

Pricing Supplement dated 28 June 2005

TELECOM ITALIA FINANCE, société anonyme
*(having its registered office at 287-289 Route d'Arlon, L-1150 Luxembourg
and whose registered number is R.C.S. Luxembourg B-76, 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 Finance S.A. was substituted for Olivetti Finance N.V. as issuer of the Outstanding Notes on 1 June 2004.

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|---|-----|-----------------------------------|--|
| 1 | (a) | Issuer: | Telecom Italia Finance 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:	139.902 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:	29 June 2005
(b)	Interest Commencement Date:	24 January 2005
8	Maturity Date:	24 January 2033
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	Applicable
(a)	Rate(s) of Interest:	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 €7,750.00 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	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	Yes. Each Talon 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

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| 29 | Redenomination, Renominalisation and Reconventioning 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 XS0223598862. 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 022359886. 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

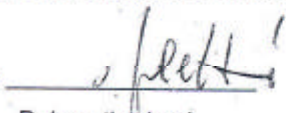
This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the €10,000,000,000 Euro Medium Term Note Programme of Telecom Italia S.p.A. and Telecom Italia Finance S.A.

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: _____

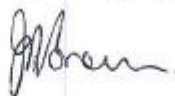

Duly authorised

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