

TIM PARTICIPACOES SA
Form 6-K
December 01, 2006

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of the
Securities Exchange Act of 1934

For the month of December, 2006

Commission File Number 001-14491

TIM PARTICIPAÇÕES S.A.
(Exact name of registrant as specified in its charter)

TIM PARTICIPAÇÕES S.A.
(Translation of Registrant's name into English)

Av. das Américas, 3434, Bloco 1, 7º andar Parte
22640-102 Rio de Janeiro, RJ, Brazil
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

TIM PARTICIPAÇÕES S.A.

Publicly-Held Company
CNPJ/MF: 02,558,115/0001-21
NIRE: 33,300,276,963

MATERIAL FACT NOTICE

TIM Participações S.A. (Company) hereby, pursuant to the provisions set forth under §4° of Section 157 of Law 6,404/76 and CVM Comissão de Valores Mobiliários Rule 358/02, informs its shareholders, the market in general and other interested parties as follows:

The Company s results for the third quarter of 2006 (and, as a consequence, for year 2006) were positively impacted due to an accounting treatment change performed by the Company s subsidiaries (TIM Celular S.A. and TIM Nordeste S.A.) in connection with the costs associated to subsidized handsets sales to subscribers under the post-paid system. In accordance with their sales strategy, the Company s subsidiaries started to defer such costs during a 12-month period, so as to better reflect the post-paid segment performance (in the past, the subsidiaries recognized these costs of subsidized sales directly in the results).

In view of this accounting treatment change, a credit in the value of approximately R\$135.9 million was made to the handsets-sold account, having as counter-entry a registry in the same amount to the prepaid expenses account in the current assets of the balance sheet.

Further information about the matter herein described may be found in the *Informações Trimestrais - ITR* and in the Press Release both relating to the 2006 third quarter results, which are available at TIM Participações S.A. internet homepage (www.timpartri.com.br).

Rio de Janeiro (RJ), November 3, 2006.

TIM PARTICIPAÇÕES S.A.

Stefano De Angelis
Investor Relations Officer

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TIM PARTICIPAÇÕES S.A.

Date: December 01, 2006

By: /s/ Stefano De Angelis

Name: Stefano De Angelis

Title: Chief Financial Officer

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.
