



**TIM PARTICIPAÇÕES S.A.**  
Publicly-held Company  
CNPJ/MF nº 02.558.115/0001-21  
NIRE 33 300 276 963

## **MATERIAL FACT**

### **Approval of Share Buyback Program**

TIM Participações S.A. ("Company") (B3: TIMP3 e NYSE: TSU) in compliance with Article 157 of Law No 6,404 and the provisions of CVM Instruction No 358, hereby informs its shareholders, the market in general and other interested parties that the Company's Board of Directors approved on the date hereof, pursuant of Article 22, V, of the Company's Bylaws and of Article 5º of CVM Instruction No 567, the Share Buyback Program ("Program") of its own issuance, proposed by the Board of Executive Officers with the following characteristics:

**(i) Objective:** The purpose of the Program is the acquisition of shares issued by the Company to cover the exercise of stock options under the Company's Long-term Incentive Plan.

**(ii) Number of Shares that may be acquired:** Currently, there are 808,429,971 (eight hundred and eight million, four hundred and twenty-nine thousand, nine hundred and seventy-one) common shares in free float and 598,756 (five hundred and ninety-eight thousand, seven hundred and fifty-six) common shares in treasury. Within the scope of the Program, up to 2,354,685 (two million, three hundred and fifty-four thousand, six hundred and eighty-five) common shares of the Company may be acquired, without reduction of the capital stock, corresponding to 0.10% of the total common shares of the Company or 0.29% of the free float shares. The Board of Directors may decide the best moment, within the Program Term, to carry out the acquisitions of the Shares, and may make one or several acquisitions.

**(iii) Deadline:** The Program will start as of the date of the Board of Directors' resolution, and remaining in force until October 2<sup>nd</sup>, 2018, being the acquisitions made at the Stock Exchange (B3 S.A. - Brasil Bolsa Balcão) at market prices, in compliance with the applicable legal and regulatory limits.

**(iv) Intermediary Financial Institutions:** The acquisition of shares will be performed through BRADESCO S.A. CTVM. and BRASIL PLURAL CCTVM S/A.



**(v) Resources to be used:** The resources of the capital and profit reserves, which total R\$5,514,382,584.00 (five billion, five hundred and fourteen million, three hundred eighty-two thousand, five hundred and eighty-four reais) will be used according to the Interim Financial Statements as of June 30, 2017, except for the reserves referred to in Article 7, paragraph 1, of CVM Instruction 567.

The Minutes of the Meeting of the Board of Directors that approved the Program are available at the Company's Investor Relations website [www.tim.com.br/ir](http://www.tim.com.br/ir), as well as at the electronic addresses of the Brazilian Securities and Exchange Commission (CVM) and B3, [www.cvm.gov.br](http://www.cvm.gov.br) and [www.b3.com.br](http://www.b3.com.br), where the information required by Appendix 30-XXXVI of CVM Instruction 480, is available.

The Company will keep its shareholders and the market informed about the progress of the Program, in accordance with the applicable regulations.

Rio de Janeiro, October, 02<sup>nd</sup>, 2017

**TIM Participações S.A.**  
Adrian Calaza  
Investor Relations Officer  
and Chief Financial Officer