

**TIM PARTICIPAÇÕES S.A.**

Publicly-Held Company
Corporate Taxpayer's ID (CNPJ/MF):
02.558.115/0001-21
Corporate Registry (NIRE): 33.300.276.963

TIM S.A.

Closed Company
Corporate Taxpayer's ID (CNPJ/MF):
02.421.421/0001-11
Corporate Registry (NIRE): 33.300.324.631

MATERIAL FACT**DISTRIBUTION AND GUIDANCE OF IOE**

TIM PARTICIPAÇÕES S.A. ("Company" or "TPAR") (B3: TIMP3; NYSE: TSU) and its wholly owned subsidiary TIM S.A. ("Subsidiary" or "TSA") together, 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, July 30th, 2019, the distribution of R\$ 368,941,176.47 (three hundred and sixty-eight million, nine hundred and forty-one thousand, one hundred and seventy-six Reais and forty-seven centavos) as Interest on Shareholders' Equity ("IOE"), based on the results for the period ended on June 30th, 2019.

The payment will occur until November 14th, 2019, and the date for identification of shareholders entitled to receive such values is August 09th, 2019. Thus, the shares acquired after this date will be ex-Interest on Shareholders' Equity rights. Further details on the distribution of this amount are available in the Notice to Shareholders released to the market on the date hereof.

The payment approved on the date hereof is part of a projection for the distribution of approximately R\$ 1 billion as IOE, referred to the fiscal year to be ended on December 31st, 2019, being attributed to the mandatory minimum dividend for the year and *ad referendum* of the Annual General Meeting of 2020. The additional distributions to the one approved today, within the projected amount, should be paid in the manner and on dates to be determined by Management and timely released to the market.

The Company highlights that such distribution projection is based on reasonable assumptions contained in its Strategic Plan 2019-2021, released to the market on February 21st, 2019, and reflects exclusively the Management's perception of the future of its business and the current and well-known reality of its operations, subject to risks and uncertainties. The distribution projection depends, substantially, on the general conditions of the economy, on market conditions, as well as regulatory conditions, and is subject to changes. The Company has no control over all of the assumptions that guided the definition of the distribution projection presented and, therefore, changes in such assumptions may cause the results to differ from the expectations presented.

Rio de Janeiro, July 30th, 2019.

TIM Participações S.A.

Adrian Calaza
Chief Financial Officer and
Investor Relations Officer

TIM S.A.

Adrian Calaza
Chief Financial Officer