Pricing Supplement dated 28 June 2005

TELECOM ITALIA FINANCE, societé anonyme
(having its registered office at 267-269 Route d’Arlon, L-1159 Luxembourg
and whose registered number is R.C.S. Luxembourg B-78, 448)

Issue of €250,000,000 7.75 per cent Guaranteed Notes due 2033 (the “New Notes”) guaranteed by TELECOM ITALIA S.p.A. under the €10,000,000,000 Euro Medium Term Note Programme

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

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the Annex to this Pricing Supplement. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated 17 February 2005, save in respect of the Conditions which are contained in the Annex to this Pricing Supplement.

The New Notes will, upon and to the extent that the Temporary Global Note representing the New Notes is exchanged for the Permanent Global Note representing the New Notes, be consolidated and form a single series with the outstanding €400,000,000 7.75 per cent Guaranteed Notes due 2033 issued on 24 January 2003 (Series 14, Tranche 1) and the €400,000,000 7.75 per cent Guaranteed Notes due 2033 issued on 31 January 2003 (Series 14, Tranche 2) (together, the “Outstanding Notes”) in each case by Olivetti Finance N.V. guaranteed by Olivetti S.p.A. pursuant to their €15,000,000,000 Euro Medium Term Note Programme. Following the merger of Olivetti S.p.A. with Telecom Italia S.p.A. on 4 August 2003, Olivetti S.p.A. changed its name to Telecom Italia S.p.A. Telecom Italia Finanza S.A. was substituted for Olivetti Finance N.V. as issuer of the Outstanding Notes on 1 June 2004.

1 (a) Issuer: Telecom Italia Finanza S.A.
(b) Guarantor: Telecom Italia S.p.A.

2 (a) Series Number: 10
(b) Tranche Number: 01

The New Notes will, upon and to the extent that the Temporary Global Note representing the New Notes is exchanged for the Permanent Global Note representing the New Notes, be consolidated and form a single series with the Outstanding Notes.

3 Specified Currency or Currencies: EURO (€)
4 Aggregate Principal Amount:
   (a) Series: €1,050,000,000
   (b) Tranche: €250,000,000

5 (a) Issue Price: 109.902 per cent of the
      Aggregate Principal
      Amount of the New Notes
      plus 150 days' accrued
      interest
   (b) Net Proceeds: €358,035,821.92

6 Specified Denominations: €1,000, €10,000 and
   €100,000

7 (a) Issue Date: 23 June 2005
   (b) Interest Commencement Date: 24 January 2005

8 Maturity Date: 24 January 2035

9 Interest Basis: 7.75 per cent. per annum
     Fixed Rate

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

14 Method of distribution: Non-syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15 Fixed Rate Note Provisions
   (a) Rate(s) of Interest: Applicable
      7.75 per cent. per annum
      payable annually in arrear,
      commencing 24 January
      2006 in respect of the
      period from and including
      24 January 2005 to but
      excluding 24 January 2006
   (b) Interest Payment Date(s): 24 January in each year,
      from and including 24
      January 2006 up to and
      including the Maturity Date.
   (c) Fixed Coupon Amount(s): €77.50 per €1,000
      Specified Denomination
      €775.00 per €10,000
      Specified Denomination
      €77,500.00 per €100,000
      Specified Denomination
(d) Broken Amount(s): Not Applicable
(e) Day Count Fraction: Actual/Actual (ISMA)
(f) Interest Determination Date(s): Not Applicable
(g) Other terms relating to the method of calculating interest for Fixed Rate Notes: Not Applicable

16 Floating Rate Note Provisions Not Applicable
17 Zero Coupon Note Provisions Not Applicable
18 Index Linked Interest Rate Provisions Not Applicable
19 Dual Currency Note Provisions Not Applicable

PROVISIONS RELATING TO REDEMPTION
20 Call Option Not Applicable
21 Put Option Not Applicable
22 Final Redemption Amount 100 per cent. of the principal amount

23 Early Redemption Amount

Early Redemption Amount (Tax) payable on redemption for taxation reasons and/or Early Termination Amount payable on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions):

100 per cent. of the principal amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES
24 Form of Notes: Bearer Notes
Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note

25 Additional Financial Centre(s) or other special provisions relating to Payment Dates: Not Applicable

26 Telons for future Coupons to be attached to Definitive Notes (and dates on which such Telons mature): Yes. Each Telon may be exchanged for a further Coupon sheet on or after 24 January 2028.

27 Details relating to Partly Paid NOTES: Not Applicable

28 Details relating to Instalment Notes: Not Applicable

3
20 Redenomination, Renomination and Reconversioning provisions: Not Applicable

30 Other terms or special conditions: Not Applicable

DISTRIBUTION

31 (a) If syndicated, names of Managers: Not Applicable
     (b) Stabilising Manager (if any): Not Applicable

32 If non-syndicated, name of Dealer: Goldman Sachs International

33 Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: TEFRA D Rules are applicable

34 Additional Selling Restrictions: Not Applicable

OPERATIONAL INFORMATION

35 Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable

36 Delivery: Delivery against payment

37 Additional Paying Agent(s) (if any): Not Applicable

ISIN Code: The temporary ISIN Code is XS0223508862. After the Temporary Global Note representing the New Notes is exchanged for the Permanent Global Note representing the Notes, the ISIN Code will be XS0161100515.

Common Code: The temporary Common Code is 02359886. After the Temporary Global Note representing the Notes is exchanged for the Permanent Global Note representing the New Notes, the Common Code will be 16110051.

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.
RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in this Pricing Supplement.

Signed on behalf of TELECOM ITALIA FINANCE S.A.

By: ____________________________
    Duly authorised

Signed on behalf of TELECOM ITALIA S.p.A.

By: ____________________________
    Duly authorised

Signed in London, England in my presence:

Jane Brown
Partner, Linklaters
One Silk Street
London EC2Y 8HQ