

Final Terms dated 10 January 2017



**COMPAGNIE DE
FINANCEMENT FONCIER**

COMPAGNIE DE FINANCEMENT FONCIER

Euro 125,000,000,000

Euro Medium Term Note Programme

for the issue of *Obligations Foncières*

Due from one month from the date of original issue

SERIES NO: 638

TRANCHE NO: 1

Euro 1,500,000,000 0.325 per cent. *Obligations Foncières* due September 2023 (the “Notes”)

Issued by: COMPAGNIE DE FINANCEMENT FONCIER (the “Issuer”)

Issue Price: 99.744 per cent.

Joint Lead Managers

ABN AMRO BANK

BANCA IMI

LANDESBANK BADEN-WÜRTTEMBERG

NATIXIS

SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 15 June 2016 which received visa n°16-251 from the *Autorité des marchés financiers* (the “AMF”) on 15 June 2016 and the supplement to the Base Prospectus dated 30 August 2016 which received from the AMF visa n°16-403 on 30 August 2016 (the “**Supplement**”) which together constitute a base prospectus for the purposes of the Directive 2003/71/EC, as amended (the “**Prospectus Directive**”).

This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus and the Supplement are available for viewing at the office of the Fiscal Agent or each of the Paying Agents and on the website of the AMF (www.amf-france.org), and copies may be obtained from Compagnie de Financement Foncier, 4, Quai de Bercy, 94224 Charenton Cedex, France.

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| 1 | Issuer: | Compagnie de Financement Foncier |
| 2 | (i) Series Number: | 638 |
| | (ii) Tranche Number: | 1 |
| | (iii) Date on which the Notes become fungible: | Not Applicable |
| 3 | Specified Currency or Currencies: | Euro |
| 4 | Aggregate Nominal Amount of Notes listed and admitted to trading: | |
| | (i) Series: | Euro 1,500,000,000 |
| | (ii) Tranche: | Euro 1,500,000,000 |
| 5 | Issue Price: | 99.744 per cent. of the Aggregate Nominal Amount |
| 6 | Specified Denominations: | Euro 100,000 |
| 7 | (i) Issue Date: | 12 January 2017 |
| | (ii) Interest Commencement Date: | Issue Date |
| 8 | Maturity Date: | 12 September 2023 |
| 9 | Extended Maturity Date: | Not Applicable |
| 10 | Interest Basis: | 0.325 per cent. Fixed Rate (<i>further particulars specified below</i>) |
| 11 | Redemption Basis: | Redemption at par |
| 12 | Change of Interest Basis: | Not Applicable |
| 13 | Put/Call Options: | Not Applicable |
| 14 | Maximum/Minimum Rates of Interest, Final Redemption Amounts and/or Optional Redemption Amounts: | Not Applicable |
| 15 | (i) Status of the Notes: | <i>Obligations Foncières</i> |

- (ii) Dates of the corporate authorisations for issuance of Notes obtained: Decision of the *Conseil d'administration* of the Issuer dated 8 December 2016 (i) authorising the issue of the Notes and delegating such authority to, *inter alios*, its *Directeur Général* and its *Directeur Général Délégué* to sign and execute all documents in relation to the issue of Notes and (ii) authorising the quarterly programme of borrowings which benefit from the *privilège* referred to in Article L. 513-11 of the French *Code monétaire et financier* up to and including Euro 3.4 billion for the first quarter of 2017.

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

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| 16 | Fixed Rate Note Provisions | Applicable |
| | (i) Rate of Interest: | 0.325 per cent. <i>per annum</i> with respect to each Interest Accrual Period payable annually in arrear. There will be a first short coupon in respect of the first Interest Period, from, and including, the Interest Commencement Date up to, but excluding, 12 September 2017. |
| | (ii) Interest Payment Dates: | 12 September in each year commencing on 12 September 2017. |
| | (iii) Interest Period Date: | Not Applicable |
| | (iv) Fixed Coupon Amount: | Euro 325 per Specified Denomination subject to the provisions of subparagraph "Broken Amount" (v) below. |
| | (v) Broken Amount: | In respect of the period commencing on, and including, the Interest Commencement Date, to but excluding, 12 September 2017: Euro 216.37 per Specified Denomination payable on the Interest Payment Date falling on 12 September 2017. |
| | (vi) Day Count Fraction (Condition 5(a)): | Actual/Actual-ICMA |
| | (vii) Determination Date (Condition 5(a)): | 12 September in each year |
| 17 | Floating Rate Note Provisions | Not Applicable |
| 18 | Zero Coupon Note Provisions | Not Applicable |
| 19 | Inflation Linked Note Interest Provisions | Not Applicable |
| 20 | Index Formula | Not Applicable |

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| 21 | Underlying Formula | Not Applicable |
| 22 | CPI Formula | Not Applicable |
| 23 | HICP Formula | Not Applicable |
| 24 | Leveraged Floating Rate Formula | Not Applicable |
| 25 | Reverse Floater Formula | Not Applicable |
| 26 | Maximum-Minimum VolBond Formula | Not Applicable |
| 27 | Pre/Post VolBond Formula | Not Applicable |
| 28 | Digital Formula | Not Applicable |
| 29 | Product of Spread Formula | Not Applicable |
| 30 | Range Accrual Formula | Not Applicable |
| 31 | Fixed/Floating Rate Note Provisions | Not Applicable |
| 32 | Zero Coupon/Fixed Rate Note Provisions | Not Applicable |
| 33 | Rate Switch and Rate Lock-In Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 34 | Call Option | Not Applicable |
| 35 | Put Option | Not Applicable |
| 36 | Variable Zero Coupon Redemption – Provisions relating to the Optional Redemption Amount: | Not Applicable |
| 37 | Final Redemption Amount of each Note | Redemption at par |
| | Inflation Linked Notes – Provisions relating to the Final Redemption Amount: | Not Applicable |
| | Variable Zero Coupon Redemption – Provisions relating to the Final Redemption Amount: | Not Applicable |
| 38 | Optional Redemption Amount | |
| | Inflation Linked Notes – Provisions relating to the Optional Redemption Amount: | Not Applicable |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 39 | Form of Notes: | Dematerialised Notes |
| | (i) Form of Dematerialised Notes: | Bearer dematerialised form (<i>au porteur</i>) |
| | (ii) Registration Agent: | Not Applicable |
| | (iii) Temporary Global Certificate: | Not Applicable |
| | (iv) Applicable TEFRA exemption: | TEFRA not applicable |
| 40 | Financial Centre(s) (Condition 7(h)) or other special provisions relating to Payment Dates: | Not Applicable |

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| | Adjusted Payment Date (Condition 7(h)): | The next following business day as per Condition 7(h) |
| 41 | Talons for future Coupons to be attached to Definitive Materialised Notes (and dates on which such Talons mature): | Not Applicable |
| 42 | Redenomination, renominatisation and reconventioning provisions: | Not Applicable |
| 43 | Consolidation provisions: | The provisions in Condition 12(b) apply |
| 44 | Representation of holders of Notes - <i>Masse</i> (Condition 10): | Contractual <i>Masse</i> shall apply. The initial Representative will be: MURACEF 5, rue Masseran 75007 Paris France The alternate Representative will be: M. Hervé Bernard VALLEE 1, Hameau de Suscy 77390 Crisenoy France The Representative will not receive any remuneration. |

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on Euronext Paris and the regulated market of the Luxembourg Stock Exchange of the Notes described herein pursuant to the Euro 125,000,000,000 Euro Medium Term Note Programme of Compagnie de Financement Foncier.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

Duly represented by:

PART B – OTHER INFORMATION

1. LISTING

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| (i) Admission to trading: | Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on Euronext Paris and on the Official List of the Luxembourg Stock Exchange with effect from the Issue Date. |
| (ii) Estimate of total expenses related to admission to trading: | Euro 14,400 |
| (iii) Regulated markets or equivalent markets on which, to the knowledge of the issuer, securities of the same class of the securities to be offered or admitted to trading are already admitted to trading: | Not Applicable |

2. RATINGS

- Ratings:
- The Programme has been rated Aaa by Moody's Investors Service ("**Moody's**") and AAA by Standard & Poor's Ratings Services ("**S&P**").
- For Moody's, Notes issued under the Programme are deemed to have the same rating as the Programme, investors are invited to check on a regular basis the rating assigned to the Programme which is publicly disclosed via Moody's rating desk or moodys.com.
- The Notes issued under the Programme will be rated AAA by S&P¹ and Aaa by Moody's.
- Each of S&P and Moody's is established in the European Union and registered under Regulation (EC) No 1060/2009 (as amended) (the "**CRA Regulation**"). As such, each of S&P and Moody's is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation (www.esma.europa.eu/supervision/credit-

¹ An obligation rated "AAA" has the highest rating assigned by Standard & Poor's Rating Services. The obligor capacity to meet its financial commitment on the obligation is extremely strong (source: Standard & Poor's Ratings Services). A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency without notice.

rating-agencies/risk).

3. SPECIFIC CONTROLLER

The specific controller (*contrôleur spécifique*) of the Issuer has certified on 4 January 2017 and 6 January 2017 that the value of the assets of the Issuer will be greater than the value of its liabilities benefiting from the *privilège* defined in Article L. 513-11 of the *Code monétaire et financier*, after settlement of this issue and of the issues which have been the subject of previous attestations and that the coverage ratio of the Issuer is compliant with the minimum overcollateral ratio specified in Article R. 513-8 of the *Code monétaire et financier*.

4. NOTIFICATION

The *Autorité des marchés financiers* in France has provided the *Commission de Surveillance du Secteur Financier* in Luxembourg with certificates of approval attesting that the Base Prospectus dated 15 June 2016 and the supplement dated 30 August 2016 have been drawn up in accordance with the Prospectus Directive.

5. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save as discussed in “Subscription and Sale”, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

6. YIELD

Indication of yield: 0.364 per cent. *per annum*.

The yield is calculated on the basis of the Issue Price. It is not an indication of future yield.

7. DISTRIBUTION

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| (i) Method of distribution: | Syndicated |
| (A) Names of Managers: | ABN AMRO Bank N.V. Banca IMI S.p.A. Landesbank Baden-Württemberg Natixis Société Générale |
| (B) Date of Subscription Agreement: | 10 January 2017 |
| (C) Stabilising Manager(s) (if any): | Not Applicable |
| (ii) Additional selling restrictions: | Not Applicable |

8. OPERATIONAL INFORMATION

ISIN: FR0013231081

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| Common Code: | 154895914 |
| Depositories: | |
| (i) Euroclear France to act as Central Depository: | Yes |
| (ii) Common Depository for Euroclear and Clearstream Luxembourg: | No |
| Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream, Luxembourg and the relevant identification number(s): | Not Applicable |
| Delivery: | Delivery against payment |
| Names and addresses of additional Paying Agent(s) (if any): | Not Applicable |
| The aggregate principal amount of Notes issued has been translated into Euro at the rate of [•] per Euro 1.00 producing a sum of: | Not Applicable |