Earnings Release

TIM

Você, sem fronteiras.

3Q09

TIM PARTICIPAÇÕES S.A. Announces its Consolidated Results for the Third Quarter 2009

BOVESPA[1]
(lot = 1 share)
TCSL3: R$6.18
TCSL4: R$4.61

NYSE[1]
(1 ADR = 10 PN shares)
TSU: US$26.24

***(1)** closing prices of October 29th, 2009*

3Q09 Conference Call

Conference Call in English:
October 30th, 2009, at 12:30 AM Brasília time. (10:30 AM US ET)

Conference Call in Portuguese:
October 30th, 2009, at 14:00 AM Brasília time. (12:00 AM US ET)

For further information, please access the Company's website: **www.tim.com.br/ir**

Investor Relations Contacts
ri@timbrasil.com.br
(+55 21) 4009-3742 / 4009-3446 / 4009-4017

Avenida das Américas, 3434
Bloco 01 6° andar – Barra da Tijuca
Rio de Janeiro, RJ - Brazil
Zip Code 22640-102
Fax: +55 21 4009-3990

Rio de Janeiro, October 30th, 2009 – TIM Participações S.A. (BOVESPA: TCSL3 and TCSL4; and NYSE: TSU), the company which controls directly TIM Celular S.A. and indirectly TIM Nordeste S.A., announces its results for the third quarter of 2009. TIM Participações S.A. ("TIM Participações" or "TIM") provides telecommunication services with a national presence.

The following financial and operating information, except where otherwise indicated, is presented on a consolidated basis and in Brazilian Reais (R$), pursuant to Brazilian Corporate Law. All comparisons refer to the third quarter of 2008 (3Q08), except when otherwise indicated.

3Q09 Highlights

- **As planned in the 2Q09, the 3Q09 was the "back-to-talk" period.** Evidences can be seen through the MOU rebound following the success of Infinity plan. Also, we can see sequential improvements on market share and post-paid net additions.
- **On the Brand,** TIM raised its advertising spending, increasing to ~29% its share of investments in media in YTD´09.
- **Subscriber base:** 39.6 million clients, 12.5% up from 3Q08. Such performance continued to reflect our commercial recovery. Incremental net share reached 27.3% in 3Q09, well above the same period of 2008 (18.3%).
- **Infinity plan continued to drive the pre-paid base growth** and has already reached over 11 million users in the 3Q09.
- **MOU registered** 90 min. (vs. 73 min. in 2Q09), following great acceptance of Infinity plan.
- **ARPU came at R$26.5 in the quarter**, a flat performance when compared QoQ, despite the strong net adds and ARPM decrease in the last 2 quarters.
- **Net service revenues increased 5.0% QoQ, to R$3,083 million** – reflecting the recovery of pre-paid traffic and post-paid subscriber base increase.
- **Gross VAS revenues, stood at R$496 million**, up 23.0% on a yearly basis and accounting for 12% of gross service revenues.
- **Bad debt: continued to improve,** reaching R$ 99.6 million (a drop of -30.5% YoY), equals to 3.2% of net service revenues.
- **Total opex remained practically flat** QoQ and YoY amounting to R$2,579 million - commercial momentum was partially offset by Efficiency Plan.
- **EBITDA totaled R$758.8 million**, 3.1% higher than 2Q09 as a result of top line improvement, but still 5.0% lower vs. 3Q08.
- **Net income was R$61 million**, vs. a loss of R$12 million in 3Q08 and R$15 million in 2Q09.

Message from the Management

Following the path traced at the beginning of the year and giving course to the restructuring plan, we arrive in the third quarter satisfied with the results achieved – especially the operational results, where we again showed improvement in the quarterly comparison on the main indicators. These nine months of 2009 have been special for TIM, as we went through great changes; it was a period of great effort and results.

We started the year by repositioning the company in the market. We turned to restructuring the company, we sought to regain market, with the launching of innovative offers and services, and we are working increasingly focused on customer satisfaction, network quality and innovation.

If in the second quarter, we had a "back to sales" vibe, in this quarter it was the "back to talk" period, where we had significant improvement in traffic indicator. We also highlight important advances in our re-launching plan:

- **Recovery of brand positioning:** TIM confirmed Brand Awareness and Top of Mind again and we also recovered customer satisfaction level in all customer segments.

- **Growth of customer base:** We continue the customer base growth in the pre-paid (Infinity exceeds 11 million lines) and stopped the downward trend on the post-paid segment. In this quarter we added 1.8 million total users or 28% vs. the same period of 2008, with highlight to post-paid net additions, which doubled in the quarterly comparison. Such performance on the incremental net share is largely due to the Infinity plan success.

- **Network Quality Program:** In March we started a major program of monitoring the quality of our network, reaching 32 cities by the end of the third quarter. The program involves rigorous field measurement of network performance and includes a comparative test between the operators. We used the program to perform fine tuning and to provide quality improvements in the network. In September, we showed a continuous improvement in Anatel's network quality indicator – 97.3% of targets achieved.

- **Efficiency Plan also plays an important role:** Although the main impact of the plan happened in the last two quarters (Q1 and Q2), it is important to emphasize that it was still an important source of self-funding and that it supported the improvement of business performance in the quarter. The plan has brought important savings from Network/Interconnection, Bad Debt, G&A and IT.

- **Consistent commercial performance:** In this quarter we consolidated the success of the new Infinity plans, which reached more than eleven million users – and we did not stop there! We launched a new family plan for the post-paid segment, ***Liberty***, which consists of a flat monthly fee plan and unlimited traffic for on-net calls.

- **New sales model**: In the quarter we introduced another option to our post-paid customers through a ***Chip-Only*** format. The offer consists in a discount on the monthly fee for users who want only the chip. **As for customer's point of view:** this approach presents a more attractive tariff plans on services and gives more flexibility to choose the use of unlocked handsets available in the market. **As for Company's point of view:** this strategy approach allows us to reduce SAC and to move the competition from handset to services, and also to increase the distinctness among peers.

- **Revenue and EBITDA: On a quarterly comparison**, we are improving both, in revenues and EBITDA. This result reflects the positive signs in the financials following the new operational dynamic and post-paid base recovery. Even maintaining our commercial push in this quarter, we preserved our margin through our efficiency plan. **On a yearly comparison**, we still felt the negative impacts from the post-paid base deterioration occurred in 2008, resulting in a revenue performance below the expectation. As for EBITDA, the reduction is due to higher commercial push in this quarter vs. the slowdown phase observed in 2H08.

- Our bottom line is back to positive results and yet maintaining the upward trend in the free cash flow.

For the next quarter:

- We will keep the **growth in the post-paid base** and net-share
- **MOU will continue to increase,** driven by the Infinity and Liberty plans with focus on innovation.
- Remain among the leaders in **Anatel's quality indicators** (network and customers' satisfaction)
- Maintain leadership in the **Top of Mind**
- Maintain the **network infrastructure roll-out**

Finally, I am personally proud of the great work we have been doing and I am even more determined to face with renewed hope and serenity the challenges that lie ahead.

Luca Luciani

Operational Performance

Brazilian Market Overview

The Brazilian mobile market totaled 166.1 million lines in September, a growth of 18.0% on an annual basis. The penetration rate reached 86.7% in the 3Q09, compared to 73.3% in the same period of 2008. Net additions have been showing some signs of slowdown by registering a YoY decrease of 14.6% in the 3Q09 and 21.9% YTD.

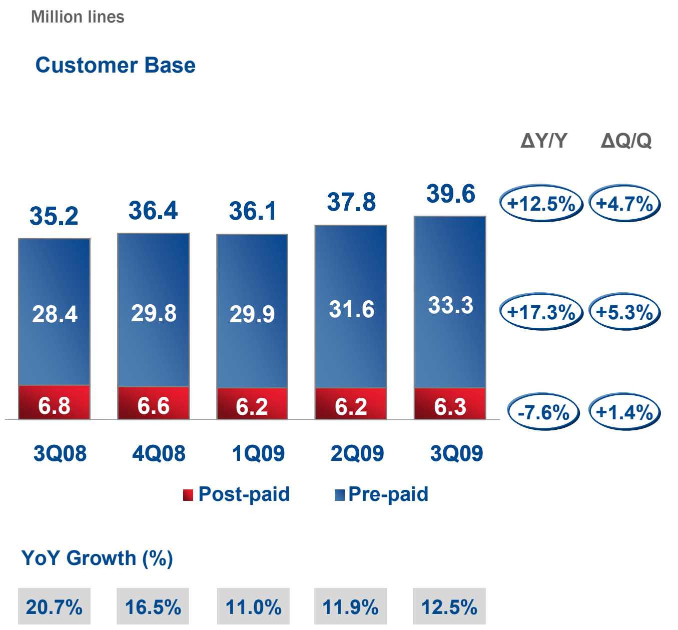
The market growth continued to be concentrated in the pre-paid segment fueled by double SIM-Card effect as a result of companies' on-net promotions. This segment reached 136.6 million users, representing 82.2% of total market and compares with 81.1% in the 3Q08. As for the post-paid segment, total users ended the quarter with 29.6 million, an increase of 11.0% on a yearly comparison.

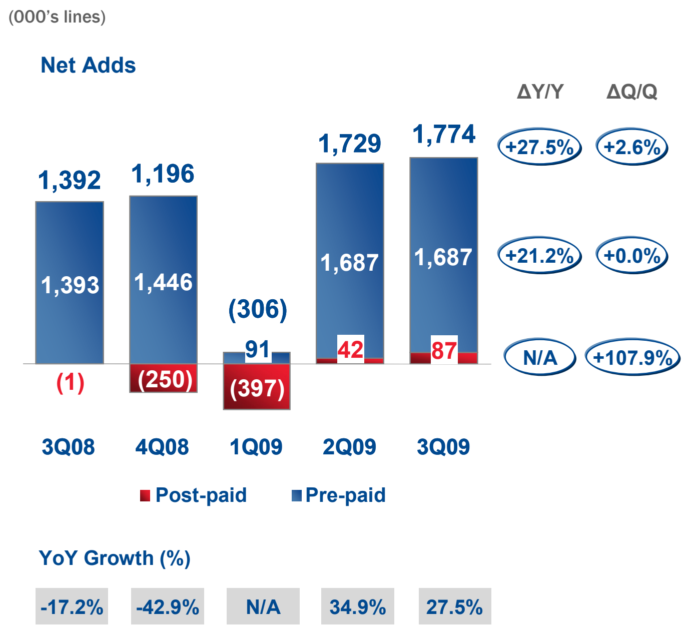
TIM's Performance

Our total subscriber base ended the quarter with 39.6 million clients, 12.5% up from 3Q08. TIM ended the period with a market share of 23.8% (vs. 23.7% in Q2), as a result of company's repositioning in the beginning of the year (February) - where market share was at 23.4%. TIM has been able to present a rebound in market share and interrupting recent downward trend.

Net additions in the 3Q09 were positive in 1.8 million lines (+27.5% YoY), while the incremental market share came at 27.3% in the quarter, maintained a consistent pattern along 2009. Such performance continued to reflect our commercial recovery, as result of new offerings and continuous effort in advertising.

Subscriber base and Market share





In the third quarter of 2009, we were able to post another positive net addition balance on contracts users, by adding 87k lines and 2x more when compared to the previous quarter. We continued to push on sales channel (gross and number portability) with a new commercial approach and portfolio offers. We are also maintaining our efforts with our retention policy. As a consequence, TIM ended the quarter with 6.3 million users in that segment.

On the pre-paid side, total users reached 33.3 million, up 17.3% from 3Q08 – fueled by the Infinity plan, which reached over 11 million users, representing 34% of our total non-contract base.

Our GSM coverage achieved 94% of the country’s urban population, serving around 2.958 cities. Also, our GSM coverage counts with 100% of GPRS and around 75% of EDGE. As for the 3G coverage, we reached over 55 cities (including all the main metropolitan areas), available for more than 30% of urban population in Brazil.

Marketing & Sales Activities

In the 3Q09, we maintained our efforts to strength our portfolio through new launches and adding new features to our plans. TIM continued with a strong presence in the media to communicate the recent launches and to encourage the usage through promotions.

On the Brand re-positioning strategy, we continued to use the 'Blue Man Group' for institutional campaigns. Regarding the communication format we maintain the focus on three main pillars: **(i)** network coverage and quality, **(ii)** innovative offers and **(iii)** best handsets portfolios. As a consequence, TIM has been able to achieve the higher share of investments in media (~29% in YTD´2009 vs. ~17% in 2008), recovering its Top of mind position (according to Synovate – a third-party survey institute) and the awareness of our campaigns.

On the commercial front, TIM has been restructuring its commercial channels following a new segmentation model. In the consumer front, TIM is pursuing the improvement of its points of sales quality, capillarity and productivity. As a result, TIM was able to reduce around 5% of its PoS, while gross additions went up 30% in the 3Q09 when compared to the same period last year. As for the business segment, TIM has been adopting a new approach to defend and better manage its corporate clients.

Maintaining Innovative offers

Still on the commercial side, TIM has introduced since July, another option for its new and existing post-paid customers. Through the **'TIM Chip Avulso'**, customers can now choose between a monthly fee discount (up to 20% according to contract plans) for 18 months or discount in new handset. The new focus consists of another innovative offer, giving more options for the customer, reducing the intermediation of equipment and concentrating the benefit in the service.

As for the handset side, TIM kept its position of having the best devices' portfolio, anticipating the launch of the main innovative handsets such as 'Samsung Galaxy', the first device with 'Android' (Google mobile software), and also bringing the new 'iPhone 3GS' to market. It's important to mention that TIM is already the market leader in 'iPhone' sales.

Infinity already accounts for over 30% of pre-paid base

On the pre-paid side, TIM increased the attractiveness of the 'Infinity' Plan by extending the 'pay per call' concept for long distance calls (to on-net direction only), widening the community concept to its 40 million customers in all Brazilian states. In order to stimulate the usage, the price per call was reduced to R$0.25. The 'Infinity' offer continued to support the growth of the MOU and its customer base already represents more than 30% of pre-paid base. Also to stimulate usage, the Company launched a few recharge incentive campaigns during the quarter, such as 'Recarga Imperdível TIM'.

In the Corporate Segment, we started a mass media campaign to promote **'TIM Empresa Simples'**, a convergent plan which combines mobile, fixed and broadband services in one single bill. In September we launched **'Liberty Empresas'**, following our community concept with a flat fee and unlimited on-net calls (local and long distance, including free national roaming). The plan targets the SoHo and SME segments.

Financial Performance

Selected financial data – Revenues

R$ thousands	3Q09	3Q08	% Y-o-Y	2Q09	% Q-o-Q
Gross Revenues	**4,629,634**	**4,731,548**	**-2.2%**	**4,504,744**	**2.8%**
Telecommunications Services	**4,141,369**	**4,221,492**	**-1.9%**	**3,931,414**	**5.3%**
Usage and Monthly fee	2,041,652	2,094,482	-2.5%	1,968,883	3.7%
Long distance	470,701	513,159	-8.3%	455,576	3.3%
Interconnection	1,003,519	1,136,042	-11.7%	988,799	1.5%
Value added services - VAS	495,583	402,924	23.0%	483,287	2.5%
Others	129,914	74,885	73.5%	34,869	272.6%
Handset sales	**488,265**	**510,056**	**-4.3%**	**573,330**	**-14.8%**
Discounts and deductions	**(1,292,154)**	**(1,324,625)**	**-2.5%**	**(1,200,492)**	**7.6%**
Taxes and disc. on services	(1,058,021)	(1,106,618)	-4.4%	(995,174)	6.3%
Taxes and disc. on handset sales	(234,133)	(218,007)	7.4%	(205,318)	14.0%
Net Revenues	**3,337,480**	**3,406,923**	**-2.0%**	**3,304,252**	**1.0%**
Services	3,083,348	3,114,874	-1.0%	2,936,240	5.0%
Handset revenues	254,132	292,049	-13.0%	368,012	-30.9%

Operating Revenues

Gross service revenues: +5.3% QoQ

Total gross revenues reached R$4,630 million in the 3Q09, posting a growth of 2.8% when compared to previous quarter and a drop of 2.2% on yearly comparison. Gross service revenues stood at R$4,141 million, up 5.3% on a quarterly basis and down 1.9% when compared to 3Q08. The main breakdowns and highlights are presented as follows:

Significant MOU rebound: 90 min.

Usage and Monthly fee revenues registered an increase of 3.7% QoQ and largely explained by the increase of our customer base and usage in the period. The performance reflects the success of i) the 'Infinity' plans, which achieved over 11 million users in a couple of months and ii) the recharge incentive campaigns - the 'Recarga Imperdível TIM'. As a result, total MOU reached 90 min., 23.2% higher QoQ. As for the yearly comparison, usage and monthly fee revenues, reduced 2.5%, still suffering from the long tail in post-paid base decline (-7.6% YoY) and resulting in a subscriber mix deterioration in the period (from 19% to 16% in the 3Q09).

LD traffic increased more than 60% YoY

Long distance revenues achieved R$471 million in the quarter, an increase of 3.3% when compared to the 2Q09 - following the higher long distance traffic fueled by 'Infinity' Plan, which also has included the long distance calls from July onward. As a result, TIM registered a significant long distance traffic increase - more than 60% when compared to the same period last year. As for the year-over-year comparison, long distance revenues drop 8.3%, following lower post-paid base.

Interconnection revenues amounted to R$1,004 million in the 3Q09, up 1.5% from 2Q09, reflecting the subscriber base increase in the period (post-paid +1.4% and pre-paid

+5.3%). In the yearly comparison, the sharp drop of 11.7% is explained by the decline of incoming traffic due to strong push of on-net promotions and F2M traffic substitution. Interconnection revenues as a percentage of total gross revenues reached 22% in 3Q09 (vs. 24% in 3Q08).

VAS: 12.0% of gross service revenues

Gross VAS revenues, stood at R$496 million in the 3Q09, up 23.0% from R$403 million reported in the 3Q08. VAS revenues accounted for 12.0% of gross service revenues (vs. 9.5% in the 3Q08). Innovative services, such as data transmission, continue to be the main driver for such increase by growing 73.8% on yearly basis. The subscriber base of our broadband offer, TIM Web, increased ~35% in the last 12 months. TIM is also stimulating data usage through micro browsing. Today, most of our data bundles are being sold as plug-ins of our new plans along with a complete and exclusive smartphone portfolio.

Gross handsets revenues came at R$488 million in the quarter, dropping 14.8% from 2Q09 and 4.3% when compared to the 3Q08. Despite the strong increase in gross adds (22.1% QoQ and 29.7% YoY), the Company registered a volume decrease of handsets sold in the same period by ~10%. The drop reflects the introduction of a new format for the post-paid customers, through the sales of 'TIM Chip Only' for the segment, giving another option for the customer. The model aims the reduction of equipment intermediation, concentrating the benefit on the service side.

Other service revenues reached R$130 million (73.5% YoY), the increase is explained mainly by higher revenues from canceled contracts fines. In this quarter, revenues from fines are now booked on 'other service revenues' line, while were previously on 'other operational revenues'.

Net service revenue up 5.0% QoQ

Total net revenues in 3Q09 reached R$3,337 million, an increase of 1.0% when compared to 2Q09 and a decrease of 2.0% compared to 3Q08. **Net service revenues** continued present a recovery on a quarterly basis by rising 5.0% to R$3,083 million and reflecting customer base increase and pre-paid traffic rebound. When comparing to the same period last year, net service revenues dropped 1.0% - following the loss of post-paid base.

ARPU remained flat QoQ

ARPU (average revenue per user) came at R$26.5 in the quarter, a flat trend when compared to the previous quarter. Despite the strong growth of net additions and ARPM decrease in the last 2 quarters, the Company succeeded on stabilizing ARPU. When compared to 3Q08, the decrease of 12.0% was mainly due to post-paid mix deterioration and lower incoming MOU.

ARPM (average revenue per minute) registered a sharp drop of 19% to R$0.29/min in the 3Q09 from R$0.36/min on a QoQ comparison, following the rapid increase of 'Infinity' base, especially on the pre-paid segment. Despite the drop, Infinity pre-paid users are generating higher ARPU when compared to non-Infinity users.

Selected financial data – Operating Costs and Expenses

R$ thousands	3Q09	3Q08	% Y-o-Y	2Q09	% Q-o-Q
Operating Expenses	**(2,578,698)**	**(2,608,467)**	**-1.1%**	**(2,568,236)**	**0.4%**
Personnel expenses	(144,695)	(152,654)	-5.2%	(138,181)	4.7%
Selling & marketing expenses	(873,341)	(715,019)	22.1%	(829,036)	5.3%
Network & interconnection	(964,314)	(1,077,171)	-10.5%	(920,902)	4.7%
General & administrative	(100,955)	(101,496)	-0.5%	(113,541)	-11.1%
Cost Of Goods Sold	(335,308)	(378,071)	-11.3%	(466,727)	-28.2%
Bad Debt	(99,553)	(143,251)	-30.5%	(105,949)	-6.0%
Other operational revenues (expenses)	(60,532)	(40,805)	48.3%	6,100	-

Operating Costs and Expenses

Opex flat YoY despite intense commercial activity

Total Operating costs and expenses remained fairly stable when compared to previous quarter and to the same period of last year (+0.4% and -1.1% respectively), amounting at R$ 2,579 million in the 3Q09. Although commercial activities remained intense in the 3Q09, the efficiency plan continues to have key role in margin defense. Breakdown details are presented as follows:

Personnel expenses reached R$145 million, down 5.2% when compared to the same period last year, partially explained by headcount reduction of 8%, to 9,351 employees – following the organization restructuring aiming efficiency (management layer reduction and new commercial structure). On a quarterly comparison, the increase of 4.7% is due to the reversal provisioning from bonuses program occurred in 2Q09.

Selling & Marketing expenses rose 22.1% from the same period of 2008 and 5.3% from 2Q09 to R$873 million in the 3Q09. The increase reflects intense commercial approach, that in one hand, caused higher expenses on commissioning and Fistel taxes, but in the other hand, brought substantial improvement on gross addition (+29.7% YoY and +22.1% QoQ). TIM also maintained in the 3Q09 the same strong presence in the media as observed in the previous quarter. As a result, advertising expenses went up by ~65% when compared to the same period of last year.

Network and Interconnection cost totaled R$964 million in the 3Q09, up 4.7% when compared to 2Q09, mainly due to higher pre-paid traffic volume. It is important to mention that overall traffic increased by 30% QoQ and concentrated in on-net calls (following Infinity plan concept). As for the yearly comparison, the drop of 10.5% is explained by the post-paid base decline and the aforementioned on-net calls effect.

General and Administrative expenses (G&A) reached R$101 million in the 3Q09, registering a sharp drop of 11.1% in a QoQ, mainly due to lower expenses with IT service maintenance (contract renegotiation).

Cost of Goods Sold amounted to R$335 million in the quarter, a drop of 11.3% YoY and 28.2% QoQ. The reduction reflected the strategy of focusing on lower handset sales volume (-9% YoY and QoQ).

Bad debt -30.5% YoY

Bad Debt expenses achieved R$99.6 million, reporting a drop of 30.5% when compared to R$143 million posted in the 3Q08. Bad debt, as a percentage of net service revenues reached 3.2%, showing consistent drop every quarter. The performance followed the actions taken to improve the process with better credit concession and superior collection process.

Other Net Operational Expenses totaled R$60.5 million in the 3Q09, compared to R$40.8 million in the same period last year. This line registered an impact mainly due to reclassification of canceled contracts fines, now classified as "other service revenue".

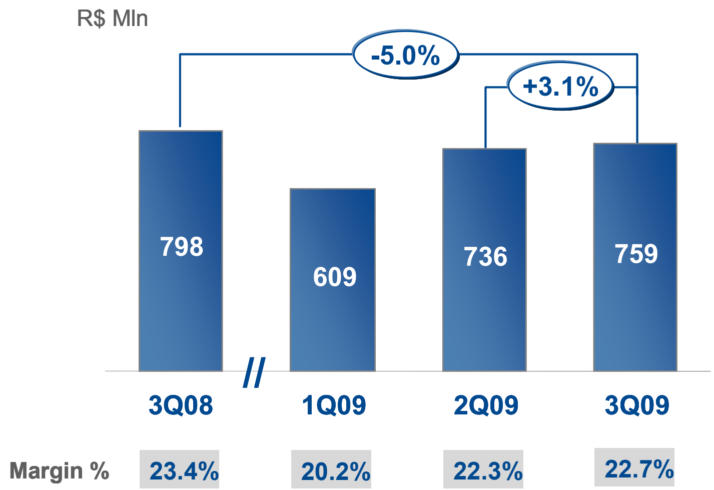
SAC under strict control

Subscriber Acquisition Costs (SAC) in the quarter stood at R$113, a modest increase of 2.1% YoY (to a gross adds of 29.7%) and -6.2% QoQ (to a gross adds of 22.1%).
SAC/ARPU ratio came at 4.3x in 3Q09, vs. 4.5x in the 2Q09 and 3.7x in the same period last year.

EBITDA

EBITDA (earnings before interests, taxes, depreciation and amortization) totaled R$759 million in 3Q09, up 3.1% sequentially, as a result of slight revenue increase and flat operational costs (discussed above). Despite the intense commercial activities, we are maintaining our efficiency plan with a strict control on discretionary costs (such as G&A, Personnel, IT and Bad Debt). On a yearly basis, EBITDA came 5.0% lower than R$798 million posted in 3Q08, largely impacted by the post-paid base decline (-7.6%) and higher commercial push in this quarter vs. the slowdown phase observed in 2H08. **EBITDA margin** reached 22.7% in the quarter (+0.4 p.p. QoQ and -0.7 p.p. YoY).

EBITDA and EBITDA margin



Depreciation and Amortization

Depreciation and amortization accounted for R$664 million, 2.5% higher than R$647 million posted in 2Q09, and 7.4% higher on a yearly comparison. Such increase continued to be explained by the network deployment.

EBIT

EBIT (earnings before interest and taxes) totaled R$95.1 million in the 3Q09, up 7.4% when compared to R$88.6 million posted last quarter.

Net Financial Result

Net financial expenses totaled R$61.9 million in the quarter, down 59.6% from the R$152.9 million in the 3Q08. The drop of R$91.1 million was explained by; 1) positive result of R$39.8 million from net exchange variation; and 2) positive variation of R$51.3 million from net financial revenues/expenses, mainly due to the reversion of R$15.3 million of monetary correction expenses from the adherence to the tax refinancing program (REFIS).

Income and Social Contribution Taxes

Income and Social Contribution taxes come to a positive result of R$27.6 million, mainly impacted by the reversion of tax provisioning of our subsidiary, TIM Celular, in R$38.5 million and by the reversion of provisioning from Income and Social Contribution taxes contingence in R$14.5 million due to the adherence of REFIS fiscal benefit.

Net Profit

TIM ended the quarter with a net profit of R$60.8 million, improving from the loss of R$12.1 million in 3Q08 and a loss of R$15.2 million in 2Q09.

Capex

Capex: 16% of net revenues

Investments totaled R$536 million in the 3Q09, higher than R$511 million registered a year ago and R$422 million in 2Q09. As a percentage of net revenues, Capex stood at 16%, being approximately 80% related to Network and IT.
Company maintains the priority on 2G coverage to support the recent strong traffic increase while preserving quality on voice services. As for the 3G, we are adopting a "right on spot" coverage strategy to support our broadband access, with distinctive quality.

Net financial position and free cash flow

Gross Debt amounted to R$3,503 million (of which 60% in the long term), down from R$3,673 million in 2Q09. Company's debt is composed by long-term financing from BNDES (Brazilian Development Bank), BNB (Banco do Nordeste do Brasil) and EIB (European Investment Bank), as well as borrowings from other local and international financial institutions.

Approximately 33% of our total debt is denominated in foreign currency (USD and JPY), and it is 100% hedged in local currency. **Average cost of debt stood at 9.74%** in the 3Q09 compared to 12.54% in the 3Q08.

Cash and Cash equivalents reached R$960 million, resulting in a net debt position (gross debt less cash and cash equivalents) of R$2,544 million, 12% below 2Q09.

Operating Free Cash Flow was positive in R$392 million, in line with the previous quarter, representing 12% of net revenues.

Ownership Breakdown

OWNERSHIP BREAKDOWN						
	Common	%	Preferred	%	Total	%
TIM BRASIL	**650,537,118**	**81.32**	**990,098,811**	**63.94**	**1,640,635,929**	**69.86**
OTHERS	149,387,687	18.68	558,423,420	36.06	707,811,107	30.14
TOTAL	**799,924,805**	**100.00**	**1,548,522,231**	**100.00**	**2,348,447,036**	**100.00**

Recent Events

Update on the Intelig Deal: In April this year, TIM signed-up a Merger Agreement with Intelig. The agreement had among other conditions, Anatel's approval and Intelig's financial restructuring. In the beginning of August, Anatel preliminary approved the acquisition and we expect to conclude the deal in the short term.

About TIM Participações S.A.

TIM Participações provides telecommunication services nationwide through its direct subsidiaries TIM Celular S.A. and indirect TIM Nordeste S.A. The Company launched its operations in Brazil in 1998 and consolidated its nationwide footprint 2002 onwards, thus becoming the first wireless operator to be present in all of Brazilians states.

The Company through the GSM technology (Global System for Mobile Communications), has a national coverage of approximately 94% of the urban population and provides services of mobile, fixed, data transmission and Internet access in high speed, hence offering convergent services to all of its clients, in a single company.

TIM has a strong positioning in the market due to Innovation that, throughout its path in Brazil, has become pioneer in the launch of several products and services such as: multimedia messages (MMS); TIM Music Store and BlackBerry. In 2008, the Company strengthened its positioning with the launch of third generation services under the TIM 3G+ brand, bringing other innovative services like TIM Web Broadband , Video Call and TIM TV. In September 2008, TIM launched 'TIM Fixo' – the most competitive and convenient option in fixed residential telephony, making another important step towards in convergent services strategy.

» **National Presence since 2002**

» **Network: leadership in coverage and quality**

» **Unique "Pure Mobile" convergence offering**

» **Sustainability: included in ISE index**

TIM Participações is controlled by TIM Brasil Serviços e Participações S.A., a subsidiary of the Telecom Italia Group. Innovation and quality are two of strategic pillars that TIM shares with its controller, hence allowing a great competitive advantage in the market. For that, TIM makes substantial investments in technology and optimizes synergy with its controller group, through the sharing of experiences and adopting best practices policy, in order to provide innovative solutions to all of its clients. In addition, TIM relies on a specialized staff, always aware of technological changes in the telecom sector.

Disclaimer

This document may contain forward-looking statements. Such statements are not statements of historical fact and reflect the beliefs and expectations of the Company's management. The words "anticipates", "believes", "estimates", "expects", "forecasts", "plans", "predicts", "projects", "targets" and similar words are intended to identify these statements, which necessarily involve known and unknown risks and uncertainties foreseen, or not, by the Company. Therefore, the Company's future operating results may differ from current expectations and readers of this release should not base their assumptions exclusively on the information given herein. Forward-looking statements only reflect opinions on the date on which they are made and the Company is not obliged to update them in light of new information or future developments.

Attachments

Attachment 1:	Balance Sheet (BR GAAP)
Attachment 2:	Income Statements (BR GAAP)
Attachment 3:	Cash Flow Statements (BR GAAP)
Attachment 4:	EBITDA Calculation Statement (BR GAAP)
Attachment 5:	Consolidated Operational Indicators
Attachment 6:	Glossary

The Complete Financial Statements, including Explanatory Notes, are available at the Company's Investor Relations Website: www.tim.com.br/ri

Attachment 1

TIM PARTICIPAÇÕES S.A.

Balance Sheet (BR GAAP) (R$ Thousand)

DESCRIPTION	3Q09	3Q08	%	2Q09	%
ASSETS	**14,510,688**	**15,256,965**	**-4.9%**	**14,518,318**	**-0.1%**
CURRENT ASSETS	**5,029,958**	**5,217,904**	**-3.6%**	**4,812,942**	**4.5%**
Cash and cash equivalents	944,142	1,334,437	-29.2%	763,029	23.7%
Short-term investments	15,426	28,361	-45.6%	10,083	53.0%
Accounts receivable	2,428,809	2,649,900	-8.3%	2,470,139	-1.7%
Inventories	397,483	334,441	18.9%	439,149	-9.5%
Recoverable Taxes	777,809	495,852	56.9%	627,150	24.0%
Deferred income and social contribution taxes	14,471	-	-	27,501	-47.4%
Prepaid expenses	329,894	297,550	10.9%	416,782	-20.8%
Derivative contracts	63,329	52,050	21.7%	25,566	147.7%
Other assets	58,595	25,313	131.5%	33,543	74.7%
NONCURRENT	**9,480,730**	**10,039,061**	**-5.6%**	**9,705,376**	**-2.3%**
Noncurrent assets					
Long-term investments	11,989	10,907	9.9%	9,945	20.6%
Recoverable Taxes	199,577	229,471	-13.0%	262,309	-23.9%
Deferred income and social contribution taxes	110,763	-	-	110,763	0.0%
Judicial deposits	177,153	137,510	28.8%	160,876	10.1%
Prepaid expenses	10,770	11,409	-5.6%	11,808	-8.8%
Derivative contracts	25,675	33,459	-23.3%	65,313	-60.7%
Other assets	7,904	7,267	8.8%	7,017	12.6%
Permanent Assets					
Property, plant and equipment	4,450,295	4,681,720	-4.9%	4,452,588	-0.1%
Intangibles	4,366,112	4,768,776	-8.4%	4,494,753	-2.9%
Deferred	120,492	158,542	-24.0%	130,004	-7.3%
LIABILITIES	**14,510,688**	**15,256,965**	**-4.9%**	**14,518,318**	**-0.1%**
CURRENT LIABILITIES	**4,253,949**	**5,431,803**	**-21.7%**	**3,822,237**	**11.3%**
Suppliers	1,995,329	2,109,642	-5.4%	1,789,795	11.5%
Loans and financing	1,434,510	1,288,801	11.3%	1,103,743	30.0%
Derivative contracts	42,503	48,260	-11.9%	103,633	-59.0%
Salaries and related charges	115,212	134,983	-14.6%	114,955	0.2%
Taxes, charges and contributions	546,743	547,843	-0.2%	579,988	-5.7%
Dividends and interest on shareholders' equity payable	20,566	22,097	-6.9%	25,438	-19.2%
Authorizations payable	-	1,163,848	-	-	-
Other liabilities	99,086	116,329	-14.8%	104,685	-5.3%
NONCURRENT LIABILITIES	**2,559,944**	**2,247,527**	**13.9%**	**3,064,886**	**-16.5%**
Loans and financing	2,020,745	1,742,084	16.0%	2,471,151	-18.2%
Derivative contracts	94,455	10,978	760.4%	85,410	10.6%
Provision for contingencies	187,366	258,638	-27.6%	256,298	-26.9%
Pension plan	6,229	7,377	-15.6%	6,291	-1.0%
Asset retirement obligations	230,769	207,781	11.1%	225,337	2.4%
Other liabilities	20,380	20,669	-1.4%	20,399	-0.1%
SHAREHOLDERS' EQUITY	**7,696,795**	**7,577,635**	**1.6%**	**7,631,195**	**0.9%**
Capital	7,632,371	7,613,610	0.2%	7,632,371	0.0%
Capital reserves	15,569	34,330	-54.6%	15,569	0.0%
Income reserves	147,305	133,509	10.3%	142,516	3.4%
Net Loss for the period	(98,450)	(203,814)	-51.7%	(159,261)	-38.2%

Attachment 2

TIM PARTICIPAÇÕES S.A.

Income Statements (BR GAAP) (R$ Thousand)

DESCRIPTION	3Q09	3Q08	%	2Q09	%
Gross Revenues	**4,629,634**	**4,731,548**	**-2.2%**	**4,504,744**	**2.8%**
Telecommunications Services	**4,141,369**	**4,221,492**	**-1.9%**	**3,931,414**	**5.3%**
Usage and Monthly fee	2,041,652	2,094,482	-2.5%	1,968,883	3.7%
Long distance	470,701	513,159	-8.3%	455,576	3.3%
Interconnection	1,003,519	1,136,042	-11.7%	988,799	1.5%
Value added services - VAS	495,583	402,924	23.0%	483,287	2.5%
Others	129,914	74,885	73.5%	34,869	272.6%
Handset sales	**488,265**	**510,056**	**-4.3%**	**573,330**	**-14.8%**
Discounts and deductions	**(1,292,154)**	**(1,324,625)**	**-2.5%**	**(1,200,492)**	**7.6%**
Taxes and discounts on services	(1,058,021)	(1,106,618)	-4.4%	(995,174)	6.3%
Taxes and discounts on handset sales	(234,133)	(218,007)	7.4%	(205,318)	14.0%
Net Revenues	**3,337,480**	**3,406,923**	**-2.0%**	**3,304,252**	**1.0%**
Services	3,083,348	3,114,874	-1.0%	2,936,240	5.0%
Handset revenues	254,132	292,049	-13.0%	368,012	-30.9%
Operating Expenses	**(2,578,698)**	**(2,608,467)**	**-1.1%**	**(2,568,236)**	**0.4%**
Personnel expenses	(144,695)	(152,654)	-5.2%	(138,181)	4.7%
Selling & marketing expenses	(873,341)	(715,019)	22.1%	(829,036)	5.3%
Network & interconnection	(964,314)	(1,077,171)	-10.5%	(920,902)	4.7%
General & administrative	(100,955)	(101,496)	-0.5%	(113,541)	-11.1%
Cost Of Goods Sold	(335,308)	(378,071)	-11.3%	(466,727)	-28.2%
Bad Debt	(99,553)	(143,251)	-30.5%	(105,949)	-6.0%
Other operational revenues (expenses)	(60,532)	(40,805)	48.3%	6,100	-
EBITDA	**758,782**	**798,456**	**-5.0%**	**736,016**	**3.1%**
EBITDA - Margin	22.7%	23.4%	-0.7 p.p	22.3%	0.5 p.p
Depreciation & amortization	**(663,684)**	**(617,988)**	**7.4%**	**(647,451)**	**2.5%**
Depreciation	(355,440)	(335,624)	5.9%	(348,712)	1.9%
Amortization	(308,244)	(282,364)	9.2%	(298,739)	3.2%
EBIT	**95,098**	**180,468**	**-47.3%**	**88,565**	**7.4%**
EBIT - Margin	2.8%	5.3%	-2.4 p.p	2.7%	0.2 p.p
Net Financial Results	**(61,866)**	**(152,942)**	**-59.5%**	**(65,856)**	**-6.1%**
Financial expenses	(67,029)	(131,275)	-48.9%	(81,991)	-18.2%
Net exchange variation	(22,651)	(62,449)	-63.7%	(8,639)	162.2%
Financial revenues	27,814	40,782	-31.8%	24,774	12.3%
Income before taxes and Minorities	**33,232**	**27,526**	**20.7%**	**22,709**	**46.3%**
Income tax and social contribution	27,579	(39,579)	-	(37,956)	-
Net Income (Loss)	**60,811**	**(12,053)**	**-**	**(15,247)**	**-**

Attachment 3

TIM PARTICIPAÇÕES S.A.

Cash Flow Statements (BR GAAP) (R$ Thousand)

	3Q09	3Q08	%	2Q09	%
EBIT	**95,098**	**180,468**	**-47.3%**	**88,565**	**7.4%**
Depreciation and Amortization	663,684	617,988	7.4%	647,451	2.5%
Capital Expenditures	(535,915)	(510,724)	4.9%	(422,499)	26.8%
Changes in Net Operating Working Capital	168,691	346,580	-51.3%	93,024	81.3%
FREE OPERATING CASH FLOW	**391,558**	**634,312**	**-38.3%**	**406,541**	**-3.7%**
Income and Social Contribution Taxes	40,610	(35,375)	-	(27,234)	-
Dividends and Interest on Capital	(13)	(140)	-90.7%	(167,927)	-100.0%
Net Financial Revenue	(61,866)	(152,942)	-59.5%	(65,856)	-6.1%
Other changes	(13,985)	(12,764)	9.6%	(28,222)	-50.4%
NET CASH FLOW	**356,304**	**433,091**	**-17.7%**	**117,302**	**203.7%**

Attachment 4

TIM PARTICIPAÇÕES S.A.

EBITDA (R$ Thousand)

EBITDA Reconciliation	3Q09	3Q08	YoY %	2Q09	QoQ %
Net Income (Loss)	**60,811**	**(12,053)**	**-**	**(15,247)**	**-**
(+) Provision for Income Tax and Social Contribution	27,579	(39,579)	-	(37,956)	-
(+) Net Financial Results	(61,866)	(152,942)	-59.5%	(65,856)	-6.1%
EBIT	**95,098**	**180,468**	**-47.3%**	**88,565**	**7.4%**
(+) Amortization and Depreciation	(663,684)	(617,988)	7.4%	(647,451)	2.5%
EBITDA	**758,782**	**798,456**	**-5.0%**	**736,016**	**3.1%**

Attachment 5

TIM PARTICIPAÇÕES S.A.

Consolidated Operational Indicators

	3Q09	2Q09	3Q08	QoQ %	YoY %
Brazilian Wireless Subscriber Base (million)	**166.1**	**159.6**	**140.8**	**4.1%**	**18.0%**
Estimated Total Penetration	86.7%	83.5%	73.3%	3.2 p.p.	13.4 p.p.
Municipalities Served - TIM GSM	2,958	2,944	2,765	0.5%	7.0%
Market Share	23.8%	23.7%	25.0%	0.1 p.p.	-1.2 p.p.
Total Lines ('000)	**39,600**	**37,826**	**35,206**	**4.7%**	**12.5%**
Prepaid	33,297	31,610	28,386	5.3%	17.3%
Postpaid	6,303	6,216	6,820	1.4%	-7.6%
Gross Additions ('000)	5,930	4,855	4,573	22.1%	29.7%
Net Additions ('000)	1,774	1,729	1,392	2.6%	27.5%
Churn	10.9%	8.6%	9.4%	2.3 p.p	1.5 p.p
ARPU (R$)	**26.5**	**26.6**	**30.1**	**-0.2%**	**-12.0%**
MOU	**90**	**73**	**101**	**23.2%**	**-10.7%**
ARPM (R$)	0.29	0.36	0.30	-19.0%	-1.5%
SAC (R$)	113	120	110	-6.2%	2.1%
Investment (R$ million)	**535.9**	**422.5**	**510.7**	**26.8%**	**4.9%**
Employees	9,351	10,174	10,173	-8.1%	-8.1%

Attachment 6

Glossary

Financial Terms

Bad Debt (PDD) – Provision for estimated amount of accounts receivable.(customer balance).that has been determined to be uncollectible.
CAPEX (capital expenditure) – capital investment.
EBIT = Earnings before interest and tax.
EBITDA = Earnings before interest, tax, depreciation and amortization.
EBITDA Margin = EBITDA / Operating Net Revenue.
Net Debt = Gross debt – cash.
Net debt / EBITDA = Index wichs evaluates the Company's ability to pay its debt with the generation of operating cash of the period.
Operating Cash Flow = EBITDA – CAPEX.
PL – Shareholders' Equity.
Subsidy = (net revenue from goods – cost of sales + vendors discounts) / gross additions.
Working Capital = Operational current assets – operational current liabilities.

Technology and Services

CSP – Carrier Selection Code to long distance calls.
EDGE *(Enhanced Data rates for Global Evolution)* – technique developed to increase the speed of data transmission via cell phone, creating a real broadband for handsets with the GSM technology. The first EDGE handsets available offer speed that can reach up to 200 Kbps, depending on the handset model.
GSM *(Global System for Móbile Communications)* – A system storing and coding cell phone data, such as user calls and data. The GSM is now the standard most used in the world.
SMP – Personal Mobile Services.
SMS *(Short Message Service)* – Ability to send and receive alphanumerical messages.
3G/HSDPA (High-Speed Downlink Packet Access) – 3G technology capable of proceed data transmission with higher speed, allowing the internet access through high speed connections to mobile users.
WAP (Wireless Application Protocol) – Allows access to internet servers through specific equipment.

Operational Indicators

ARPU (Average Revenue per User) – Average total net service Revenue per customers in the period.
ARPM (Average Revenue per Minute) – ARPU / MOU
Churn rate – Percentage of the disconnections from customer base during the period.
Customers – Number of access in service.
Gross additions – Total of customers acquired in the period.
Market penetration = (Company's total number of customers + estimated number of customers of competitors) / each 100 inhabitants in the Company's operating area.
Market Share – Company's total number of customers / number of customers in its operating area.
MOU (minutes of use) – monthly average in minutes of traffic per customer = (total number of outgoing minutes + incoming minutes) / monthly average of customers in the period.
Net additions = Gross additions – number of customers disconnected.
Net share – Participation of estimated net additions in the operating area.
SAC (Customer acquisition cost) = (marketing expenses + + commission + Fistel + "comodato" + costs of retention).
VU-M – Value of mobile use of the Cellular Operator network.