

São Paulo, September 09, 2009 – TOTVS S.A. (BOVESPA: TOTS3), the absolute leader in the sale of integrated enterprise management software in Brazil and the largest company in Latin America in the small and medium enterprise segment, announces the acquisition of 10% of TOOLS ARQUITETURA FINANCEIRA NEGÓCIOS S.A. (“Tools”).

With 20 years of experience in the credit market, Tools offers modules that cover the management of the entire credit value chain and its respective processes, including the concession of loans and financing (direct consumer financing, personal loans, factoring, etc), collection services as well as the management of private label cards. The Company’s client portfolio includes 22 of Brazil’s largest banks and financial institutions and it processes over 120,000 credit analyses on a daily basis.

Tools’ solutions are part of TOTVS’ portfolio in the Financial Services segment, being one of the 11 segments the Company believes to be strategically important and which will be offered in the main regions where it operates. The financial vertical also complements the ERP offering. In Latin America, most IT expenditure is allocated to the financial segment. In addition, in terms of ERP, the financial vertical is among those that receive the highest investments – in 2008, it recorded growth of 34.1%, higher than all the other verticals, as disclosed in the Notice to the Market published on September 3, 2009.

The objectives of the acquisition and consolidation of Tools’ business are: (i) to reinforce TOTVS’ presence in a segment the Company believes to be strategic; and (ii) to enable the structuring of this segment’s offerings in order to promote strong financial segment growth in the coming years.

TOTVS already retained a 90% interest in Tools, due to last year’s merger with Datasul S.A. With the acquisition of the remaining 10% for R\$ 1,466,000, Tools is now a wholly-owned TOTVS’ subsidiary. The transaction has a multiple of 5 times estimated 2009 EBITDA.

Amílcar Collares, one of Tools’ founders, remains in command, ensuring the continuity of the operation, and will head TOTVS’ Financial Services segment together with Yuryi Ferber and Diether Müller, as announced previously.

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About TOTVS

TOTVS is Latin America's largest developer of application software, the world's 8th biggest ERP developer and the leader in emerging markets. It is the absolute leader in Brazil, and the leader in the small and medium enterprises (SME) segment in Latin America. TOTVS was the first IT company in Latin America to go public, with its shares listed on the Novo Mercado segment of the São Paulo Stock Exchange (BOVESPA). Its ERP operations, represented by the products Datasul, Logix, Microsiga Protheus and RM, serve 23,700 customers and are complemented by a broad portfolio of vertical solutions, as well as value-added services such as consulting, infrastructure and BPO services. For more 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", "believe", "wish", "expect", "foresee", "intend", "plan", "predict", "project", and similar 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. This report also contains certain pro forma statements, prepared by the Company exclusively for informational and reference purposes and are therefore unaudited. This report is updated to the present date and TOTVS is under no obligation to update it further to include new information and/or future occurrences.