

**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

NOTICE TO THE MARKET**TIM & VIVO (Telefônica Brasil) Infrastructure Sharing and Other Projects' MOU**

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:

TSA and TELEFÔNICA BRASIL S.A., together so called "COMPANIES", have signed on this date a memorandum of understanding ("MOU") which aims to initiate discussions regarding:

- (i) 2G network sharing in a Single Grid model;
- (ii) Establishment of new 4G network infrastructure sharing agreements in the 700Mhz band, aimed at cities with less than 30 thousand inhabitants, which could later be expanded to larger cities;
- (iii) Other network sharing opportunities in other frequencies and technologies; and
- (iv) Other efficiency and cost reduction opportunities regarding Network Operations and Maintenance.

The Companies highlight the benefits that can arise from these discussions regarding the improvement in quality of service for clients of both operators, as well as the efficiency in investment allocation and operational costs. No less important, sharing initiatives are in line with the challenges of sustainability (energy conscious use), urbanism (optimization of the use of public spaces) and have been successful in several countries, including Brazil.

The parties ratify that they will preserve their commercial and client management independence, regardless of any agreement that may result from those discussions. This MOU does not create a joint venture or any commercial partnership or formal business relationship, nor does it create or imply any exclusive relationship between the parties.



The Company reiterates its commitment to keep the shareholders and the market in general duly informed, pursuant to regulations in force.

Rio de Janeiro, July 23, 2019.

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