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TELECOM ITALIA S P A  
Form 6-K  
September 02, 2003

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

PURSUANT TO RULE 13a-16 OR 15D-16  
UNDER THE SECURITIES EXCHANGE ACT OF 1934

FOR THE MONTH OF SEPTEMBER 2003

TELECOM ITALIA S.p.A.  
(Translation of registrant's name into English)

CORSO D'ITALIA 41  
ROME, ITALY 00198  
(Address of principal executive offices)

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

FORM 20-F  FORM 40-F

Indicate by check mark if the registrant  
is submitting the Form 6-K in paper  
as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant  
is submitting the Form 6-K in paper  
as permitted by Regulation S-T Rule 101(b)(7):

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

YES  NO

If "Yes" is marked, indicate below the file number assigned  
to the registrant in connection with Rule 12g3-2(b): 82- \_\_\_\_\_

**PRESS RELEASE**

**Board of Directors examines**

**first half 2003 results**

*Earnings improved: first half 2003 growth raised and ratios increased*

*Net financial borrowings show no increase following completion of merger compared to 31 December 2002*

*Debt forecast to fall to approximately 30 billion euros by end of 2004*

*In excess of 10 billion euros distributed to the market since September 2001: 5.3 billion euros through PTO and 4.7 billion euros through dividends*

**TELECOM ITALIA GROUP**

**First half 2003 results take into account the 4 August 2003 merger of Telecom Italia SpA into Olivetti SpA, with bookkeeping and fiscal effect from 1 January 2003, in addition to the financial effects generated by the share withdrawal and PTO**

**REVENUES: 15,149 MILLION EUROS (DOWN 2.5% COMPARED WITH THE FIRST HALF OF 2002); UP 5.4% EXCLUDING EXCHANGE RATE FLUCTUATIONS AND CHANGES TO THE CONSOLIDATION AREA**

**GROSS OPERATING RESULT: 6,921 MILLION EUROS (UP 1.1% COMPARED WITH THE FIRST HALF OF 2002); UP 3.4% EXCLUDING EXCHANGE RATE FLUCTUATIONS AND CHANGES TO THE CONSOLIDATION AREA**

**GROSS OPERATING RESULT/REVENUES RATIO: 45.7%**

**(44.1% FOR THE FIRST HALF OF 2002)**

**PRE-GOODWILL OPERATING INCOME: 4,263 MILLION EUROS (UP 4.9% COMPARED WITH THE FIRST HALF OF 2002)**

**OPERATING INCOME: 3,281 MILLION EUROS (UP 9.8% COMPARED WITH THE FIRST HALF OF 2002); UP 8.4% EXCLUDING EXCHANGE RATE FLUCTUATIONS AND CHANGES TO THE CONSOLIDATION AREA**

**OPERATING INCOME/REVENUES RATIO: 21.7%**

**(19.2% FOR THE FIRST HALF OF 2002)**

**CONSOLIDATED NET INCOME: 1,056 MILLION EURO PROFIT**

**(511 MILLION EURO LOSS FOR THE FIRST HALF OF 2002)**

**NET FINANCIAL BORROWINGS: 37,444 MILLION EUROS (UP 4,045 MILLION EUROS COMPARED WITH 31 DECEMBER 2002) BEFORE DISPOSALS TAKING PLACE AFTER CLOSURE OF FIRST HALF ACCOUNTS**

**NET FINANCIAL BORROWINGS, POST THE MERGER AND COMPLETION OF DISPOSALS TAKING PLACE SUBSEQUENT TO CLOSURE OF THE FIRST HALF 2003 ACCOUNTS, DOWN TO 35,644 MILLION EUROS FROM 35,816 MILLION EUROS AT 31 DECEMBER 2002 (INCLUSIVE OF JP MORGAN PUT OPTION)**

**FREE CASH FLOW: 4,850 MILLION EUROS (UP 670 MILLION EUROS COMPARED WITH THE FIRST HALF OF 2002), CORRESPONDING TO 32% OF REVENUES**

**TELECOM ITALIA SPA**

**First half 2003 figures are presented with a comparison to first half 2002 figures which have been recalculated on the basis of the effects of the merger of Telecom Italia SpA into Olivetti SpA, as estimated from 1 January 2002**

**REVENUES: 8,035 MILLION EUROS (DOWN 4.7% COMPARED WITH THE FIRST HALF OF 2002); HOWEVER, RECALCULATING FROM 1 JANUARY 2002 THE EFFECTS OF THE MERGER WITH TI LAB AND THE TRANSFER OF INTERNATIONAL WHOLESALE SERVICES TO TELECOM ITALIA SPARKLE, REVENUES ROSE BY 81 MILLION EUROS (1%)**

**GROSS OPERATING RESULT: 3,637 MILLION EUROS (DOWN 2.4% COMPARED WITH THE RECALCULATED FIRST HALF 2002 FIGURES ); ASSUMING THE EFFECTS OF THE MERGER WITH TI LAB AND THE TRANSFER TO TELECOM ITALIA SPARKLE, THE GROSS OPERATING RESULT IMPROVED BY 27 MILLION EUROS (0.7%)**

**GROSS OPERATING RESULT/REVENUES RATIO: 45.3%**

**(44.2% FOR THE FIRST HALF OF 2002)**

**OPERATING INCOME: 2,084 MILLION EUROS (UP 1.5% COMPARED WITH THE RECALCULATED FIRST HALF 2002 FIGURES); ASSUMING THE EFFECTS OF THE MERGER WITH TI LAB AND THE TRANSFER TO TELECOM ITALIA SPARKLE, OPERATING INCOME ROSE BY 106 MILLION EUROS (5.4%)**

**OPERATING INCOME/REVENUES RATIO: 25.9%**

**(24.4% FOR THE FIRST HALF OF 2002)**

**NET INCOME: 1,580 MILLION EUROS**

**(1,238 MILLION EUROS FOR THE FIRST HALF OF 2002)**

**NET FINANCIAL BORROWINGS: 36,133 MILLION EUROS**

**(UP 5,511 MILLION EUROS COMPARED WITH 31 DEC. 2002)**

*Milan, 2 September, 2003* At today's meeting the Telecom Italia Board of Directors, chaired by Marco Tronchetti Provera, examined the Group and Parent company accounts for the first half of 2003.

**Telecom Italia Group first half 2003 results**

**Revenues** fell by 2.5% to **15,149 million euros** (15,543 million euros for the same period in 2002). However, **underlying growth was equal to 5.4%** (up 777 million euros), excluding unfavourable exchange-rate fluctuations (627 million euros) and changes to the area of consolidation (544 million euros). Growth was driven particularly by good performances from the Mobile Business Unit and increased revenues from the Wireline Business Unit.

The **gross operating result**, at **6,921 million euros**, registered 1.1% growth (an additional 74 million euros) compared with the first half of 2002. **Underlying growth corresponded to 3.4%** (230 million euros), excluding exchange-rate fluctuations (-123 million euros) and changes to the area of consolidation (-33 million euros). **The gross operating result was equivalent to 45.7% of revenues (44.1% for the first half of 2002). The figure for the second quarter came in even higher, at 46%.**

Excluding the amortization of consolidation differences (goodwill), the **operating result** amounted to **4,263 million euros**, a rise of **4.9%** (198 million euros) compared with the first half of 2002.

**Operating income rose by 9.8%** compared with the first half of 2002 (up 294 million euros) to **3,281 million euros**. Underlying growth corresponded to 8.4%. **As a proportion of revenues, operating income rose** from 19.2% for the first half of 2002 **to 21.7% for the first half of 2003.**

The **consolidated net result** for the first half of 2003 was a **1,056 million euro profit** (and a 1,592 million euro profit prior to minority interests). The first half 2002 consolidated net result, by way of comparison, was a 511 million euro loss.

Comparing on equivalent terms - by adding to the parent company first half 2002 figures the minority share of the results taken on through the merger equal to 479 million euros - the consolidated net result corresponds to a 32 million euro loss.

The significant increased result (+1,567 million euros) is due to an improved operating results, an improved balance in terms of financial income and expenses and of equity investments (+517 million euros), an improved tax position (+1,134 million euros), attributable to deferred tax assets of 1,286 million euros that have become recoverable due to the merger, and lower net income attributable to minority interests (+564 million euros). These improvements are offset by the decline in the balance of extraordinary income and expense (-942 million euros). The latter downswing is due essentially to the fact that the first half of 2002 benefited from gains on the sale of equity investments.

**Operating free cash flow** was equal to 4,850 million euros, after a 670 million euro rise (16%) compared with the first half of 2002. This is equivalent to 32% of revenues (26.9% over the same period in 2002).

**Net financial borrowings** stood at **37,444 million euros**, a 4,045 million euros increase compared with 31 December 2002 (33,399 million euros). This rise was brought about by **the repercussions of share withdrawals and the public tender offer** (5,285 million euros), **in addition to dividend payouts** (1,049 million euros).

At 30 June 2003, **82% of debt fell due beyond one year** (33,868 million euros). This compares with 83% at 31 December 2002.

Taking into account the sale of the New Seat Pagine Gialle company (including the acquisition of shares from the "Old" Seat company, which was subject to put/call options with JP Morgan), and the sale of a number of real estate assets to Lastra (for which the completion date fell after the closure of the first half 2003 accounts), **net financial borrowings were reduced to 35,644 million euros, from 35,816 million euros at 31 December 2002, inclusive of the JP Morgan put option.**

**No further debt burden has been incurred in the process of streamlining the control structure. By the end of 2004, Telecom Italia Group borrowings are forecast to shed a further 5 billion euros, and reach a level of 30.6 billion euros.**

**During the same period as it has brought down its borrowings by some 8 billion euros, since September 2001 the Telecom Italia Group has distributed 10.3 billion euros to the market**, inclusive of dividend payouts (4.7 billion euros), the public tender offer (5.3 billion euros) and share buybacks (0.3 billion euros).

Headcount at 30 June 2003 corresponded to 102,541, (down 4,079 on the 31 December 2002 figure).

**Telecom Italia SpA first half 2003 results**

**Revenues** fell by 4.7% compared with the recalculated first half 2002 data (down 395 million euros) to **8,035 million euros**. However, revenues rose by 1% or 81 million euros, if the effects of the merger with TI LAB and the transfer to Telecom Italia Sparkle of the International Wholesale Services going concern is recalculated from 1 January 2002.

The **gross operating result**, at **3,637 million euros**, registered a 2.4% drop compared with the recalculated first half 2002 figures (down 88 million euros). **The gross operating result corresponded to 45.3% of revenues (44.2% as per the recalculated first half 2002 figures)**. If the effects of the merger with TI LAB and the transfer to Telecom Italia Sparkle are backdated to 1 January 2002, the gross operating result posted a 27 million euro (0.7%) rise.

**Operating income** posted **1.5% growth to 2,084 million euros** compared with the recalculated first half 2002 figures (a rise of 30 million euros). **Operating income corresponded to 25.9% of revenues (24.4% as per the recalculated first half 2002 figures)**. If the effects of the merger with TI LAB and the transfer to Telecom Italia Sparkle are recalculated from 1 January 2002, operating income grew by 106 million euros (5.4%).

The company closed the first half of 2003 with **net profits of 1,580 million euros**, a rise of 342 million euros on the recalculated first half 2002 figures. This was achieved through **operational improvements** (a further 30 million euros) and **positive fiscal effects** (up 1,739 million euros) **as a result of deferred tax assets** (1,286 million euros) **to which the company is eligible following the merger**, partially offset by a lower balance generated by financial management and extraordinary items.

**Net financial borrowings** amounted to **36,133 million euros**. The 5,511 million euro rise compared with the recalculated year-end 2002 figures (30,622 million euros) is **principally owing to the effects of the public purchase offer** brought by incorporating company Olivetti SpA for the ordinary and savings shares of the company being incorporated, Telecom Italia SpA, and the **withdrawal of Olivetti SpA shareholders**, which totalled 5,285 million euros.

#### **Events occurring after 30 June 2003**

The main events that took place subsequent to closure of the first half 2003 accounts are as follow:

#### **REAL ESTATE SALE TO LASTRA (FMP GROUP)**

The **disposal**, announced on 20 June 2003, of a number of selected **real estate assets** to Lastra Holding B.V., a company owned by the Five Mounts Properties (FMP) Group, was completed on 21 July. The deal is worth approximately **355 million euros**, and enables the Telecom Italia Group to bring down its consolidated net borrowings

by this same amount.

### **SEAT PG: DIVISION DEED DRAWN UP AND SALE OF DIRECTORIES COMPLETED**

In August the Seat Pagine Gialle SpA company (the Company being divided ) was partially and proportionally spun off, with the subsequent transfer to a newly founded company ( New SEAT ) of the going concerns principally consisting of the Directories business (telephone directory publishing in Italy, plus equity stakes in TDL Infomedia and Thomson), Directory Assistance (89.24.24 Pronto Pagine Gialle and Telegate) and Business Information (Consodata Group). The company left after the division has changed its name to Telecom Italia Media SpA; the New SEAT entity is now known as Seat Pagine Gialle SpA .

In the second quarter of 2003 Telecom Italia initiated procedures for the divestment through competitive tender of its controlling equity stake in the Seat Pagine Gialle recipient company. Prior to this transaction, 710,770,200 shares from the Old Seat Pagine Gialle shares were acquired, as per the existing put/call options with JP Morgan, for an aggregate outlay of 2,255 million euros.

Disposal of 61.5% of the New Seat company was completed on 8 August to a consortium whose members are BC Partners, CVC Capital Partner, Permira and Investitori Associati. The disposal price was set at €0.598 per share, which was calculated on the basis of a valuation of New SEAT's enterprise value at approximately 5.65 billion euros. In consequence, the sale price therefore corresponds to 3,033 million euros. Given New SEAT's estimated debt, equal to some 700 million euros at the moment that the disposal is completed, the transaction enabled the Telecom Italia Group to bring down its consolidated net borrowings by approximately 3.7 billion euros.

### **100% HANSENET EQUITY STAKE ACQUISITION**

On 29 July Telecom Italia signed an agreement with e.Biscom regarding **the acquisition of 100% of German company HanseNet Telekommunikation GmbH**. This acquisition is part of the Wireline Division's plans to expand broadband service offerings to a selection of high growth European cities. Execution of the agreement is dependent upon approval by the relevant regulatory authorities, and entails an outlay of **approximately 250 million euros**.

### **PAGINE ITALIA AGREEMENT**

On 31 July Telecom Italia and Pagine Italia agreed not to pursue the accords reached in September 2002 concerning the sale of this branch of the Pagine Utili company. This move required Telecom Italia to pay a consideration of 55 million euros, for which provisions have already been made in the first half 2003 company accounts.

### **MEGABEAM ACQUISITION**



In March 2003 Telecom Italia finalized the contract regarding the acquisition of a 100% equity stake in Megabeam Italia SpA, Italy's first wireless internet service provider, for a consideration of 11.5 million euros. On 7 August the Italian Competition Regulatory Authority gave its authorization for the acquisition of the Wi-Fi networking services company.

In order for the transaction to go ahead, Telecom Italia and Megabeam are obliged to respect a number of specific conditions, notably:

- renunciation of any exclusive rights regarding Wi-Fi service provision, the installation and use of R-LAN infrastructure;
- all Wi-Fi service operations must be undertaken through a separate company;
- an obligation to enter into roaming contracts with other carriers under fair and non-discriminatory terms and conditions.

#### **ALLIANCE WITH TELEFÓNICA MÓVILES, T-MOBILE INTERNATIONAL AND ORANGE**

On 1 August TIM entered into a four-carrier cooperation agreement (TIM, Orange SA, T-Mobile and Telefónica Móviles) under the terms of the alliance announced on 7 April 2003, which was created to supply customers with combined offerings and high standard products and services in the countries where the four telephone companies operate. The partnership will lead to the development of joint solutions; it will combine the technological and commercial strengths of the four companies, and has the potential to create the world's largest customer base, numbering some 170 million customers in 15 nations and on three continents.

#### **First half 2003 Business Unit results**

#### **WIRELIN**

First half 2003 headline data from Wireline, Telecom Italia's fixed-line network services business unit, show strong growth in operations and earnings compared with the same period during the preceding year.

## Revenues on the up

**Revenues** posted **1.7%** growth over the first half of 2002 to **8,552 million euros**, consolidating the turnaround in revenues that commenced in the first quarter of 2003.

Growth was driven by an effective presence in the core telephony market, where **flat voice line contracts now exceed 5.5 million**, corresponding to a 21% penetration of the customer base; the call traffic market share has also remained firm during 2003.

Broadband and innovative data service markets continued to register significant growth. **Broadband accesses now number 1,375,000**; growth (525,000 accesses) is running at twice the rate recorded during the second half of 2002.

Significant growth was posted in business customer data services. **Innovative data services recorded a 46% increase** compared with the first half of 2002. This more than offset the drop in traditional data services and leased lines — two areas that are subject to price regulation and are suffering from the migration to innovative solutions.

Lastly, **VAS service revenue posted growth of 37%** compared with the first half of 2002: telephony and data VAS rose respectively by 42% and 22% compared with the first half of last year.

## Ratios improving

The **gross operating result** registered **2.1%** growth compared with the first half of 2002 to **3,982 million euros**. This corresponded to **46.6%** of revenues, as against 46.4% for the first half of last year.

**Operating income** rose by **1.9%** compared with the first half of last year to **2,441 million euros**. As a ratio of revenues, operating income corresponded to **28.5%**, the same figure achieved during the corresponding period during the preceding year (up 28.5%).

## Investment

During the first half of the year Wireline continued to be committed to significant capital expenditure in support of innovative service development: investments totalled **1,071 million euros**, **7%** more than during the first half of 2002.

### **MOBILE AND INTERNET & MEDIA**

Mobile and Internet & Media business unit figures for the first half of 2003 are being issued in press releases circulated on 1 September 2003, after they have been examined by the relevant TIM and Telecom Italia Media Board Meetings.

### **SOUTH AMERICA (CHILE AND BOLIVIA)**

**Revenues** amounted to **564 million euros**, 22.8% (167 million euros) down on the first half of 2002. This fall may be ascribed to exchange-rate fluctuations, which had an aggregate negative impact of some 192 million euros. Stripping out these fluctuations, revenues recorded a 3.4% rise compared with the same period in 2002.

The **gross operating result**, which was equal to **190 million euros**, suffered a 56 million euro fall (down 22.8%) compared with the first half of 2002, owing to exchange-rate fluctuations. Excluding these fluctuations, the gross operating result registered 2.8% growth. **This corresponded to 33.7% of revenues**, and matched the figure recorded during the same period in 2002.

**Operating income**, at **61 million euros**, fell by 24 million euros (28.2%) compared with the first half of 2002, once again as a result of exchange-rate fluctuations. Excluding these fluctuations, operating income was pegged back by 3.5% compared with the same period in 2002. **Operating income corresponded to 10.8% of revenues** (11.6% for the first half of 2002).

### **INFORMATION TECHNOLOGY MARKET**

The first half of 2003 was characterized by a downturn in the Information Technology services market. Prices to top clients fell dramatically, and new contract and customer acquisition was undertaken at prices below those achieved in the past. Actions are ongoing to enhance overall efficiency and bring down costs, especially at Finsiel SpA and its

principal subsidiaries.

With effect from 1 January 2003, the Netikos Group, Webegg Group and Eustema SpA were merged into the IT Market Business Unit (previously consolidated as part of the IT Group Business Unit). SOGEI SpA (consolidated for the first half of 2002) and Consiel SpA (consolidated for the first eight months of 2002) both left the area of consolidation in 2002.

**Revenues of 358 million euros** were down 17 million euros compared with the same period in 2002 on an equivalent consolidation basis. This change principally reflects lower Government and Enterprise operations business volumes and reduced prices. Lower revenues were, however, offset by improved business performance at Tele Sistemi Ferroviari (TSF) and the consolidation of Eustema.

The **gross operating result** was equal to **30 million euros** (38 million euros for the first half of 2002); **operating income** amounted to **9 million euros** on an equivalent consolidation area basis. These reduced figures were brought about by the aforementioned drop in prices charged to Finsiel's principal clients.

**Capital expenditure (15 million euros)** remained on a par with the corresponding period in 2002. The **headcount** figure of **5,457** was **49 lower** than at 31 December 2002.

## **INFORMATION TECHNOLOGY GROUP**

On 1 January 2003, IT Telecom SpA took over the operations of merged companies Netsiel SpA, Saritel SpA, Sodalìa SpA and Telesoft SpA.

From that same date the TI Lab Group and Loquendo (in addition to the Netikos Group, Webegg Group and Eustema) ceased to be consolidated as IT Group operating businesses. Epiclink SpA entered the consolidation area on 1 January 2003; though still under Telecom Italia SpA control, it is managed by IT Group.

Data for 2002 have been recalculated on equivalent terms. **Revenues totalled 465 million euros**, up 57 million euros (**14%**) compared with the first half of 2002. The **gross operating result of 24 million euros** was impacted by the price squeeze in 2003 (46 million euros for the first half of 2002); **capital expenditure** amounted to **60 million euros** (40 million euros for the first half of 2002), and real estate and infrastructure rationalization continues.

**Headcount** at 30 June 2003 totalled **4,443, a drop of 596** compared with 31 December 2002. The reduction may principally be ascribed to the disposal of the company unit responsible for Desktop Management services to HP DCS.

**OLIVETTI TECNOST**

The Olivetti Tecnost Group Business Unit operates principally in digital printing systems and office inkjet products, specialist banking industry applications, trade, gaming and lottery management Information Systems, silicon technology development and manufacturing (ink-jet heads and MEMS), document management services, and cellphone repair. Business is focused primarily in Europe, Asia, South America and Mexico. The company also has a consumer market presence in North America through subsidiary company Royal Consumer Information Product Inc..

**Revenues** amounted to **332 million euros**, a drop of 154 million euros (down 31.7%) on the first half of 2002. The **gross operating result** was **17 million euros** (42 million euros for the first half of 2002); **operating income** amounted to a **3 million euro loss** (compared with a 9 million euro profit for the first half of 2002). **Capital expenditure** amounted to **10 million euros** (18 million euros for the first half of 2002). Company **headcount** stood at **3,036**, a 1,491 reduction on the 31 December 2002 figure, following the transfer of 1,266 employees subsequent to the disposal of an installation in Mexico.

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The first half 2003 results will be presented to the financial community during a conference call held tomorrow, on 3 September 2003, starting at 2:30 p.m. Members of the media are invited to listen in to the presentation by calling +39 06 33485042. It is not possible to submit questions.

If this time is inconvenient, members of the media may listen to the presentation by calling +39 06 334843 (enter access code 43977#).

**Telecom Italia**

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Cautionary Statement for Purposes of the "Safe Harbor" Provision of the United States Private Securities Litigation Reform Act of 1995.

The Private Securities Litigation reform Act of 1995 provides a "safe harbor" for forward-looking statements. The Press Release included in this Form 6-K contains certain forward looking statements and forecasts reflecting management's current views with respect to certain future events. The ability of the Telecom Italia Group to achieve its projected results is dependant on many factors which are outside of management's control. Actual results may differ materially from those projected or implied in the forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results and are based on certain key assumptions.

The following important factors could cause the Telecom Italia Group's actual results to differ materially from those projected or implied in any forward-looking statements:

- the continuing impact of increased competition in a liberalized market, including competition from global and regional alliances formed by other telecommunications operators in the core domestic fixed-line and wireless markets of the Telecom Italia Group;
- the ability of the Telecom Italia Group to introduce new services to stimulate increased usage of its fixed and wireless networks to offset declines in its fixed-line business due to the continuing impact of regulatory required price reductions, market share loss and pricing pressures generally;
- the ability of the Telecom Italia Group to achieve cost-reduction targets in the time frame established or to continue the process of rationalizing its non-core assets;
- the impact of regulatory decisions and changes in the regulatory environment;
- the impact of the slowdown in Latin American economies and the slow recovery of economies generally on the international business of the Telecom Italia Group focused on Latin America and on its foreign investments and capital expenditures;
- the continuing impact of rapid changes in technologies;
- the impact of political and economic developments in Italy and other countries in which the Telecom Italia Group operates;
- the impact of fluctuations in currency exchange and interest rates;
- Telecom Italia's ability to continue the implementation of its 2002-2004 Industrial Plan, including the rationalization of its corporate structure and the disposition of Telecom Italia's interests in various companies;
- the ability of the Telecom Italia Group to successfully achieve its debt reduction targets;
- Telecom Italia's ability to successfully roll out its UMTS networks and services and to realize the benefits of its investment in UMTS licenses and related capital expenditures;
- Telecom Italia's ability to successfully implement its internet strategy;

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- the ability of the Telecom Italia Group to achieve the expected return on the significant investments and capital expenditures it has made in Latin America and in Europe;
- the amount and timing of any future impairment charges for Telecom Italia's licences, goodwill or other assets; and
- the impact of litigation or decreased mobile communications usage arising from actual or perceived health risks or other problems relating to mobile handsets or transmission masts.

The foregoing factors should not be construed as exhaustive. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. Accordingly, there can be no assurance that the group will achieve its projected results.

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### SIGNATURES

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.

Date: September 2nd, 2003

TELECOM ITALIA S.p.A.

BY: /s/ Carlo De Gennaro

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Carlo De Gennaro  
Company Manager