

PRICING SUPPLEMENT

Pricing Supplement dated 24 April 2002

OLIVETTI FINANCE N.V.

**Issue of €500,000,000 7.25% Guaranteed Notes due 2012
Guaranteed by OLIVETTI 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 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 8 June 2001. This Pricing Supplement must be read in conjunction with such Offering Circular.

1.	(i)	Issuer:	Olivetti Finance N.V.
	(ii)	Guarantor:	Olivetti S.p.A.
2.	(i)	Series Number:	08
3.		Specified Currency or Currencies:	Euro ("€")
4.		Aggregate Principal Amount:	
	(i)	Series:	€500,000,000
5.	(i)	Issue Price:	99.602 per cent. of the Aggregate Principal Amount
	(ii)	Net Proceeds	€496,135,000
6.		Specified Denominations:	€1,000, €10,000 and €100,000
7.	(i)	Issue Date:	24 April 2002
	(ii)	Interest Commencement Date (if different from the Issue Date):	Not Applicable
8.		Maturity Date:	24 April 2012
9.		Interest Basis:	7.25 per cent. Fixed Rate
10.		Redemption/Payment Basis:	Redemption at par
11.		Change of Interest or Redemption/Payment Basis:	Not Applicable
12.		Put/Call Options:	Not Applicable

13.	Listing:	Luxembourg
14.	Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions	Applicable
	(i) Rate of Interest:	7.25 per cent. per annum
	(ii) Interest Payment Date(s):	24 April in each year
	(iii) Fixed Coupon Amount(s):	€72.50 per €1,000 Specified Denomination
		€725 per €10,000 Specified Denomination
		€7,250 per €100,000 Specified Denomination
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction:	Actual/Actual (ISMA)
	(vi) 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 Note 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	100 per cent. of the principal amount

required or if different from that set out in the Conditions):

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):	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 (if any) of failure to pay, including any right of the relevant Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
28.	Redenomination, Renominalisation and Reconventioning provisions:	Not Applicable
29.	Consolidation provisions:	Not Applicable
30.	Other terms or special conditions:	Not Applicable

DISTRIBUTION

31.	(i) If syndicated, names of Managers: (including the Lead Manager(s))	Barclays Bank PLC Lehman Brothers International (Europe) Salomon Brothers International Limited UniCredit Banca Mobiliare S.p.A.
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(ii)	Stabilising Manager (if any):	Lehman Brothers International (Europe)
32.	If non-syndicated, name of Dealer:	Not Applicable
33.	TEFRA	The D Rules are applicable
34.	Netherlands Selling Restrictions	Euro-securities exemption: Selling restriction I(v) applies.
35.	Additional selling restrictions:	For the purposes of the Notes, the subsection headed "United Kingdom" under the section headed "Subscription and Sale" should be replaced by the text set out in Schedule 1 hereto and the subsection headed "The Netherlands" should be read in conjunction with the text set out in Schedule 2.

OPERATIONAL INFORMATION

36.	ISIN Code:	XS0146643191
37.	Common Code:	014664319
38.	Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s):	Not Applicable
39.	Delivery:	Delivery against payment
40.	Additional Paying Agent(s) (if any):	Not Applicable

LISTING APPLICATION

This Pricing Supplement comprises the details required to list the issue of Notes described herein pursuant to the listing of the €10,000,000,000 Euro Medium Term Note Programme of Olivetti S.p.A., Olivetti Finance N.V. and Olivetti International Finance N.V. as Issuers and Olivetti S.p.A. as Guarantor.

RECENT DEVELOPMENTS

See Schedule 3 hereto.

RESPONSIBILITY

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

Signed on behalf of Olivetti S.p.A.:

By:
Duly authorised

Signed on behalf of Olivetti Finance N.V.:

By:
Duly authorised

SCHEDULE 1

United Kingdom Selling Restrictions

Each Manager has represented and agreed that:

- (a) ***No offer to public:*** it has not offered or sold and, prior to the expiry of a period of six months from the Issue Date, will not offer or sell any Notes to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995;
- (b) ***Financial promotion:*** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and
- (c) ***General compliance:*** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

SCHEDULE 2

The Netherlands selling restrictions

"The Netherlands / Global

The Notes are being issued and offered under the "Euro-securities" exemption pursuant to Article 6 of the Exemption Regulation of 21 December 1995 (*Vrijstellingsregeling Wet toezicht effectenverkeer 1995*), as amended, of The Netherlands' Securities Market Supervision Act 1995 (*Wet toezicht effectenverkeer 1995*) and accordingly each of the Managers and the Issuer represents and agrees that it has not publicly promoted and will not publicly promote the offer or sale of Notes (including any rights representing an interest in any Global Note) by conducting a generalised advertising or cold-calling campaign *anywhere in the world*".

SCHEDULE 3

RECENT DEVELOPMENTS

Pirelli-Olimpia

*The information contained herein on the Pirelli-Olimpia transaction has been taken from publicly available information filed by the parties involved therein with regulatory authorities. So far as Olivetti S.p.A. ("**Olivetti**") is aware, no facts have been omitted herein which would render the information misleading. No further or other responsibility in respect of such information is accepted by Olivetti or the Issuer or the Managers.*

On 30 July 2001, Pirelli S.p.A. ("**Pirelli**"), Edizione Holding S.p.A. ("**Edizione Holding**") and Bell S.A. ("**Bell**") entered into an agreement (the "**July Agreement**") for the purchase from Bell of ordinary shares (the "**Olivetti Shares**") and warrants (the "**Olivetti Warrants**" and, together with the Olivetti Shares, the "**Olivetti Securities**").

On 3 August 2001, Olimpia S.p.A. ("**Olimpia**"), an Italian company wholly owned by Pirelli and Edizione Finance International S.A. ("**Edizione Finance**"), a wholly-owned subsidiary of Edizione Holding, was formed for the purpose of acquiring the Olivetti Securities.

On 14 September 2001, Pirelli, Banca IntesaBCI S.p.A. ("**BCI**") and Unicredito Italian S.p.A. ("**Unicredito**"), two Italian financial institutions, entered into an exchange of letter agreements. Under the letter agreements, each of BCI and Unicredito agreed to purchase from Pirelli shares of Olimpia representing 10% of Olimpia's existing share capital and one-eighth of the number of shares of Olimpia then held by Pirelli. As of today the Olimpia share capital is represented by 60% Pirelli, 20% Edizione Finance, 10% BCI and 10% Unicredito.

On 20 September 2001, the European Commission approved the acquisition of the Olivetti securities.

As of 17 December 2001, after the Olivetti share capital increase, Olimpia held a stake of 28.736% in Olivetti. As of 31 January 2001, Olivetti held 54.96% of the ordinary shares of Telecom Italia S.p.A.

Control of Olivetti

The information contained herein on the control of Olivetti has been taken from publicly available information filed by the parties involved therein with regulatory authorities. So far as Olivetti is aware, no facts have been omitted herein which would render the information misleading. No further or other responsibility in respect of such information is accepted by Olivetti or the Issuer or the Managers.

On 30 October 2001, Consob, the Italian securities regulatory authority, requested that Olivetti amend subsection 3.3 (identification of a controller pursuant to Article 93 of the Consolidated Law on Financial Intermediation) of section I (information concerning Olivetti and the Olivetti Group) of the prospectus for the increase in capital approved on 13 October 2001 to indicate that in Consob's view, Olivetti was controlled *de facto* by Olimpia and that Olimpia was individually controlled by Pirelli.

On 9 January 2002 Pirelli appealed to the Tribunale Amministrativo Regionale del Lazio ("**TAR**") a decision by Consob stating that Olivetti is controlled *de facto* by Olimpia and Olimpia is individually controlled by Pirelli within the meaning of certain provisions of the Italian law. TAR has accepted the appeal of Pirelli on the grounds that there were certain formal defects in the Consob decision. Consob could appeal this decision to Consiglio di Stato or reissue its decision after having complied with the appropriate formalities.

Increase in Olivetti Capital

A share and bond rights offer approved by Olivetti Board of Directors on 13 October 2001 (the "**Offer**") was completed by 17 December 2001.

The securities issued totalled 1,491,373,698 shares at a price of 1 euro each (for the equivalent of 1,491.37 million euros) and 2,412,962,875 bonds with a nominal value of 1 euro each (for the equivalent of 2,412.96 million euros).

In compliance with its previous undertakings, Olimpia exercised its full quota of rights and subscribed 504,825,563 shares and 504,825,562 bonds; consequently, the percentage of share capital held by Olimpia amounts to 28.736%.

Events subsequent to the end of the financial year

Telecom Italia Group

2002 – 2022 bond loan reserved at subscription to staff of the Telecom Italia Group

On 1 January 2002, following the resolution of the Board of Directors of Telecom Italia S.p.A ("**Telecom Italia**") on 27 July 2001, the offer opened for the "Telecom Italia 2002 – 2022 floating rate, special open series, reserved at subscription to current and past staff of the Telecom Italia Group" bond loan, maturing 1 January 2022, for a maximum amount of 1 billion euros. On the same date, early redemption was made of the "SIP 1992 – 2010" bond loan, which was similar to the new loan.

The new bonds, which pay a semi-annual gross coupon (payable in arrears on 1 January and 1 July each year) may be subscribed during the term of the loan, until the maximum amount offered is drawn. They also incorporate a put option for the borrower vis-à-vis Telecom Italia which may be exercised at any time at par value; there is also the option for Telecom Italia to make early redemption at par, exercisable at any interest payment date with at least three months' notice.

On 31 March, bonds worth 161 million euros had been subscribed and there were 10,100 bondholders.

Bond issue

In February, a 2.5 billion euros bond issue was completed, divided into two fixed rate tranches of 1.25 billion euros each, maturing on 1 February 2007 and 1 February 2012. This issue falls under the "Global note programme" for the restructuring of Group debt; the overall amount of the programme was raised from 10 to 12 billion dollars following a resolution of the Board of Directors.

Closure of the revised agreements for the put/call options on Seat Pagine Gialle S.p.A. shares

On 25 February, Telecom Italia and the JPMorgan Chase group signed the final agreements relating to the re-negotiation of the put and call options on Seat Pagine Gialle shares.

Planned disposals

- Lottomatica: in January 2002, Finsiel S.p.A. accepted the public tender offer made by Tyche S.p.A. (De Agostini Group) for 100% of the Lottomatica shares and tendered its equity investment in Lottomatica S.p.A. amounting to 18.3% of the subscribed share capital of the company;
- BDT: in February 2002, Telecom Italia Group reached an agreement for the sale of the 19.61% equity investment held by TIM International in BDT (Bouygues Decaux Telecom), which controls 55% of Bouygues Telecom. The value of the transaction was approximately 750 million euros. The sale was completed on 28 March 2002;
- Stream: an agreement has been reached with News Corporation and Vivendi Universal/Canal+ for the disposal of Telecom Italia's 50% interest in Stream at a price of US\$ 42 million. The agreement, which is conditional upon the approval of the relevant Italian authorities, envisages the simultaneous sale of Telecom Italia's 50% interest to News Corporation and the purchase of 100% of Stream's capital by the French group Vivendi Universal. As part of the sale, Telecom Italia is committed to waive approximately US\$ 80 million of trade receivables due from Stream. The financial effects of the transaction have already been taken into account in extraordinary provisions.

Purchase of Telecom Italia own shares

Pursuant to the authorisation of the meeting of ordinary shareholders of Telecom Italia on 7 November 2001, in March 2002 the Company began to purchase its own shares on the market in accordance with the terms and conditions envisaged in the regulations of such authorisation. As at 31 March 2002, 3,350,000 Telecom Italia savings shares had been bought overall at an average price of around 6,14 euros per share, for a total price of some 20,6 million euros.

Other companies of the Olivetti Group

Lottomatica

In January 2002, Olivetti took up the public tender offer for Lottomatica made by Tyche S.p.A. (De Agostini Group) on 23 November 2001 regarding 100% of the shares at a price of 6.55 euros per share, after an improved bid.

Olivetti tendered its equity investment in Lottomatica, equal to 27,451,550 shares overall, corresponding to 15.6% of the subscribed capital of the company (of which 14.04% was directly owned by Olivetti S.p.A. and 1.56% was owned by the subsidiary Olivetti International S.A.).

When also considering Finsiel S.p.A.'s 18.3% equity investment, the overall cash inflow for the Olivetti Telecom Italia Group was 391 million euros, with an aggregate capital gain stated in the their accounts of 367 million euros.

Olivetti International Finance N.V.

On 29 January 2002, Olivetti International Finance N.V. re-opened the bond maturing July 2009 for 250 million euros via a private placement with a limited number of institutional investors, bringing the total outstanding principal amount of such bonds in circulation to 2.35 billion euros. The bond issue net proceeds were on lent to Olivetti Finance N.V..

Olivetti Finance N.V.

On 14 March 2002, Olivetti Finance N.V. issued a 500 million euros floating rate bond, guaranteed by Olivetti S.p.A.. The bond pays a quarterly coupon indexed to 3-month Euribor + 130 basis points. The term is 3 years, which may be extended at the bondholders' option for subsequent 21-month periods up to a maximum overall term of 10 years.

Olivetti 2001 Consolidated Financial Information

On 26 March 2002 Olivetti published the following consolidated financial information in respect of the year ended 31 December 2001.

Olivetti Group
Consolidated Statement of Income (reclassified)

(in millions of euro)	Year 2001		Year 2000		Year 2000	
		%	Restated(*)	%	Historical	%
Net revenues	32,016	100.0	28,374	100.00	30,116	100.00
Operating costs:						
Labour	(4,877)	(15.2)	(4,937)	(17.4)	(5,219)	(17.3)
Materials and services	(13,458)	(42.1)	(11,186)	(39.4)	(11,745)	(39.0)
Grants	26	0.1	21	0.1	21	0.1
Depreciation of tangible assets	(4,080)	(12.7)	(4,179)	(14.7)	(4,561)	(15.1)
Amortisation of intangible assets:						
Consolidation goodwill	(2,278)	(7.1)	(1,370)	(4.9)	(1,413)	(4.7)
Other	(1,283)	(4.0)	(970)	(3.4)	(982)	(3.3)
Provisions for writedowns and risks	(758)	(2.4)	(654)	(2.3)	(749)	(2.5)
Other income, net	30	0.1	13	0.0	9	0.0
Result before interest and taxes (EBIT) and non recurring income and charges	5,338	16.7	5,112	18.0	5,477	18.2
Non recurring income:						
Gains on disposal and other non-recurring income (**)	999	3.1	1,705	6.0	1,705	5.7
Non recurring costs:						
Losses on disposals and other non-recurring charges (**)	(4,354)	(13.6)	(1,583)	(5.6)	(1,613)	(5.4)
EBIT	1,983	6.2	5,234	18.4	5,569	18.5
Income from equity investments, net	221	(0.7)	391	1.4	392	1.3
Financial charges, net	(3,105)	(9.7)	(1,673)	(5.9)	(1,831)	(6.1)
Value adjustments to financial assets	(2,196)	(6.9)	(1,194)	(4.2)	(1,206)	(4.0)
Result before taxes and minority interests	(3,097)	(9.7)	2,758	9.7	2,924	9.7
Taxes	(579)	(1.8)	(1,813)	(6.4)	(1,923)	(6.4)
Minority interests	586	1.8	(1885)	(6.6)	(1,941)	(6.4)
Net result for the year	(3,090)	(9.7)	(940)	(3.3)	(940)	(3.1)

(*) Restated by consolidating the Nortel Inversora Group with equity method instead of proportional method.

(**) The amounts concerning the Telecom Italia Group have been classified as extraordinary items in the consolidated accounts of this latter

Olivetti Group
Consolidated Balance Sheet (reclassified)

(in millions of euro)	Year ended 31 December						
	2001		2000		Change (a-b)	2000	
	(a)		restated(*)	(b)		original	
		%		%			%
Short-term assets							
Cash, banks and marketable securities	8,641	9.2	7,065	7.6	1,576	7,234	7.6
Operating assets	15,250	16.2	13,860	15.2	1,390	14,426	15.1
Total short-term assets	23,891	25.4	20,925	22.8	2,966	21,660	22.7
Medium/Long-term assets							
Financial receivables and securities	705	0.7	328	0.3	377	328	0.3
Intangible fixed assets	39,220	41.6	39,174	42.7	46	39,640	41.6
Tangible fixed assets	22,097	23.5	21,072	22.9	1,025	23,776	25.0
Other	8,314	8.8	10,333	11.3	(2,019)	9,956	10.4
Total medium/long-term assets	70,336	74.6	70,907	77.2	(571)	73,700	77.3
Total assets	94,227	100.0	91,832	100.0	2,395	95,360	100.0
Short-term liabilities							
Short-term debt	9,961	10.6	17,171	18.7	(7,210)	17,601	18.5
Operating liabilities	17,010	18.0	14,381	15.7	2,629	14,957	15.6
Total short-term liabilities	26,971	28.6	31,552	34.4	(4,581)	32,558	34.1
Medium/long-term liabilities							
Medium-long term debt	37,747	40.1	25,950	28.3	11,797	27,485	28.8
Other medium-long term debt	3,156	3.3	3,801	4.1	(645)	3,951	4.2
Total medium/long-term liabilities	40,903	43.4	29,751	32.4	11,152	31,436	33.0
Total liabilities	67,874	72.0	61,303	66.8	6,571	63,994	67.1
Total shareholders' equity	26,353	28.0	30,529	33.2	(4,176)	31,366	32.9
Total liabilities and shareholders equity	94,227	100.00	91,832	100.0	2,395	95,360	100.00

(*) Restated to reflect the consolidation of Nortel Inversora Group with equity method instead of proportional method.

Olivetti Finance N.V.
Balance Sheet as at 31 December 2001 and 2000

	31 December 2001	31 December 2000
	(all amounts in thousands of euro)	
FIXED ASSETS		
Tangible fixed assets	17	13
Intangible fixed assets	34,489	17,837
Financial fixed assets:		
Participations	3,000	3,000
Loans to group companies, non-current portion	5,302,416	14,100,009
Deferred interest expenses	209,758	325,051
Other investments	2,483	3,881
Total financial fixed assets	<u>5,517,657</u>	<u>14,431,941</u>
Total fixed assets	<u>5,552,163</u>	<u>14,449,791</u>
CURRENT ASSETS		
Cash and cash equivalents	116,284	227,780
Receivables and accruals	175,317	123,748
Short term Loans to group companies	6,321,211	274,545
Receivables and accruals from group companies	2,031,870	1,440,018
Other current assets	950,628	610,673
	<u>9,595,310</u>	<u>2,676,764</u>
CURRENT LIABILITIES		
Trade and other payables	177,673	185,449
Borrowings, current portion	3,301	3,280
Payables and accruals to group companies	190,396	157,209
Provisions for liabilities	224,374	157,381
	<u>595,744</u>	<u>503,319</u>
WORKING CAPITAL	<u>8,999,566</u>	<u>2,173,445</u>
TOTAL CAPITAL EMPLOYED	<u>14,551,729</u>	<u>16,623,236</u>
NON CURRENT LIABILITIES		
Borrowings, non-current portion	14,641,538	16,559,354
SHAREHOLDERS' EQUITY		
Share capital	46,906	46,906
Accumulated result	(136,715)	16,976
TOTAL SHAREHOLDERS' EQUITY	<u>(89,809)</u>	<u>63,882</u>
TOTAL FINANCING	<u>14,551,729</u>	<u>16,623,236</u>
TOTAL ASSETS	<u>15,147,473</u>	<u>17,126,555</u>

Olivetti Finance N.V.**Profit and Loss Account for the years ended 31 December 2001 and 2000**

	2001	2000
	(all amounts in thousands of euro)	
FINANCIAL INCOME AND EXPENSES		
Interest income from third parties	142,418	32,835
Interest income from related parties	757,289	992,425
Interest paid to third parties	(461,459)	(571,339)
Interest paid to related parties	(408,383)	(370,910)
Finance charges	(154)	(408)
NET FINANCIAL INCOME AND EXPENSES	29,711	82,603
OTHER INCOME AND EXPENSES		
Net other operating income (expenses)	(105,908)	58,857
Withholding taxes	(72,242)	(97,521)
Amortisation expense	(4,499)	(3,200)
General and administrative expenses	(753)	(784)
NET OTHER INCOME/(EXPENSES)	(183,402)	(42,648)
RESULT FROM OPERATIONS BEFORE TAX	(153,691)	39,955
Taxation	-	(22,747)
NET PROFIT/(LOSS)	(153,691)	17,208