

TIM PARTICIPAÇÕES S.A Public-Held Company CNPJ/MF Nº 02.558.115/0001-21 NIRE 33 300 276 963

NOTICE TO THE MARKET

4G LICENSE PAYMENT

TIM Participações S.A. ("Company") (BOVESPA: TIMP3 and NYSE: TSU), in compliance with the provisions of Rule CVM No. 358/02 and Article 157, Paragraph 4th of Law No. 6,404, hereby discloses to its shareholders and to the market the following:

In continuity to its Notice to the Market released on September 30th, 2014, which informed about the acquisition of Spectrum Block 2 at the 700 MHz 4G auction held by Anatel, the Company informs that TIM Celular S.A., its wholly owned subsidiary, made on this date a payment of approximately R\$ 1,678 million related to the license fee costs, thus making the Company eligible for the signature of the License Authorization Terms, scheduled by Anatel to occur this next Friday, December 5th, 2014.

The Company reiterates the satisfactory outcome of its participation in the 700MHz auction and, as already stated, will work proactively to accelerate the spectrum clean up schedule in order to anticipate the commercial use of the acquired spectrum, in an important step to promote digital modernization in Brazil.

Rio de Janeiro, December 04, 2014.

TIM Participações S.A. Rogerio Tostes Investor Relations Officer