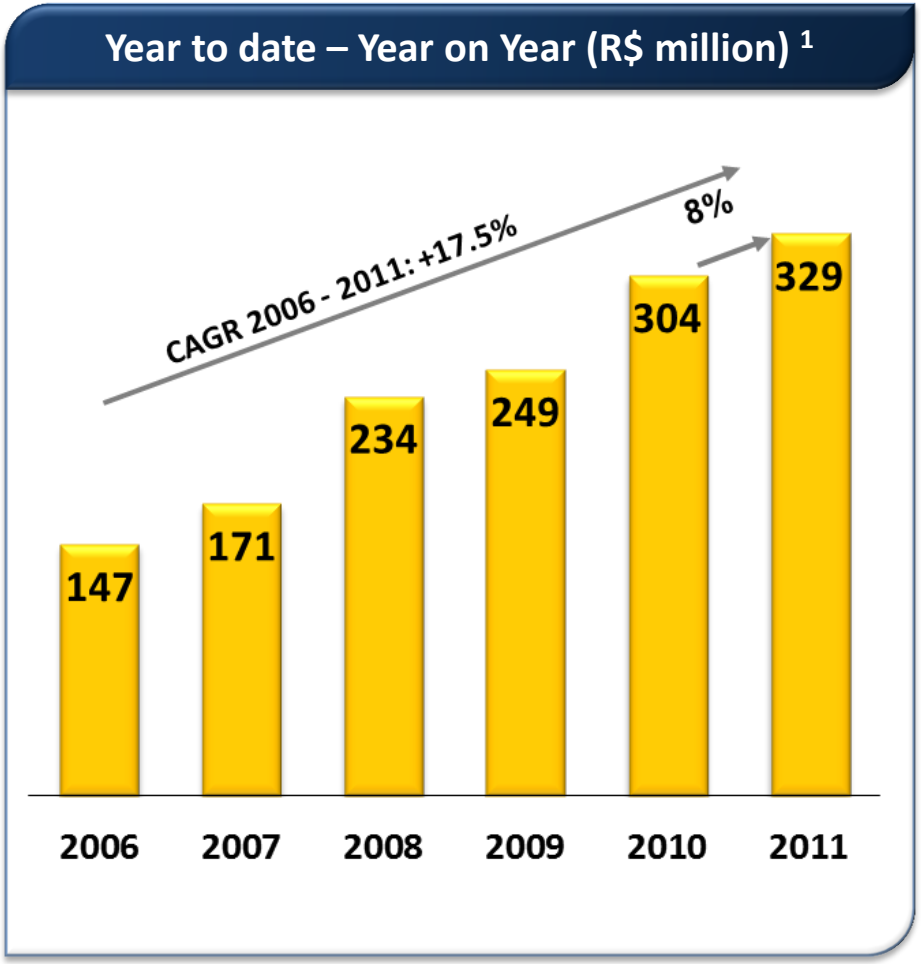
(1) Values are pro forma as they include the numbers of RM Sistemas,acquired in April 2006, and Datasul, consolidated in September 2008 in the period analyzed.

License Revenue

4Q – Year on Year (R$ million) [1]



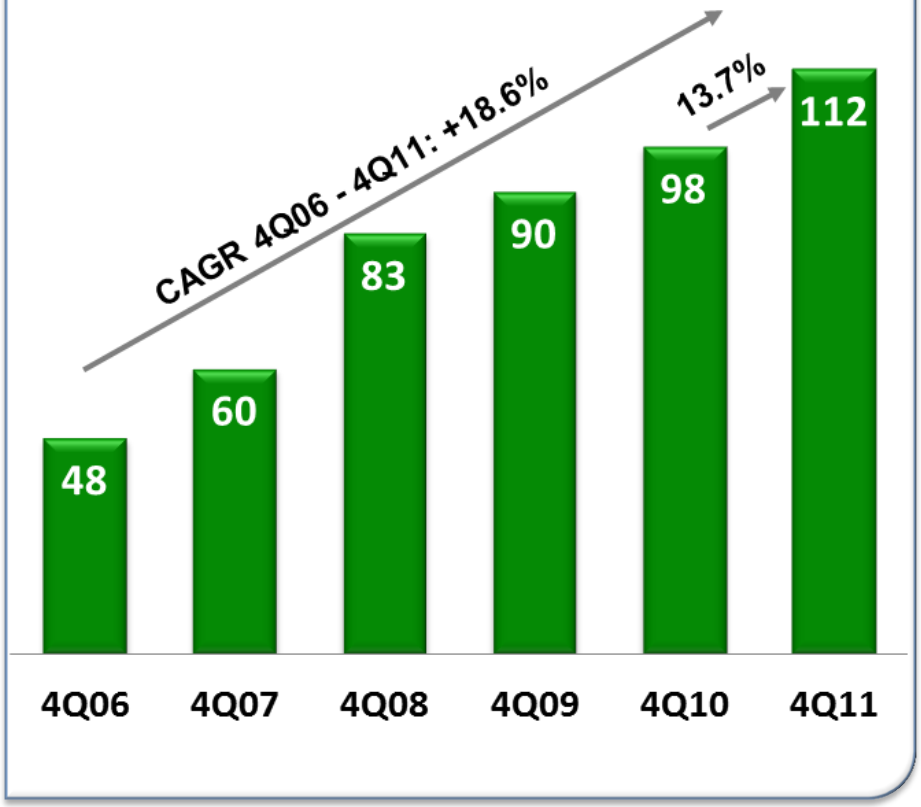
Year to date – Year on Year (R$ million) [1]



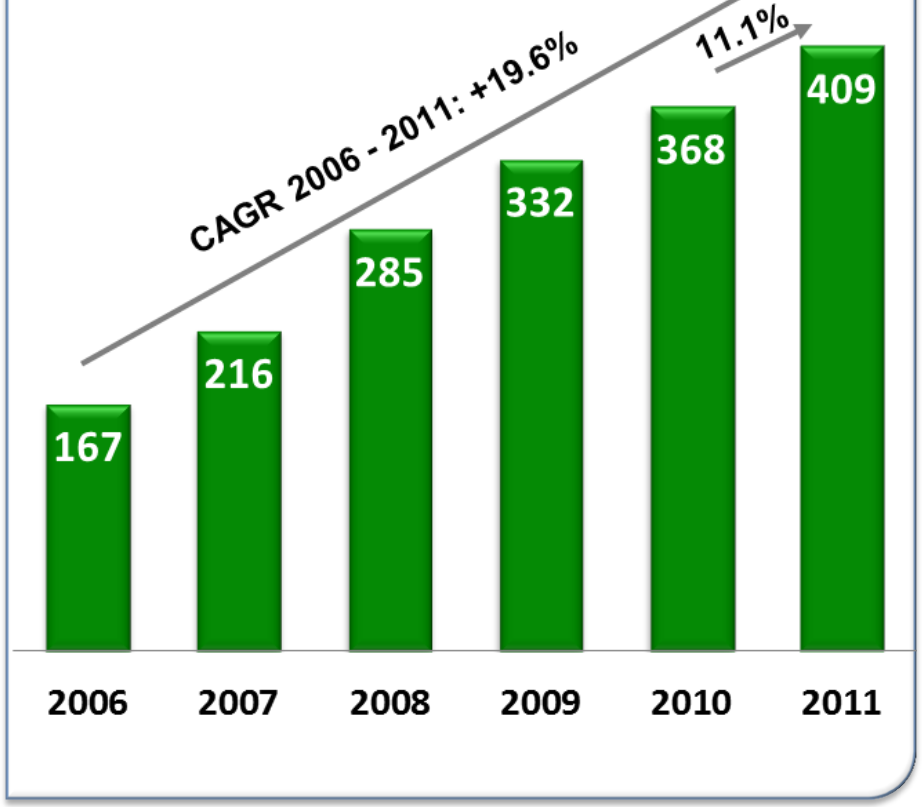
(1) Values are pro forma as they include the numbers of RM Sistemas,acquired in April 2006, and Datasul, consolidated in September 2008 in the period analyzed.

Services Revenue

4Q – Year on Year (R$ million) [1]



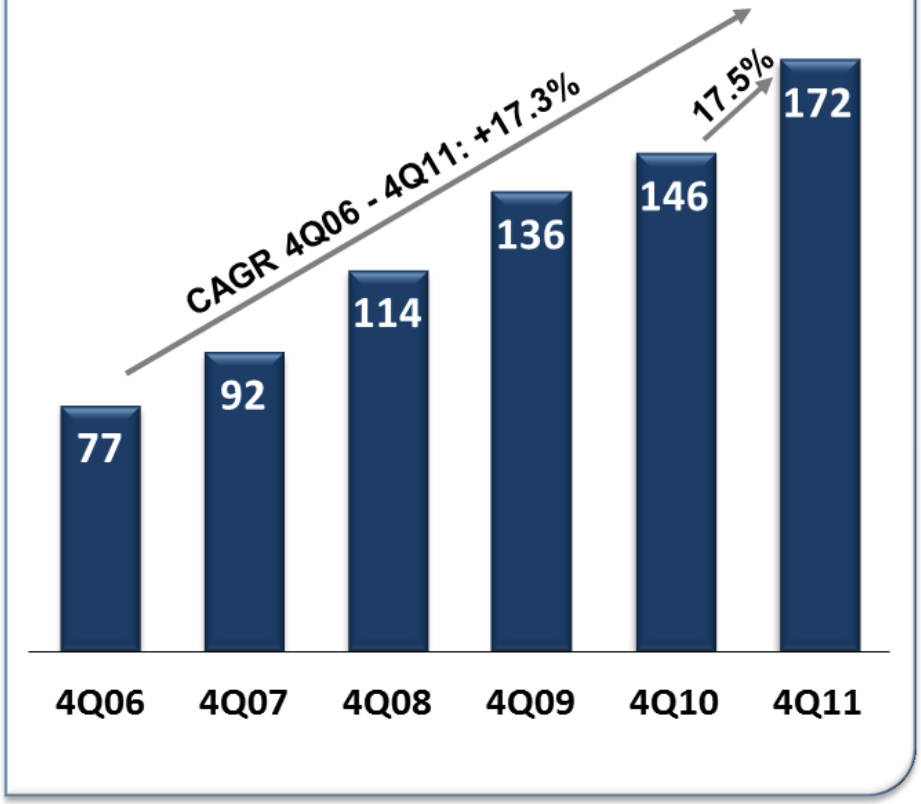
Year to date – Year on Year (R$ million) [1]



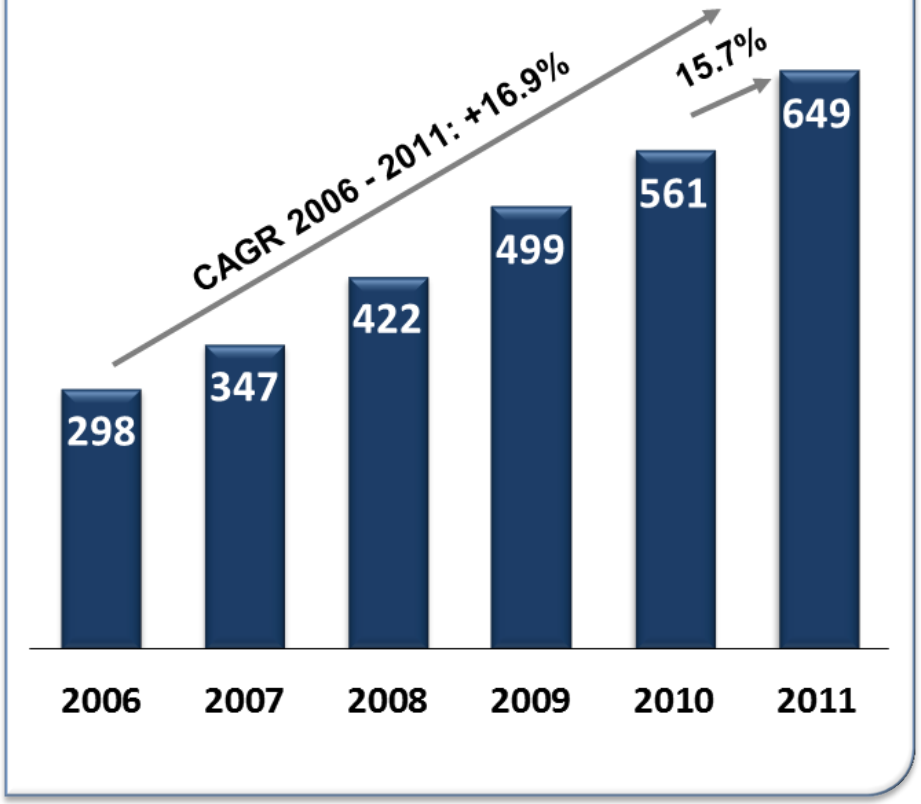
(1) Values are pro forma as they include the numbers of RM Sistemas,acquired in April 2006, and Datasul, consolidated in September 2008 in the period analyzed.

Maintenance Revenue

4Q – Year on Year (R$ million) [1]



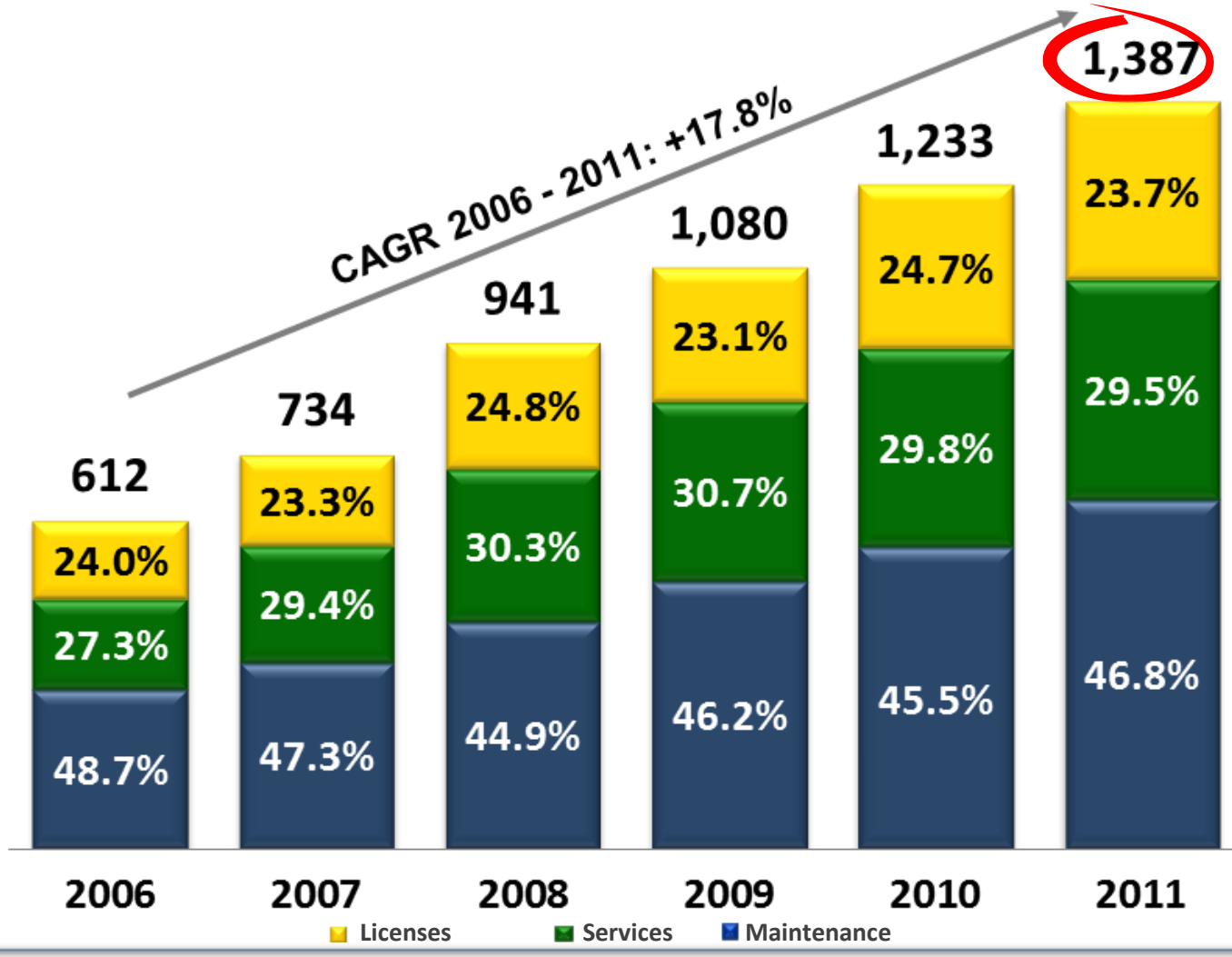
Year to date – Year on Year (R$ million) [1]



(1) Values are pro forma as they include the numbers of RM Sistemas,acquired in April 2006, and Datasul, consolidated in September 2008 in the period analyzed.

Financial Performance

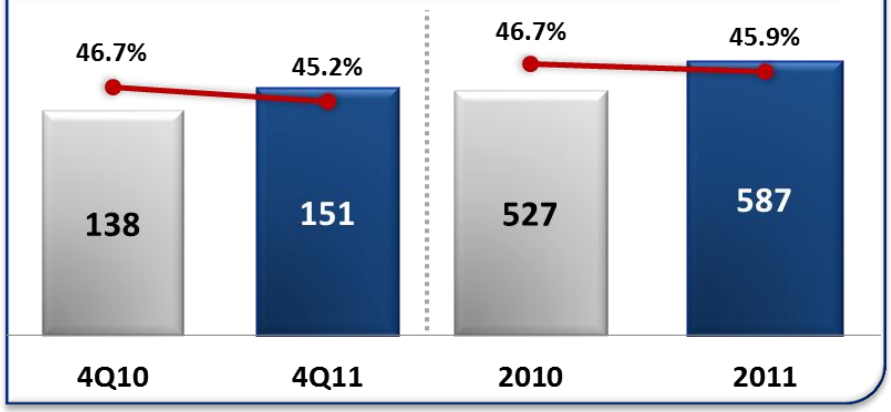
Revenue Breakdown (R$ million) [1]



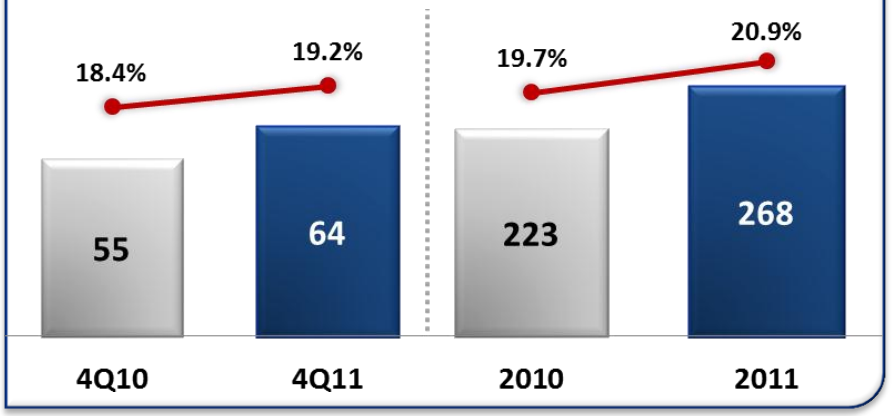
(1) Values are pro forma as they include the numbers of RM Sistemas,acquired in April 2006, and Datasul, consolidated in September 2008 in the period analyzed.

Cost and Expenses Dashboard

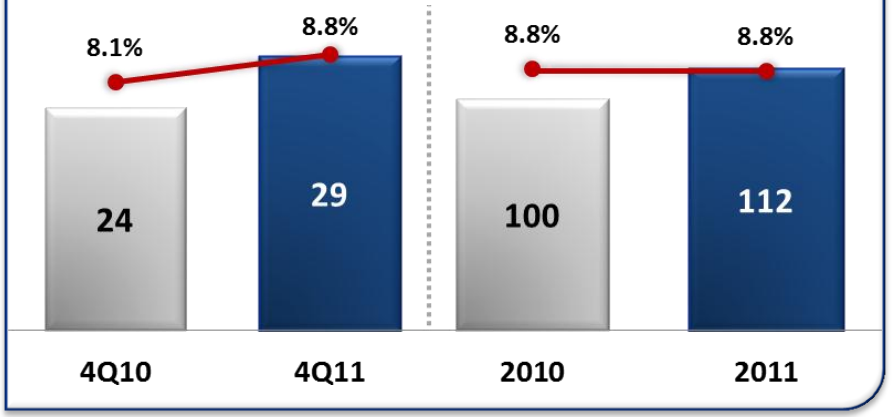
R&D + C. Services + C. Lic. Fees (R$ million) x % NR



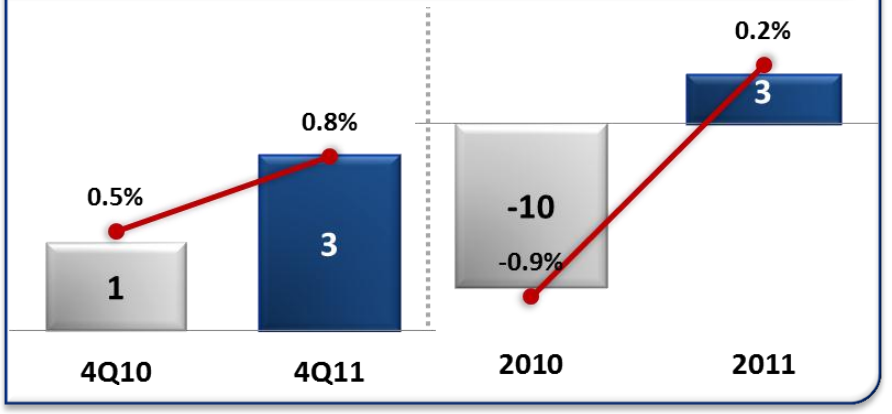
Selling + Com. + Bad Debt + MKT (R$ million) x % NR



G&A + Management Fees (R$ million) x % NR



Other Expenses (R$ million) x % NR

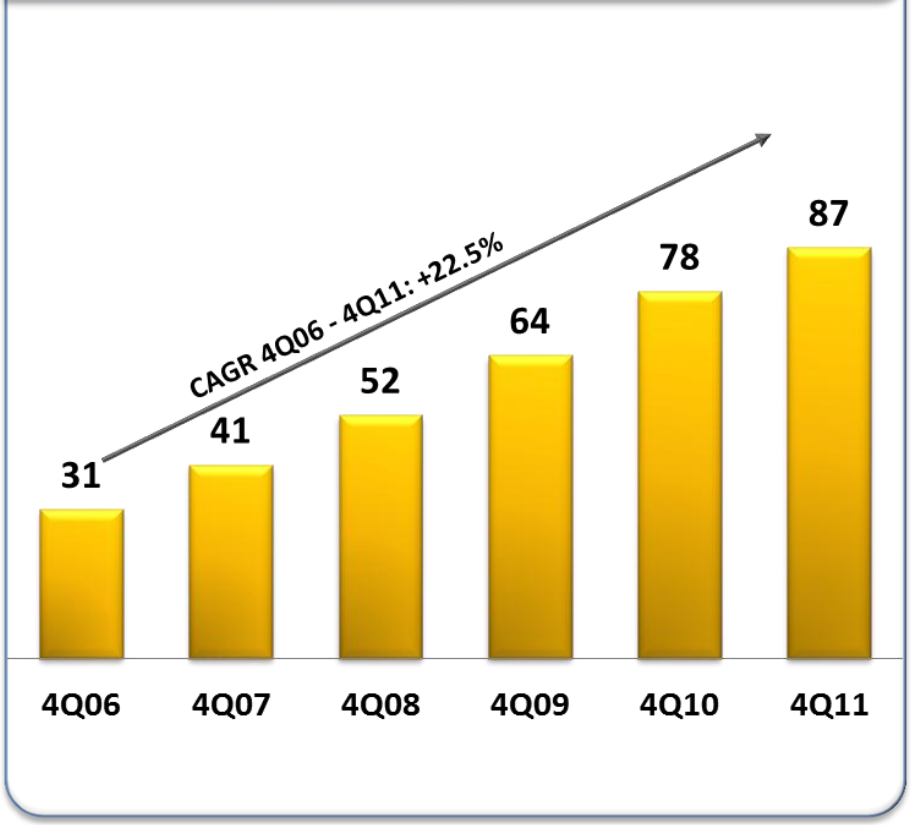


Financial Dashboard

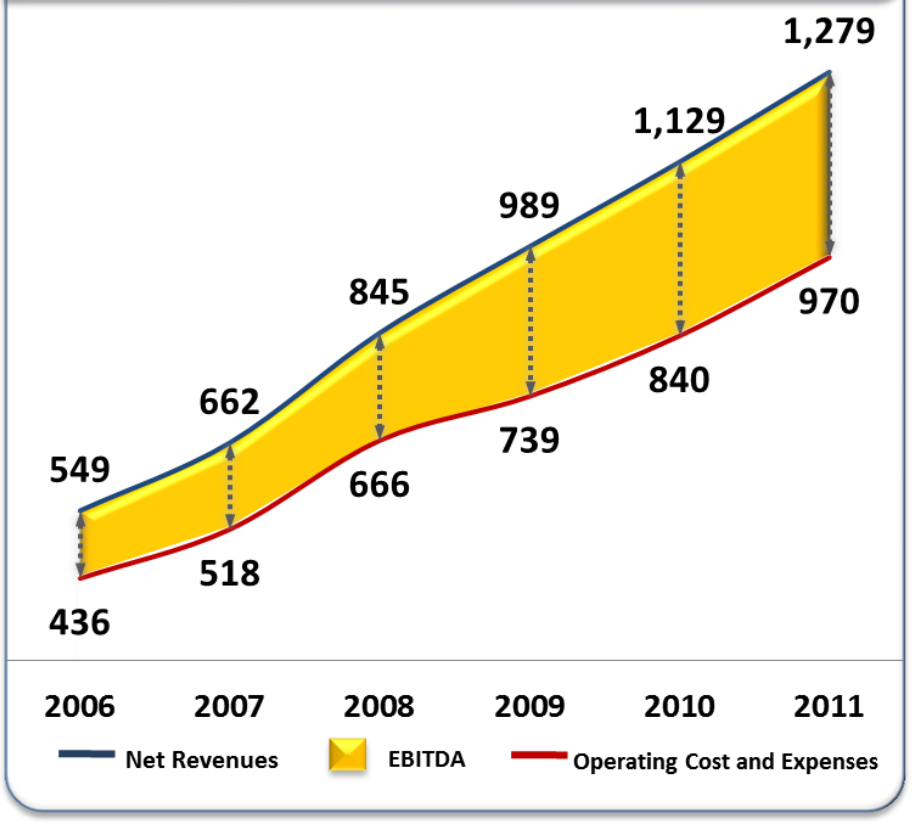
R$ million	4Q11	4Q10	Δ 4Q/4Q	2011	2010	Δ 11/10
Net Revenue	335.1	295.7	13.3%	1,279.2	1,129.5	13.3%
Gross Profit	227.3	198.6	14.5%	867.0	752.0	15.3%
EBITDA	87.1	77.9	11.9%	308.7	289.6	6.6%
EBITDA Margin	***26.0%***	***26.3%***	***-30 b.p.***	***24.1%***	***25.6%***	***-150 b.p.***
Net Profit	60.0	42.0	42.9%	169.4	137.5	23.2%

EBITDA

EBITDA (R$ million) [1]



EBITDA LTM (R$ million)



(1) Values are pro forma as they include the numbers of RM Sistemas,acquired in April 2006, and Datasul, consolidated in September 2008 in the period analyzed.

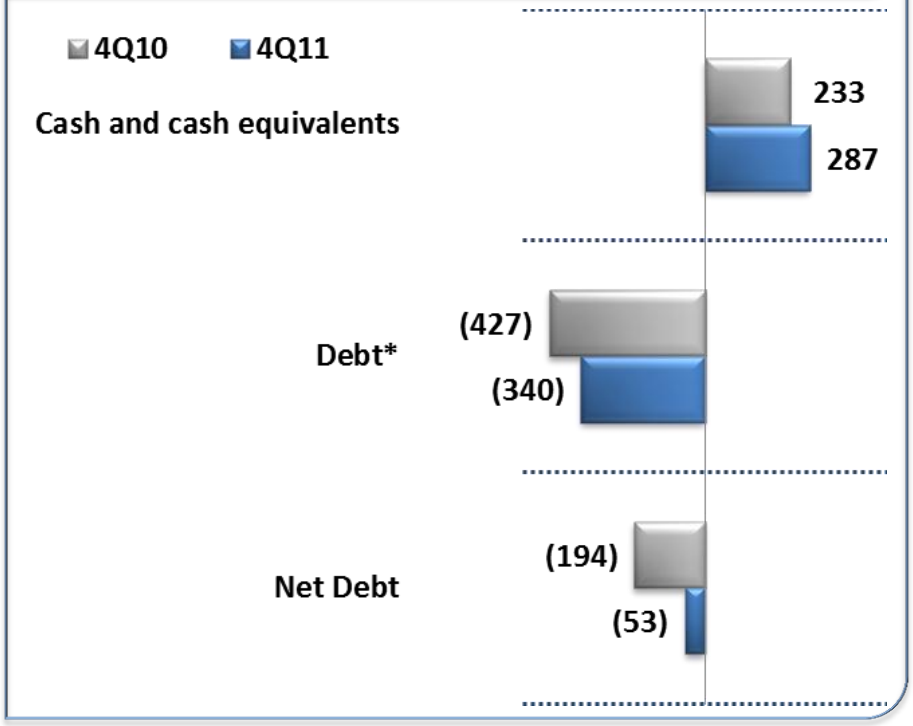
EBITDA – Excluding IM, TQTVD & Non Rec. Events

R$ million	4Q11	4Q10	Δ 4Q/4Q	2011	2010	Δ 11/10
EBITDA Margin	***26.0%***	***26.3%***	***-30 b.p.***	***24.1%***	***25.6%***	***-150 b.p.***
(-) International Market	-1.6%	-1.7%	10 b.p.	-1.6%	-1.4%	*-20 b.p.*
(-) TQTVD	-1.3%	-0.6%	-70 b.p.	-0.8%	-0.7%	*-10 b.p.*
(-) Non Recurring Events	*-0.5%*	*0.0%*	*-50 b.p.*	*-0.1%*	*1.0%*	*-110 b.p.*
EBITDA Margin Excl. IM TQTVD & N Rec.	**29.4%**	**28.6%**	**80 b.p.**	**26.7%**	**26.8%**	***-10 b.p.***

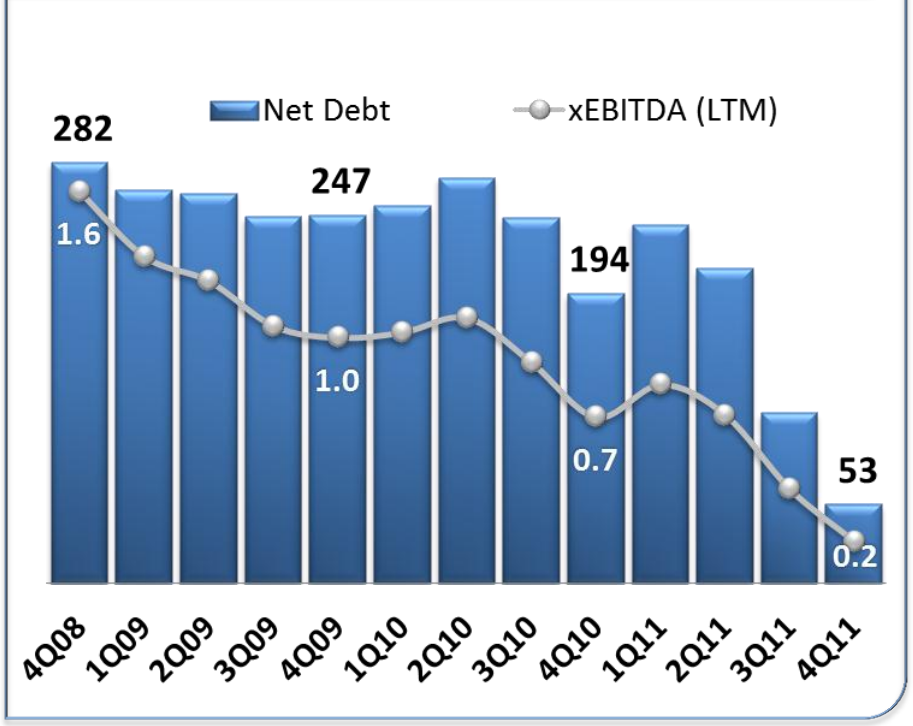
Net Debt

Net Debt Position

Net Debt (R$ million)



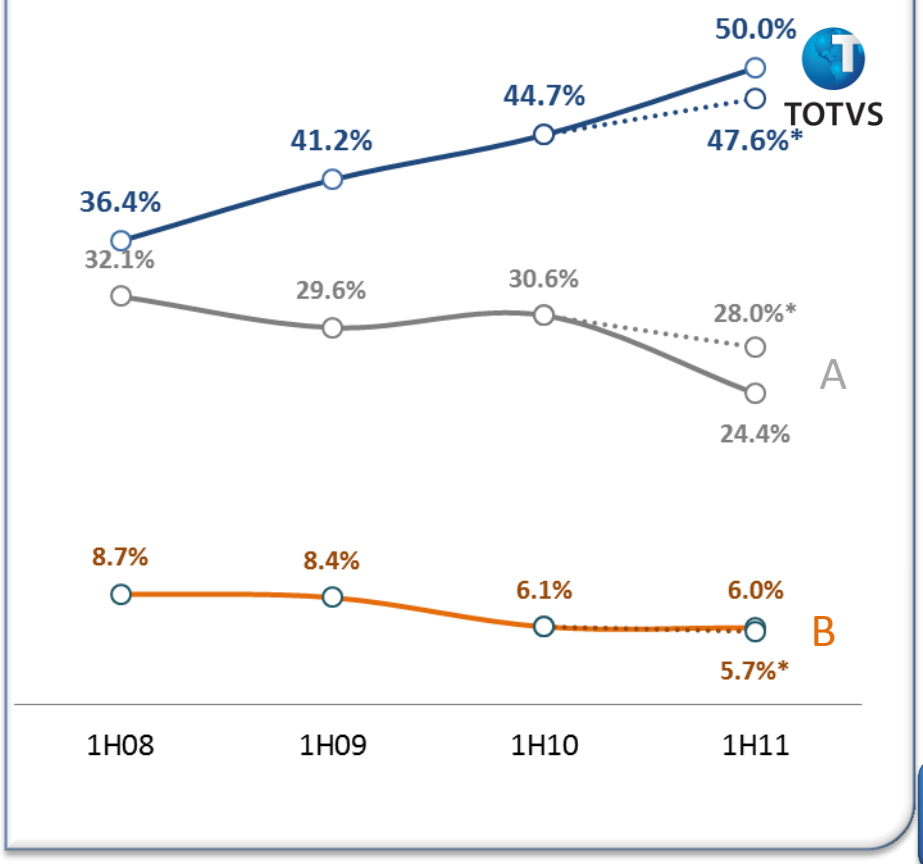
Gearing Index (R$ million)



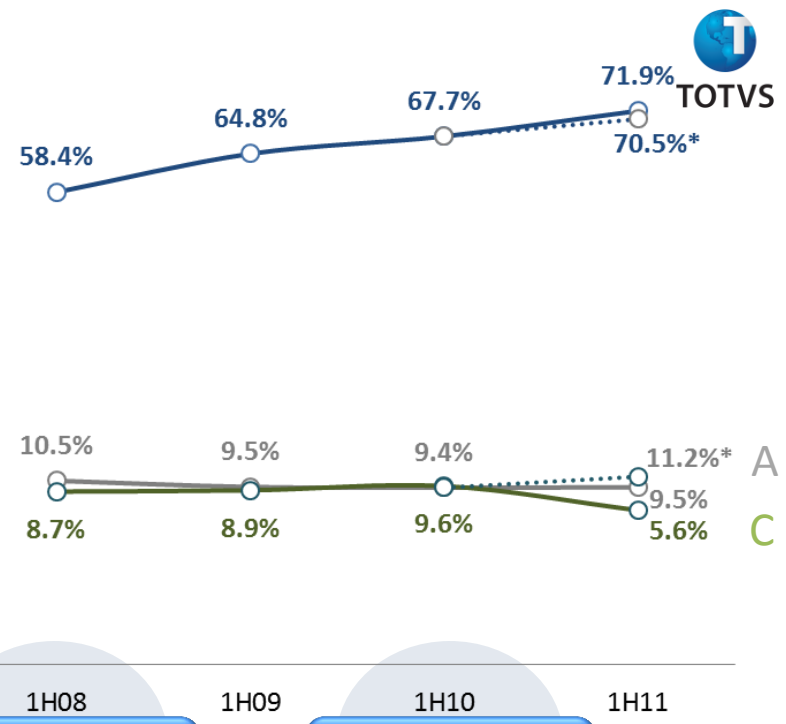
* Loans and financing, debentures, lease financing and liabilities from investment acquisition excluding marketable securities

Market Share 1H11 – ERM

ERM Brazil – Total Market



ERM Brazil – Small & Medium



7% Penetrated**

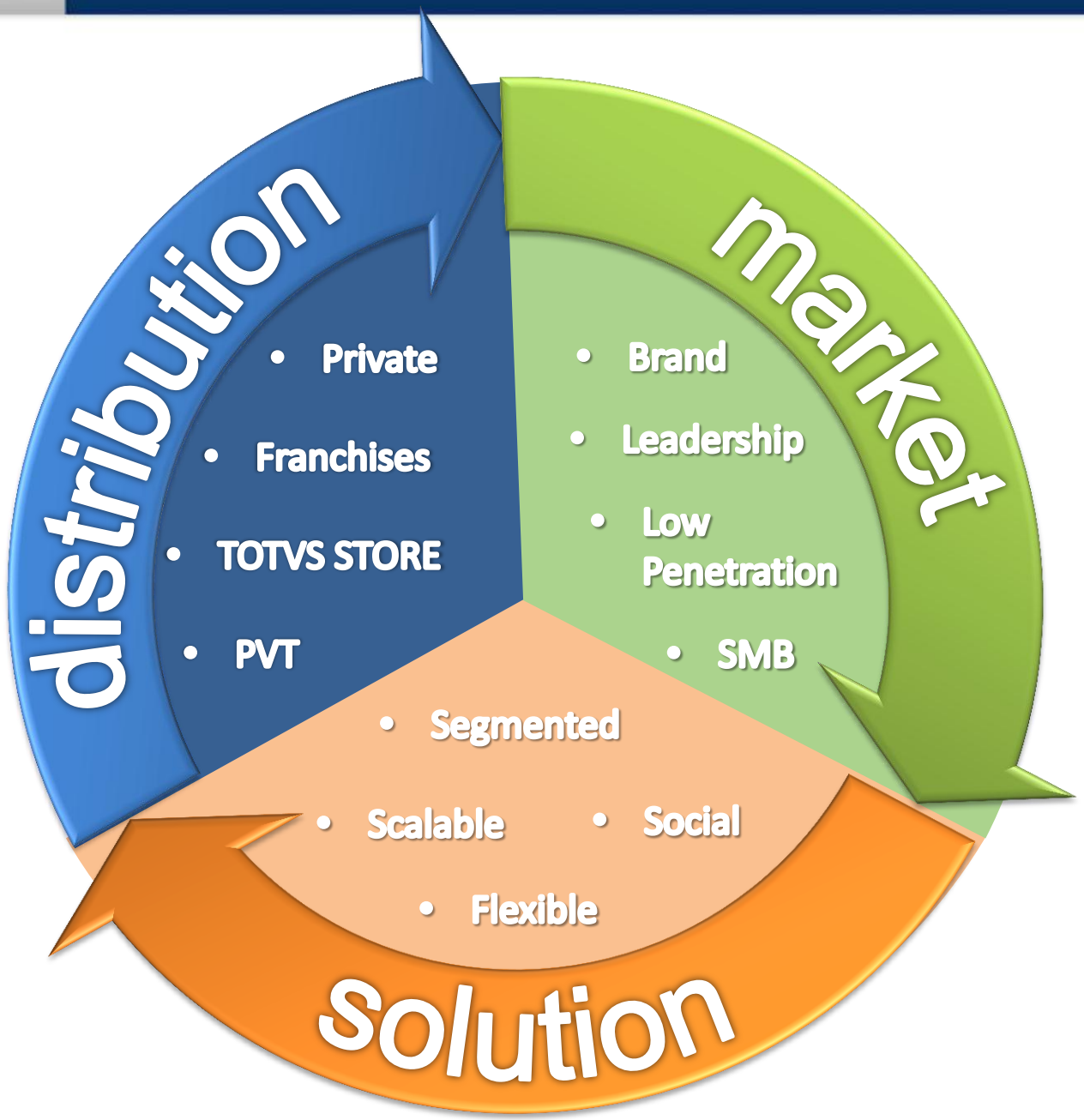
12-15% Penetrated**

Souce: IDC Latin America Semiannual ERM Tracker 1H11

**TOTVS Estimate*

*** TOTVS Estimated penetration for the Brazilian SMB ERP market*

Solid Fundamental



Contact

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