



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

MATERIAL FACT

TIM Participações SA ("Company") (BM&FBOVESPA: TIMP3; NYSE: TSU), pursuant to Article 2, of CVM instruction 358/02, hereby discloses to its shareholders and to the market indirect controlling shareholder, Telecom Italia S.p.A., issued a press release on which informs, among other topics, that its Board of Directors has empowered Management to examine in depth additional strategic options in Brazil.

In this regard, the Company presents below the transcript of Telecom Italia SpA's press release on the matter.

Rio de Janeiro, November 21, 2014.

TIM Participações
Rogerio Tostes
Investor Relations Officer

PRESS RELEASE

TELECOM ITALIA: MANAGEMENT EMPOWERED TO EXAMINE IN DEPTH ADDITIONAL STRATEGIC OPTIONS IN BRAZIL

Partnership with Metroweb would guarantee accelerated development of ultrabroadband networks

Brazilian towers sold for approximately 3 billion reais (900 million euros)

Rome, 21 November 2014

The Board of Directors of Telecom Italia met today, chaired by Giuseppe Recchi, to review the strategic prospects of the Group in Brazil.

Given the analyses carried out, the Board of Directors has empowered management to examine in depth the options for a possible integration of TimPart and Oi. The next steps, if there are to be



any, will be submitted to the Board for approval, following the opinion of the Committee of Independent Directors.

The Chief Executive Officer also informed the Board of Directors of the proposal sent to F2i Sgr with which Telecom Italia formalised its interest in starting discussions on the acquisition of a controlling stake in Metroweb as soon as possible.

Telecom Italia identifies Metroweb as the partner with which it could quickly create the development plan for the new generation network infrastructure (NGN) in optic fibre at national level.

Collaboration between the two companies would represent an important element to speed up the technological development of the ultrabroadband network, through the creation of FTTX infrastructure in the principal Italian cities in order to:

- 1) satisfy prospective demand for ultrabroadband services;
- 2) promote demand with a proactive approach, making available a network infrastructure that is adequate for the offer of increasingly innovative services to the country;
- 3) contribute to achieve the objectives set out in the Digital Agenda, in particular on the spread of services with speeds of over 100 Mbit/s.

It is also announced that the Board of Directors of TIM Participações, which met today, has approved the sale of 6.481 telecommunication towers in Brazil to the American Tower Group for approximately 3 billion reais (over 900 million euros).

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