



TIM PARTICIPAÇÕES S.A.

Publicly Held Company

Corporate Taxpayer ID (CNPJ/MF) 02.558.115/0001-21

Company Registry (NIRE) 33.300.276.963

NOTICE TO SHAREHOLDERS

PAYMENT OF DIVIDENDS

We hereby inform our Shareholders that the Company will start on 09/11/2014, the payment of the Second installment of Dividends (in the amount of R\$421,652,500.00), related to the dividends of the year ended on December 31, 2013, in the total amount of R\$843.305.000,00, in accordance to the deliberation of the General Shareholders Meeting held on April 10, 2014.

The second installment was adjusted by the CDI since 06/11/2014 till 09/08/2014.

We highlight that the date for identification of the shareholders that have the right to receive the mentioned values was established as being May 12, 2014. Therefore stocks acquired since May 13, 2014 are entitled as ex-dividend.

1 – DIVIDENDS PER SHARES:

Dividends	Value per share	Total amount
Ordinary Shares (value without adjustment)	R\$ 0.174464617	R\$ 421,652,500.00
Adjust by the CDI from the date of June 11, 2014 until September 08, 2014	R\$ 0.004533497	R\$ 10,956,722.20
Ordinary Shares (adjusted value by the CDI from the date of June 11, 2014 until September 08, 2014)	R\$ 0.178998114	R\$ 432,609,222.20

2 – FORM OF PAYMENT (BOOK-ENTRY SHARES):

2.1. For shareholders with shares held in trust custody (CBLC - Companhia Brasileira de Liquidação e Custódia), payment is made directly through the BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros, and then transferred to shareholders through the custody agents;

2.2. Credit to the bank account designated by the shareholder; and

2.3. Dividends paid through the bank branches of Banco Bradesco S.A., for those not falling within one of the above mentioned alternatives;

3 - GENERAL INSTRUCTIONS:

To qualify to receive dividends, shareholders must present, if individuals, their CPF taxpayer card and personal identification document; if legal entities, shareholders must present the CNPJ corporate taxpayer card, articles of incorporation, bylaws, minutes of the shareholders' meeting that elected the current officers and the CPF personal taxpayer card and personal identification document of the company's legal representatives, and when the company is represented by proxy, the respective power of attorney instrument, duly registered, that specifies the power to receive dividends.

4- SHAREHOLDER SERVICES LOCATIONS:

4.1. At any bank branches of Banco Bradesco S.A.;

4.2. Additional clarifications may be obtained at Banco Bradesco S.A. e-mail address: 4010.acecustodia@bradesco.com.br.

Pursuant to Article 287, Item II, Letter "a" of Law 6,404/76 (Brazilian Corporation Law), the right to receive dividends expires in 3 (three) years from the date on which the dividends are made available to shareholders, and under Article 206, Paragraph 3, Item II of Brazil's Civil Code, the option to make interest, dividend or supplementary payments expires in 3 (three) years.

Rio de Janeiro, September 10, 2014.

Rogério Tostes Lima
Investor Relations Officer
TIM Participações S.A.