

**FIRST SUPPLEMENT DATED 31 AUGUST 2015
TO THE BASE PROSPECTUS DATED 11 JUNE 2015**



**CAISSE FRANÇAISE DE FINANCEMENT LOCAL
Euro 75,000,000,000 Euro Medium Term Note Programme
for the issue of *Obligations Foncières*
Due from one month from the date of original issue**

This first supplement (the “**First Supplement**”) is supplemental to, and should be read in conjunction with, the Base Prospectus dated 11 June 2015, prepared in relation to the €75,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) of Caisse Française de Financement Local (the “**Issuer**”). The Base Prospectus constitutes a base prospectus for the purpose of the Directive 2003/71/EC as amended (the “**Prospectus Directive**”). The *Autorité des marchés financiers* (the “**AMF**”) has granted visa No.°15-269 on 11 June 2015 to the Base Prospectus.

Application has been made for approval of the First Supplement to the AMF in its capacity as competent authority pursuant to Article 212-2 of its *Règlement Général* which implements the Prospectus Directive.

This First Supplement constitutes a supplement to the Base Prospectus and has been prepared pursuant to Article 16.1 of the Prospectus Directive and Article 212-25 of the *Règlement Général* of the AMF for the following purposes:

- (i) incorporating by reference the information contained in the French language version of the half-year financial report of the Issuer for the period ended 30 June 2015 (the “**30 June 2015 Financial Report**”);
- (ii) updating section B.12 in the English and French versions of the Summary of the Programme;
- (iii) amending the section entitled "Risk Factors";
- (iv) updating the section entitled “Business Overview”;
- (v) updating the section entitled “Selected Financial Information”;
- (vi) updating the section entitled “Recent Developments”; and
- (vii) updating the section entitled “General Information” of the Base Prospectus.

Save as disclosed in this First Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is material in the context of the Programme since the publication of the Base Prospectus.

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meaning when used in this First Supplement.

To the extent that there is any inconsistency between (a) any statement in this First Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

To the extent applicable, and provided that the conditions of Article 212-25 I of the *Règlement Général* of the AMF are fulfilled, investors who have already agreed to purchase or subscribe for *Obligations Foncières* to be issued under the Programme before this First Supplement is published, have the right, according to Article 212-25 II of the *Règlement Général* of the AMF, to withdraw their acceptances within a time limit of minimum two working days after publication of this First Supplement. This right to withdraw shall expire by close of business on 2 September 2015.

Copies of this First Supplement (a) may be obtained, free of charge, at the registered office of the Issuer (1 à 3, rue du Passeur de Boulogne 92130 Issy-les-Moulineaux, France) during normal business hours, (b) will be available on the website of the AMF (www.amf-france.org) and (c) will be available during normal business hours at the specified office of the Fiscal Agent (Banque Internationale à Luxembourg, société anonyme 69, route d'Esch, L-1470 Luxembourg, Grand-Duchy of Luxembourg) so long as any of the *Obligations Foncières* issued under the Programme are outstanding.

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SUMMARY OF THE PROGRAMME

The section entitled “Summary of the Programme” on pages 5 to 25 of the Base Prospectus is amended as follows:

- The item B.12 is deleted and replaced by the following:

| B.12 | Selected historical key financial information | <p>The tables below set out summary information extracted from the Issuer's audited statement of financial position as at 31 December 2013 and 31 December 2014, and from the Issuer's statement of financial position reviewed by the auditors as at 30 June 2014 and 30 June 2015:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Millions euros</th> <th colspan="2" style="text-align: center;">As of 31 December</th> <th colspan="2" style="text-align: center;">As of June 30</th> </tr> <tr> <th></th> <th style="text-align: center;">2013</th> <th style="text-align: center;">2014</th> <th style="text-align: center;">2014</th> <th style="text-align: center;">2015</th> </tr> </thead> <tbody> <tr> <td>Core shareholders' equity <i>(excluding unrealized gains & losses)</i></td> <td style="text-align: right;">1,533</td> <td style="text-align: right;">1,504</td> <td style="text-align: right;">1,475</td> <td style="text-align: right;">1,470</td> </tr> <tr> <td>Financial debt</td> <td style="text-align: right;">66,449</td> <td style="text-align: right;">67,080</td> <td style="text-align: right;">65,758</td> <td style="text-align: right;">65,266</td> </tr> <tr> <td>- privileged debt</td> <td style="text-align: right;">59,675</td> <td style="text-align: right;">60,852</td> <td style="text-align: right;">59,559</td> <td style="text-align: right;">59,664</td> </tr> <tr> <td>- non privileged debt</td> <td style="text-align: right;">6,774</td> <td style="text-align: right;">6,228</td> <td style="text-align: right;">6,199</td> <td style="text-align: right;">5,602</td> </tr> <tr> <td>Balance sheet total</td> <td style="text-align: right;">80,017</td> <td style="text-align: right;">83,926</td> <td style="text-align: right;">80,944</td> <td style="text-align: right;">81,772</td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Millions euros</th> <th colspan="2" style="text-align: center;">Fiscal Year</th> <th colspan="2" style="text-align: center;">1st half</th> </tr> <tr> <th></th> <th style="text-align: center;">2013</th> <th style="text-align: center;">2014</th> <th style="text-align: center;">2014</th> <th style="text-align: center;">2015</th> </tr> </thead> <tbody> <tr> <td>Net banking income</td> <td style="text-align: right;">242</td> <td style="text-align: right;">69</td> <td style="text-align: right;">-1</td> <td style="text-align: right;">4</td> </tr> <tr> <td>Operating income</td> <td style="text-align: right;">-15</td> <td style="text-align: right;">-42</td> <td style="text-align: right;">-89</td> <td style="text-align: right;">-47</td> </tr> <tr> <td>Net income</td> <td style="text-align: right;">3</td> <td style="text-align: right;">-29</td> <td style="text-align: right;">-58</td> <td style="text-align: right;">-34</td> </tr> </tbody> </table> <p>As of 30 June 2015, the outstanding amount of privileged debt in swapped value decreased by EUR 0.7 billion 1.2% compared to 31 December 2014. The outstanding amount of non privileged debt amounted at EUR 5.6 billion, decreasing by 10.0% compared to 31 December 2014. Those amounts are extracted from the Issuer's management report as of 30 June 2015 audited by the auditors.</p> <p>Except as disclosed below, there has been no material adverse change in the prospects of the Issuer since 31 December 2014 and there has been no significant change in the financial or trading position of the Issuer since 30 June 2015.</p> <p>The number of clients who sued Dexia Crédit Local and/or SFIL and/or Caisse Française de Financement Local for loans on the balance sheet of Caisse Française de Financement Local stood at 180 on 27 August 2015, compared with 210 on 31 December 2014.</p> | Millions euros | As of 31 December | | As of June 30 | | | 2013 | 2014 | 2014 | 2015 | Core shareholders' equity <i>(excluding unrealized gains & losses)</i> | 1,533 | 1,504 | 1,475 | 1,470 | Financial debt | 66,449 | 67,080 | 65,758 | 65,266 | - privileged debt | 59,675 | 60,852 | 59,559 | 59,664 | - non privileged debt | 6,774 | 6,228 | 6,199 | 5,602 | Balance sheet total | 80,017 | 83,926 | 80,944 | 81,772 | Millions euros | Fiscal Year | | 1 st half | | | 2013 | 2014 | 2014 | 2015 | Net banking income | 242 | 69 | -1 | 4 | Operating income | -15 | -42 | -89 | -47 | Net income | 3 | -29 | -58 | -34 |
|---|--|--|----------------------|-------------------|--|---------------|--|--|------|------|------|------|---|-------|-------|-------|-------|----------------|--------|--------|--------|--------|-------------------|--------|--------|--------|--------|-----------------------|-------|-------|-------|-------|---------------------|--------|--------|--------|--------|----------------|-------------|--|----------------------|--|--|------|------|------|------|--------------------|-----|----|----|---|------------------|-----|-----|-----|-----|------------|---|-----|-----|-----|
| Millions euros | As of 31 December | | As of June 30 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2013 | 2014 | 2014 | 2015 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Core shareholders' equity <i>(excluding unrealized gains & losses)</i> | 1,533 | 1,504 | 1,475 | 1,470 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Financial debt | 66,449 | 67,080 | 65,758 | 65,266 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - privileged debt | 59,675 | 60,852 | 59,559 | 59,664 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - non privileged debt | 6,774 | 6,228 | 6,199 | 5,602 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Balance sheet total | 80,017 | 83,926 | 80,944 | 81,772 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Millions euros | Fiscal Year | | 1 st half | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2013 | 2014 | 2014 | 2015 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net banking income | 242 | 69 | -1 | 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Operating income | -15 | -42 | -89 | -47 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net income | 3 | -29 | -58 | -34 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

**RÉSUMÉ EN FRANÇAIS DU PROGRAMME
(FRENCH SUMMARY OF THE PROGRAMME)**

The section entitled “Résumé en Français du Programme (French Summary of the Programme)” on pages 26 to 46 of the Base Prospectus is amended as follows:

- The item B.12 is deleted and replaced by the following:

| B.12 | Informations financières sélectionnées | <p>Les tableaux ci-dessous présentent un résumé des informations extraites du bilan audité de l’Émetteur au 31 décembre 2013 et au 31 décembre 2014, ainsi que des bilans au 30 juin 2014 et au 30 juin 2015 qui ont fait l’objet de rapports d’examen limité par les commissaires aux comptes :</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="text-align: left;">Millions d’euros</th> <th colspan="2" style="text-align: center;">Au 31 décembre</th> <th colspan="2" style="text-align: center;">Au 30 juin</th> </tr> <tr> <th style="text-align: center;">2013</th> <th style="text-align: center;">2014</th> <th style="text-align: center;">2014</th> <th style="text-align: center;">2015</th> </tr> </thead> <tbody> <tr> <td>Fonds propres de base <i>(à l’exclusion des gains ou pertes latents ou différés)</i></td> <td style="text-align: right;">1.533</td> <td style="text-align: right;">1.504</td> <td style="text-align: right;">1.475</td> <td style="text-align: right;">1.470</td> </tr> <tr> <td>Dettes financières</td> <td style="text-align: right;">66.449</td> <td style="text-align: right;">67.080</td> <td style="text-align: right;">65.758</td> <td style="text-align: right;">65.266</td> </tr> <tr> <td>- Dette privilégiée</td> <td style="text-align: right;">59.675</td> <td style="text-align: right;">60.852</td> <td style="text-align: right;">59.559</td> <td style="text-align: right;">59.664</td> </tr> <tr> <td>- Dette non privilégiée</td> <td style="text-align: right;">6.774</td> <td style="text-align: right;">6.228</td> <td style="text-align: right;">6.199</td> <td style="text-align: right;">5.602</td> </tr> <tr> <td>Total du bilan</td> <td style="text-align: right;">80.017</td> <td style="text-align: right;">83.926</td> <td style="text-align: right;">80.944</td> <td style="text-align: right;">81.772</td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="text-align: left;">Millions d’euros</th> <th colspan="2" style="text-align: center;">Exercice</th> <th colspan="2" style="text-align: center;">1^{er} semestre</th> </tr> <tr> <th style="text-align: center;">2013</th> <th style="text-align: center;">2014</th> <th style="text-align: center;">2014</th> <th style="text-align: center;">2015</th> </tr> </thead> <tbody> <tr> <td>Produit net bancaire</td> <td style="text-align: right;">242</td> <td style="text-align: right;">69</td> <td style="text-align: right;">-1</td> <td style="text-align: right;">4</td> </tr> <tr> <td>Résultat d’exploitation</td> <td style="text-align: right;">-15</td> <td style="text-align: right;">-42</td> <td style="text-align: right;">-89</td> <td style="text-align: right;">-47</td> </tr> <tr> <td>Résultat net</td> <td style="text-align: right;">3</td> <td style="text-align: right;">-29</td> <td style="text-align: right;">-58</td> <td style="text-align: right;">-34</td> </tr> </tbody> </table> <p>Au 30 juin 2015, l’encours des dettes privilégiées en valeur swappée a diminué de EUR 0,7 milliards (1,2%) par rapport à décembre 2014. L’encours des dettes non privilégiées s’élève à EUR 5,6 milliards, en baisse de 10,0% par rapport à décembre 2014. Ces informations proviennent du rapport semestriel de l’Émetteur au 30 juin 2015 qui a fait l’objet d’un rapport d’examen limité par les commissaires aux comptes.</p> <p>A l’exception de ce qui est spécifié ci-dessous, depuis le 31 décembre 2014, aucune détérioration significative n’a eu de répercussions sur les perspectives de l’Émetteur et aucun changement significatif de la situation financière ou commerciale de l’Émetteur n’est survenu depuis le 30 juin 2015.</p> <p>Le nombre de clients qui ont poursuivi Dexia Crédit Local et/ou Société de Financement Local et/ou Caisse Française de Financement Local en raison des prêts figurant au bilan de la Caisse Française de Financement Local s’élevait à 180 le 27 août 2015, comparé à 210 au 31 décembre 2014.</p> | Millions d’euros | Au 31 décembre | | Au 30 juin | | 2013 | 2014 | 2014 | 2015 | Fonds propres de base <i>(à l’exclusion des gains ou pertes latents ou différés)</i> | 1.533 | 1.504 | 1.475 | 1.470 | Dettes financières | 66.449 | 67.080 | 65.758 | 65.266 | - Dette privilégiée | 59.675 | 60.852 | 59.559 | 59.664 | - Dette non privilégiée | 6.774 | 6.228 | 6.199 | 5.602 | Total du bilan | 80.017 | 83.926 | 80.944 | 81.772 | Millions d’euros | Exercice | | 1 ^{er} semestre | | 2013 | 2014 | 2014 | 2015 | Produit net bancaire | 242 | 69 | -1 | 4 | Résultat d’exploitation | -15 | -42 | -89 | -47 | Résultat net | 3 | -29 | -58 | -34 |
|---|---|--|--------------------------|----------------|--|------------|--|------|------|------|------|---|-------|-------|-------|-------|--------------------|--------|--------|--------|--------|---------------------|--------|--------|--------|--------|-------------------------|-------|-------|-------|-------|-----------------------|---------------|---------------|---------------|---------------|------------------|----------|--|--------------------------|--|------|------|------|------|----------------------|-----|----|----|---|-------------------------|-----|-----|-----|-----|--------------|---|-----|-----|-----|
| Millions d’euros | Au 31 décembre | | | Au 30 juin | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2013 | 2014 | 2014 | 2015 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Fonds propres de base <i>(à l’exclusion des gains ou pertes latents ou différés)</i> | 1.533 | 1.504 | 1.475 | 1.470 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Dettes financières | 66.449 | 67.080 | 65.758 | 65.266 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| - Dette privilégiée | 59.675 | 60.852 | 59.559 | 59.664 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Total du bilan | 80.017 | 83.926 | 80.944 | 81.772 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Millions d’euros | Exercice | | 1 ^{er} semestre | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2013 | 2014 | 2014 | 2015 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Produit net bancaire | 242 | 69 | -1 | 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Résultat d’exploitation | -15 | -42 | -89 | -47 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Résultat net | 3 | -29 | -58 | -34 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

RISK FACTORS

The section “Risk Factors” on pages 49 to 66 of the Base Prospectus is amended as follow:

The first sentence of the first paragraph below the risk factor entitled “**2. Geographic concentration risk in its Cover Pool**” is deleted and replaced as follow:

“As of 30 June 2015, more than 77% of the Cover Pool, measured by principal amount of the assets, was concentrated in France.”.

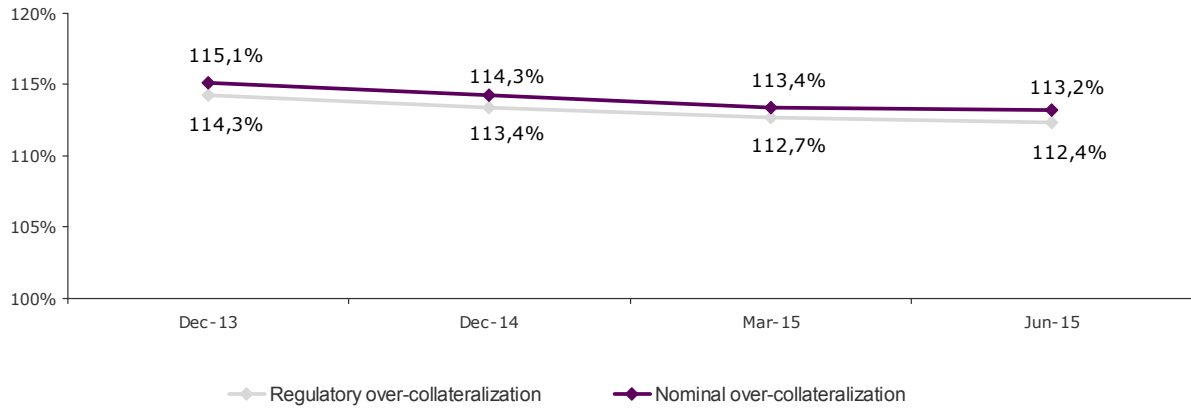
| INFORMATION INCORPORATED BY REFERENCE | 30 June 2015 Financial Report |
|---|---|
| <u>Auditing of historical annual financial information</u> | X |
| A statement that the historical financial information has been audited. If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications or disclaimers, such refusal or such qualifications or disclaimers must be reproduced in full and the reasons given. | IFRS Auditors' reports (limited review report) Pages 74-75 French GAAP Auditors' reports (limited review report) Pages 104-105 |
| An indication of other information in the registration document which has been audited by the auditors. | N/A |

Any other information not listed above but contained in such document is incorporated by reference for information purposes only.

BUSINESS OVERVIEW

The section “Business Overview” on pages 117 to 122 of the Base Prospectus is amended as follow:

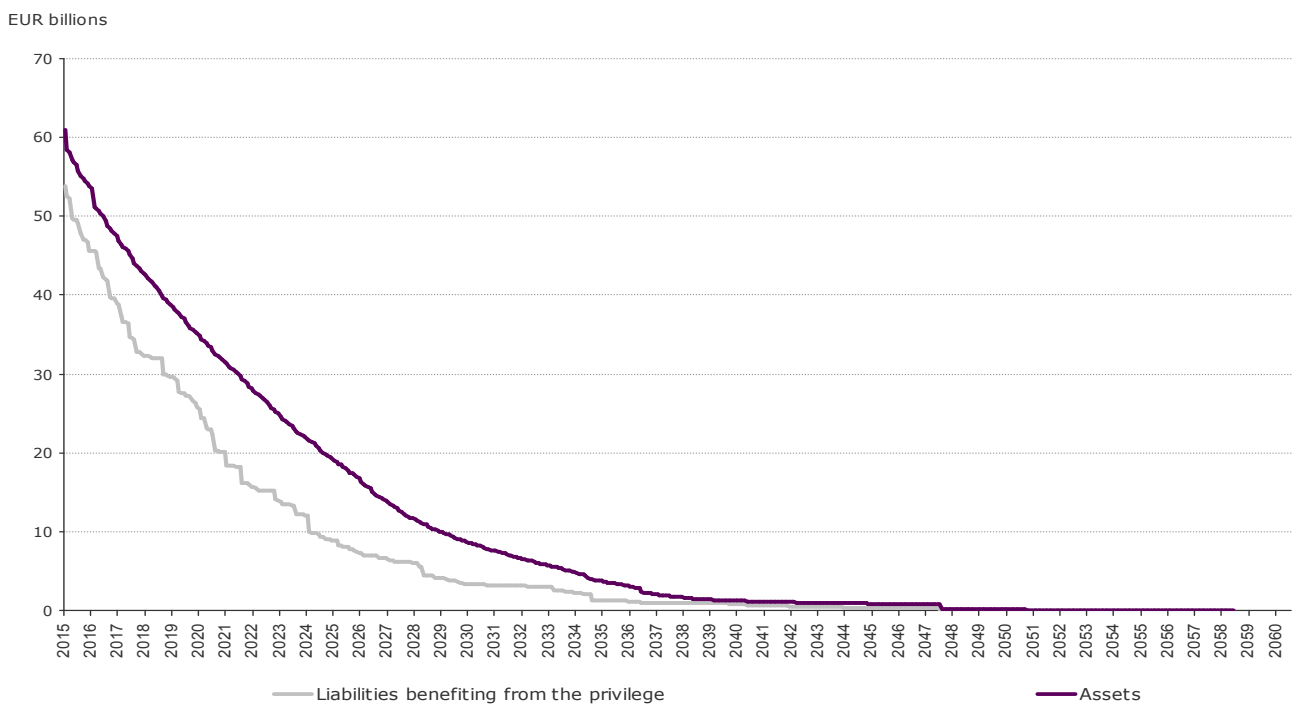
- 1) The first graph below the title “**Over-collateralization ratio**” is deleted in its entirety and replaced by the following:



- 2) The sentence above the second graph below the title “**Over-collateralization ratio**” is deleted in its entirety and replaced by the following:

“The following graph on over-collateralization presents amortization curves of the assets and the issues benefiting from the legal privilege as of 30 June 2015.”;

- 3) The second graph below the title “**Over-collateralization ratio**” is deleted in its entirety and replaced by the following:



- 4) The table below the sub-title “limiting directional risk” is deleted in its entirety and replaced by the following:

Directional risk

Sum of sensitivities

| EUR millions, end of quarter | Limit | 3Q 2014 | 4Q 2014 | 1Q 2015 | 2Q 2015 |
|------------------------------|-------------|------------|------------|------------|-------------|
| Sensitivity | 25,0 | 0,3 | 0,6 | 4,9 | 10,5 |

- 5) The first table below the sub-title “limiting the slope risk” is deleted in its entirety and replaced by the following:

Risk of slope between two distant points on the rate curve

Sum of sensitivities

| EUR millions, end of quarter | Limit | 3Q 2014 | 4Q 2014 | 1Q 2015 | 2Q 2015 |
|------------------------------|-------------|-------------|-------------|-------------|-------------|
| Short term | 10,0 | -0,5 | -1,6 | 0,3 | 2,0 |
| Medium term | 10,0 | 2,4 | 3,8 | 5,2 | 5,6 |
| Long term | 10,0 | 5,3 | 6,4 | 6,8 | 6,3 |
| Very long term | 10,0 | -6,8 | -8,0 | -7,3 | -3,4 |

- 6) The second table below the sub-title “limiting the slope risk” is deleted in its entirety and replaced by the following:

Risk of slope between two close points on the rate curve

Sum of sensitivities in absolute value

| EUR millions, end of quarter | Limit | 3Q 2014 | 4Q 2014 | 1Q 2015 | 2Q 2015 |
|------------------------------|-------------|------------|------------|------------|-------------|
| Short term | 20,0 | 2,3 | 4,2 | 1,0 | 7,6 |
| Medium term | 20,0 | 5,1 | 6,3 | 7,8 | 13,4 |
| Long term | 20,0 | 5,1 | 4,7 | 4,1 | 8,9 |
| Very long term | 20,0 | 6,8 | 8,0 | 7,3 | 7,6 |

- 7) The section entitled “**Outlook for the year 2015**” is deleted in its entirety and replaced by the following:

“Outlook for the year 2015

For the year 2015, Caisse Française de Financement Local plans to issue between EUR 5.0 billion and EUR 6.0 billion of *obligations foncières*, in order to refinance:

- the new loans to the French local public sector, acquired from La Banque Postale or granted directly within operations of sensitivity reduction,
- but also loans to SFIL benefiting from the guarantee of the French State via Coface in the framework of the its new activity of refinancing large export credits.

On May 5, 2015, the European Commission authorized the creation of new public structure to refinance large export credits. The agreement of the European Commission was the final step before the operational launch of the new organization encouraged and announced by the President of the French Republic in early February 2015.

This new mission was entrusted to SFIL, which will refinance credits-buyers contracts insured by Coface and will thus contribute to improve the export competitiveness of companies established in France. The objective is to raise funds on international financial markets for amounts and maturities that fit the refinancing needs of large export credits and for a price which is comparable to the best French covered bond issuers, by relying on the capacities of SFIL and its subsidiary Caisse Française de Financement Local. Refinancing will be available for all banks that work closely with French exporters for their loans insured by Coface on behalf and with the guarantee of the French State.

The average annual volume of export loans to be refinanced by SFIL is expected to be between EUR 1.5 and 2.5 billion.

SFIL, and its subsidiary Caisse Française de Financement Local, can now start their new mission as a development bank. This will come in addition to the current business of lending to the French local public sector and public hospitals. SFIL and its subsidiary Caisse Française de Financement Local will thus diversify their business without changing their risk profile and strengthening their close link with the French Government.”

SELECTED FINANCIAL INFORMATION

The section entitled “Selected Financial Information”, on pages 132 to 134 of the Base Prospectus is amended as follow:

- 1) The paragraphs below the title “**Customer litigation**” and above the title “**Other litigation**” are deleted and replaced by the following:

“Customer litigation”

In its portfolio, Caisse Française de Financement Local has structured loans considered as sensitive that were granted to French customers of Dexia Credit Local. Certain of these customers initiated legal proceedings against Dexia Credit Local, Caisse Française de Financement Local and/or SFIL to contest the contractual interest rate.

As of June 30, 2015, the number of customers who had brought suit totaled 185 as compared with 210 at the end of 2014.

Since the law that created a legal basis to secure structured loan agreements subscribed by public entities took effect on July 30, 2014, the reasons linked to the annual rate of charge (**TEG**), in particular the formal absence of the TEG in the faxes which had preceded the signing of the contract, which had motivated the decision of the *Tribunal de grande instance de Nanterre* on February 8, 2013, concerning the loans granted to the *Département de la Seine-Saint-Denis*, can no longer be invoked.

The *Département de la Seine-Saint-Denis* which had been the cause of this law suit, decided to put an end to the litigation within the framework of a financial agreement that made it possible to eliminate its debt sensitivity.

Two new decisions of the *Tribunal de grande instance de Nanterre* were handed down since the law that created a legal basis to secure structured loan agreements subscribed by public entities took effect.

According to the terms of the first decision on April 24, 2015, the *Tribunal de grande instance de Nanterre* rejected all the claims of the city of Carrières-sur-Seine, particularly as regards responsibility.

According to the terms of the second decision on June 26, 2015, the *Tribunal de grande instance de Nanterre* condemned jointly and severally Dexia Credit Local and Caisse Française de Financement Local, to the benefit of the city of Saint-Cast-le-Guildo, for the failure of Dexia Credit Local to provide adequate information and sufficient warning when a loan was negotiated in 2007, while at the same time condemning this borrower to reimburse Caisse Française de Financement Local for all the unpaid sums and to pay the contractual interest rate for the remaining life of the contract.

The creation of the two support funds by the government should lead to a significant reduction in the number of law suits by enabling local governments and public hospitals to finance the cost of disengaging themselves from their structured loans. According to information published in the press, 676 eligible local governments submitted a request for assistance from the support fund. Thirty-one financial agreements have already been signed between Caisse Française de Financement Local and eligible customers.

The capacity for intervention of these funds was massively increased in the first quarter of 2015 in order to cover the additional cost linked to the appreciation of the Swiss franc so that the early reimbursement penalties for which the concerned customers were still responsible, after assistance from the funds, would not be greater than it would have been without the decision of the Swiss National Bank (SNB) in January 2015 to put an end to the floor rate of exchange of its national currency, the Swiss franc (CHF). The fund earmarked for local governments now totals EUR 3.0 billion and the one for public hospitals EUR 400 million. Likewise, the ceiling of the assistance made available (initially set at 45% of indemnities due) will be significantly raised for the most fragile local governments.

Caisse Française de Financement Local, which made a voluntary contribution to the local government support fund in the amount of EUR 150 million and to the hospital support fund for EUR 18 million, did not book any provision in its 2015 half year financial statements for a potential supplemental contribution linked to the increase of the total funds (given the uncertainty as to the very existence of such a contribution, its features and possible amount).

To prepare its 2015 half year financial statements, Caisse Française de Financement Local took into account the effects of the decision of the SNB on January 15, 2015, and the hypothesis that the solution announced by the government (in particular, strengthening the funds' intervention capacity and pushing up the ceiling for assistance to the most vulnerable local governments) would in fact rapidly be made available so that the support funds would remain at least as attractive as before the SNB decision for local governments and hospitals holding loans indexed on the EUR/CHF exchange rate.”; and

- 2) The paragraph below the titled “**Debt securities issued since 1st January 2015**” is deleted in its entirety and replaced by the following:

“Between 1st January 2015 and 25th August 2015, the Caisse Française de Financement Local has issued debt securities issued in the form of *obligations foncières* and other resources benefiting from the privilege for an amount of EUR 3 478 million.”.

RECENT DEVELOPMENTS

The sentence below the title “**Indebtedness**” in the section entitled “Recent Developments”, on page 137 of the Base Prospectus is deleted in its entirety and replaced by the following:

“The Issuer's debt securities (*Obligations Foncières* and registered covered bonds) decreased by an amount of € 214 million between 31 December 2014 and 25th August 2015.”.

GENERAL INFORMATION

The section “General Information” on page 196 to 198 of the Base Prospectus is amended as follows:

- 1) The paragraph (3) shall be deleted and replaced as follows:

“Except as disclosed in this Base Prospectus as supplemented, there has been no significant change in the financial or trading position of the Issuer since 30 June 2015 nor any material adverse change in the prospects of the Issuer since 31 December 2014.”;

- 2) The paragraph (4) shall be deleted and replaced as follows:

“(4) Except as discussed in the section entitled "*Selected Financial Information – Legal and arbitration proceedings – Customer Litigation*" above, the Issuer is not or has not been involved in any governmental, legal or arbitration proceedings (including any such proceeding which are pending or threatened of which the Issuer is aware) during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer.”;

- 3) The paragraph (8) (c) shall be deleted and replaced as follows:

“(c) the audited annual accounts of the Issuer for the financial years ended 31 December 2013 and 31 December 2014, the activity report as of 31 March 2015 and the 30 June 2015 Financial Report incorporated by reference or otherwise in this Base Prospectus;”; and

- 4) The paragraph (14) shall be deleted and replaced as follows:

“(14) Deloitte & Associés and Mazars (both entities regulated by the *Haut Conseil du Commissariat aux Comptes* and duly authorised as *Commissaires aux comptes*) have audited the financial statements of the Issuer for the years ended 31 December 2013 and 2014 and have rendered a limited review report on each of the IFRS and French GAAP semi-annual accounts for the period ended 30 June 2015.”.

PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE FIRST SUPPLEMENT

I hereby certify, having taken all reasonable care to ensure that such is the case, that, to the best of my knowledge, the information contained in this First Supplement is in accordance with the facts and contains no omission likely to affect its import.

The statutory auditors have rendered a limited review report on each of the IFRS and French Gaap semi-annual accounts for the period ended 30 June 2015 which each contain an observation (pages 74 to 75 and 104 to 105 respectively of the 30 June 2015 Financial Report).

Caisse Française de Financement Local
1 à 3, rue du Passeur de Boulogne
92130 Issy-les-Moulineaux
France

Duly represented by:
Gilles Gallerne *Président du Directoire*
Duly authorised
on 31 August 2015



Autorité des marchés financiers

In accordance with Articles L. 412-1 and L. 621-8 of the French *Code monétaire et financier* and with the General Regulations (*Règlement Général*) of the *Autorité des marchés financiers* (“AMF”), in particular Articles 212-31 to 212-33, the AMF has granted to this First Supplement the visa no. 15-461 on 31 August 2015. This document and the Base Prospectus may only be used for the purposes of a financial transaction if completed by Final Terms. It was prepared by the Issuer and its signatories assume responsibility for it. In accordance with Article L. 621-8-1-I of the French *Code monétaire et financier*, the visa was granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information it contains is coherent". It does not imply that the AMF has verified the accounting and financial data set out in it. This visa has been granted subject to the publication of Final Terms in accordance with Article 212-32 of the AMF's General Regulations, setting out the terms of the securities being issued.