

PRICING SUPPLEMENT

23rd June, 2004

TELECOM ITALIA S.p.A.

Issue of £850,000,000 6.375 per cent. Notes due 2019
under the €10,000,000,000

Euro Medium Term Note Programme

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 23rd January, 2004 (the **Offering Circular**). This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular.

1.	Issuer:	Telecom Italia S.p.A.
2.	(a) Series Number:	5
	(b) Tranche Number:	1
3.	Specified Currency or Currencies:	Pounds Sterling ("£")
4.	Aggregate Nominal Amount:	
	(a) Series:	£850,000,000
	(b) Tranche:	£850,000,000
5.	(a) Issue Price:	98.85 per cent. of the Aggregate Nominal Amount
	(b) Net proceeds:	£835,975,000
6.	Specified Denominations:	£50,000
7.	(a) Issue Date:	24th June, 2004
	(b) Interest Commencement Date:	Issue Date
8.	Maturity Date:	24th June, 2019
9.	Interest Basis:	6.375 per cent. per annum Fixed Rate (further particulars specified below)
10.	Redemption/Payment Basis:	Redemption at par
11.	Change of Interest Basis or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13.	Listing:	Luxembourg Stock Exchange

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 24. | Form of Notes: | Bearer Notes
Temporary Global Note exchangeable for a
Permanent Global Note which is
exchangeable for Definitive Notes only upon
an Exchange Event |
| 25. | Additional Financial Centre(s) or other
special provisions relating to Payment
Dates: | Not Applicable |
| 26. | Talons for future Coupons or Receipts to
be attached to Definitive Notes (and
dates on which such Talons mature): | No |
| 27. | Details relating to Partly Paid Notes:
amount of each payment comprising the
Issue Price and date on which each
payment is to be made and consequences
of failure to pay, including any right of
the Issuer to forfeit the Notes and interest
due on late payment: | Not Applicable |
| 28. | Details relating to Instalment Notes: | Not Applicable |
| 29. | Redenomination: | Not Applicable |
| 30. | Date of Board Approval for issuance of
Notes: | 18th December, 2003 |
| 31. | Other terms or special conditions: | Not Applicable |

DISTRIBUTION

- | | | |
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| 32. | (a) If syndicated, names of
Managers: | ABN AMRO Bank N.V.
HSBC Bank plc
Lehman Brothers International (Europe)
The Royal Bank of Scotland plc |
| | (b) Stabilising Manager (if any): | Lehman Brothers International (Europe) |
| 33. | If non-syndicated, name of relevant
Dealer: | Not Applicable |
| 34. | Whether TEFRA D or TEFRA C rules
applicable or TEFRA rules not
applicable: | TEFRA D |

35. Additional selling restrictions: By way of replacement of the selling restrictions relating to the Republic of Italy included in the Offering Circular under the section "Subscription and Sale - Italy", the Managers have represented and agreed not to offer, sell or deliver the Notes in Italy and to notify their initial purchasers of the Notes that the same cannot be offered, sold or delivered in Italy, neither to any persons qualifying as professional investors (*operatori qualificati*) for the purposes of Article 31, para. 2, of the CONSOB Regulation no. 11522 of July 1, 1998, as amended, nor to any other persons.

OPERATIONAL INFORMATION

36. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
37. Delivery: Delivery against payment
38. Additional Paying Agent(s) (if any): Not Applicable

ISIN: XS0195160329

Common Code: 019516032

LISTING APPLICATION

This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the €10,000,000,000 Euro Medium Term Note Programme of Telecom Italia S.p.A. and Telecom Italia Finance S.A.

Telecom Italia S.p.A., with registered office at Milan (Italy), Piazza degli Affari 2, registered at the Company Register in Milan with number 00488410010,

share capital as at the Issue Date: €8,857,247,392.40

reserves as at the Issue Date: €4,864,084,393.43

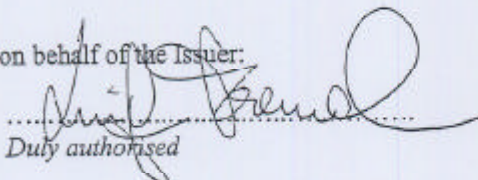
Issue approved by the Issuer's Board of Directors on 18th December, 2003, registered at the Company Register in Milan on 5th January, 2004.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By:


Duly authorised