



TIM PARTICIPAÇÕES S.A.
Publicly Held Company
CNPJ/MF 02.558.115/0001-21
NIRE 33.300.276.963

MINUTES OF THE BOARD OF DIRECTORS' MEETING
HELD ON DECEMBER 15TH, 2016

DATE, TIME AND PLACE: December 15th, 2016, at 10 a.m., in the City and State of Rio de Janeiro.

PRESENCE: The Board of Directors' Meeting of TIM Participações S.A. ("Company"), was held at the date, time and place above mentioned, with the presence of Messrs. Adhemar Gabriel Bahadian, Alberto Emmanuel Carvalho Whitaker, Franco Bertone, Herculano Aníbal Alves, Manoel Horacio Francisco da Silva, Mario Di Mauro, Oscar Cicchetti, Piergiorgio Peluso e Stefano De Angelis either in person or by means of videoconference, as provided in paragraph 2, Article 25 of the Company's By-laws. The meeting was also attended by Mr. Jaques Horn, Legal Officer and Secretary. Justified the absence of Ms. Francesca Petralia.

BOARD: Mr. Franco Bertone – Chairman; and Mr. Jaques Horn – Secretary.

AGENDA: **(1)** To acknowledge on the activities carried out by the Control and Risks Committee; **(2)** To acknowledge on the activities carried out by the Statutory Audit Committee; **(3)** To acknowledge on the amendments to the General Telecommunications Law (LGT); **(4)** To acknowledge on the Industrial Plan for 2017 – 2019 and to resolve on the annual budget for the year of 2017; **(5)** To resolve on the Statutory Audit Committee budget for the calendar-year of 2017; **(6)** To approve the Internal Audit Annual Work Plan for the year of 2017; **(7)** To acknowledge on the update of the project for the sale of assets (towers) of the Subsidiaries of the Company; **(8)** To resolve on the supply of equipments and/or services agreements between the wholly-owned subsidiary of the Company, TIM Celular S.A., and Italtel Brasil Ltda.; **(9)** To resolve on the supply of equipments and/or services agreements between the wholly-owned subsidiary of the Company, TIM Celular S.A., and Telecom Italia Sparkle S.p.A.; and **(10)** To approve the Board of Directors Work Plan for the year of 2017;

CONT. MINUTES OF THE BOARD OF DIRECTORS' MEETING OF TIM PARTICIPAÇÕES S.A

December 15th, 2016.

RESOLUTIONS: Upon review and discussion of the subjects included on the Agenda, the Board Members, unanimously by those present at the meeting and with the expressed abstention of the legally restricted, decided to register the discussions as follows:

(1) Acknowledged on the activities carried out by the Control and Risks Committee (“CCR”), at its meeting held on December 14th, 2016, in accordance with the report presented by Mr. Franco Bertone, President of the CCR;

(2) Acknowledged on the activities carried out by the Statutory Audit Committee (“CAE”), at its meetings held on December 13th and 14th, 2016, in accordance with the report presented by Mr. Alberto Whitaker, Coordinator of the CAE;

(3) Acknowledged on the main changes proposed by the Bill No. 3.453/2015, which amends the Law No. 9.472/1997, known as the General Telecommunications Law (LGT), with emphasis on the impacts incurred on the Company's operations, in accordance to the material presented by Mr. Mario Girasole, Regulatory and Institutional Affairs Officer, which is filed at the Company's head offices;

(4) Messrs. Stefano De Angelis, Chief Executive Officer of the Company, and Adrian Calaza, Chief Financial Officer, presented the Industrial Plan for the years 2017-2019, which is filed at Company's head offices. After the presentation, the Board **approved** the Company's and its subsidiaries' annual budget for the year of 2017, subjected to adjustments arising from the annual results of the fiscal year ended on December 31st, 2016;

(5) Approved, as provided by CVM Instruction nº 509/2011 and by the Internal Rules of the Statutory Audit Committee, the budget allocation of the Statutory Audit Committee for 2017, to

CONT. MINUTES OF THE BOARD OF DIRECTORS' MEETING OF TIM PARTICIPAÇÕES S.A

December 15th, 2016.

address the ordinary expenses of the Committee, according to the material filed at the Company's head offices;

(6) Approved the Internal Audit Annual Work Plan for the year of 2017, based on the favorable opinion of the Statutory Audit Committee, registered in its meeting held on December 14th, 2016, and in accordance with the material presented by Mr. Alberto Ragazzini, director of the Internal Audit area, which is filed at the Company's head offices;

(7) Acknowledged on the update of the project for the sale of assets (towers) owned by the Company's subsidiaries, according to material which is filed at the Company's head offices;

(8) Approved the supply of equipments and/or services agreements between the wholly-owned subsidiary of the Company, TIM Celular S.A., and Italtel Brasil Ltda. in the total amount of R\$ 15,547,286.45 (fifteen million, five hundred and forty-seven thousand, two hundred and eighty-six Reais and forty-five cents), considering the Statutory Audit Committee's favorable opinion, on its meeting held on December 13th, 2016, and the material presented, which is filed at the Company's head offices;

(9) Approved the supply of equipments and/or services agreement between the wholly-owned subsidiary of the Company, TIM Celular S.A., and Telecom Italia Sparkle S.p.A in the total amount of R\$ 7,346,711.00 (seven million, three hundred and forty-six thousand, seven hundred and eleven Reais), considering the Statutory Audit Committee's favorable opinion, on its meeting held on December 13th, 2016, and the material presented, which is filed at the Company's head offices;

(10) Approved the Board of Directors Work Plan for the year of 2017.



CONT. MINUTES OF THE BOARD OF DIRECTORS' MEETING OF TIM PARTICIPAÇÕES S.A
December 15th, 2016.

CLARIFICATIONS AND CLOSING: It is registered in these minutes that Mr. Mario Di Mauro attended the meeting from the item (4) onwards of the Agenda and that Mr. Oscar Cicchetti did not attend the meeting during the discussions of the items (5), (6) and (7) of the Agenda. With no further issues to discuss, the meeting was adjourned and these minutes drafted as summary, read, approved and signed by all attendees Board Members: Messrs. Adhemar Gabriel Bahadian, Alberto Emmanuel Carvalho Whitaker, Franco Bertone, Herculano Aníbal Alves, Manoel Horacio Francisco da Silva, Mario Di Mauro, Oscar Cicchetti, Piergiorgio Peluso e Stefano De Angelis.

I herein certify that these minutes are the faithful copy of the original version duly recorded in the respective corporate book.

Rio de Janeiro (RJ), December 15th, 2016.

JAQUES HORN

Secretary