



**TIM PARTICIPAÇÕES S.A.**  
Publicly-held Company  
CNPJ/MF nº 02.558.115/0001-21  
NIRE 33 300 276 963

## **MATERIAL FACT**

### **Closing of a Share Buyback Program and Approval of a New Program**

TIM Participações S.A. ("Company") (B3: TIMP3 e NYSE: TSU) 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, what follows:

1. The closing of the Share Buyback Program approved by the Board of Directors of the Company in October 2nd, 2017 ("Program 1"). During the Program 1, 2,354,685 (two million, three hundred and fifty-four thousand, six hundred and eighty-five) ordinary shares were acquired by an average price of R\$11.77 (eleven reais and seventy seven cents), in order to fulfill the obligations regarding the Long Term Incentive Plan addressed to the Company's executives;
2. The approval of a new Share Buyback Program ("Program 2"), of its own issuance, pursuant to Article 22, V, of the Company's Bylaws and of Article 5 of CVM Instruction N. 567, with the following characteristics:
  - (i) Objective: The purpose of the Program is the acquisition of shares issued by the Company to cover the exercise of stock options under the Company's Long-term Incentive Plan.
  - (ii) Number of Shares that may be acquired during the Program 2: up to 377,052 (three hundred and seventy seven thousand and fifty two) common shares of the Company may be acquired, without reduction of the capital stock, corresponding to 0.02% of the total common shares of the Company or 0.05% of the free float shares. The Company's Management may decide the best moment, within the Program Term, to carry out the acquisitions of the Shares, and may make one or several acquisitions.
  - (iii) Deadline: The Program 2 will start as of the date of the Board of Directors' resolution, and remaining in force until October 2<sup>nd</sup>, 2019, being the acquisitions made at the Stock Exchange (B3 S.A. - Brasil Bolsa Balcão) at market prices, in compliance with the applicable legal and regulatory limits.
  - (iv) Intermediary Financial Institutions: The acquisition of shares will be performed through BRASIL PLURAL CCTVM S/A.



- (v) Resources to be used: The resources of the capital and profit reserves, which total R\$6,246,600,736.00 (six billion, two hundred and forty-six million, six hundred thousand, seven hundred and thirty-six reais), will be used according to the Interim Financial Statements as of June 30, 2018, except for the reserves referred to in Article 7, paragraph 1, of CVM Instruction 567.
- (vi) The Minutes of the Meeting of the Board of Directors that approved the Program are available at the Company's Investor Relations website [www.tim.com.br/ir](http://www.tim.com.br/ir), as well as at the electronic addresses of the Brazilian Securities and Exchange Commission (CVM) and B3, [www.cvm.gov.br](http://www.cvm.gov.br) and [www.b3.com.br](http://www.b3.com.br), where the information required by Appendix 30-XXXVI of CVM Instruction 480, is available.

The Company will keep its shareholders and the market informed about the progress of the Program, in accordance with the applicable regulations.

Rio de Janeiro, October, 23, 2018

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