

Final Terms dated 23 March 2007



COMPAGNIE DE FINANCEMENT FONCIER

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

SERIES NO: 385

TRANCHE NO: 1

EUR 44,000,000 Index Linked *Obligations Foncières* due March 2012 (the “Notes”)

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

Issue Price: 100 per cent.

NATIXIS

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 1 August 2006 which has received visa n° 06-279 from the *Autorité des marchés financiers* (the “AMF”) on 1 August 2006 and the supplement to the Base Prospectus dated 4 October 2006 which has received visa n° 06-339 from the AMF on 4 October 2006 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (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 to the Base Prospectus are available for viewing on the website of the *Autorité des marchés financiers*, and copies may be obtained from Compagnie de Financement Foncier, 4, Quai de Bercy, 94224 Charenton Cedex, France.

1	Issuer:	Compagnie de Financement Foncier
2	(i) Series Number:	385
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	Euro (EUR)
4	Aggregate Nominal Amount of Notes listed and admitted to trading:	
	(i) Series:	EUR 44,000,000
	(ii) Tranche:	EUR 44,000,000
5	(iii) Issue Price:	100 per cent. of the Aggregate Nominal Amount
6	Specified Denominations:	EUR 50,000
7	(i) Issue Date:	27 March 2007
	(ii) Interest Commencement Date:	27 March 2007
8	Maturity Date:	27 March 2012
9	Interest Basis:	Index Linked Interest <i>(further particulars specified below)</i>
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption/Payment Basis:	Not Applicable
12	Call Options:	Not Applicable
13	(i) Status of the Notes:	<i>Obligations Foncières</i>

- (ii) Dates of the corporate authorisations for issuance of the Notes: Decisions of the *Conseil d'administration* of Compagnie de Financement Foncier dated 21 December 2006 (i) authorising the issue of the Notes, (ii) authorising, *inter alios*, its *directeur général* and its *directeur général délégué* the power to sign and execute all documents in relation to the issue of Notes, and (iii) authorising the quarterly programme of borrowings which benefit from the *privilège* referred to in Article L.515-19 of the Code of up to and including Euro 10 billion for the first quarter of 2007.

14 Method of distribution: Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15 **Fixed Rate Note Provisions** Not Applicable

16 **Floating Rate Provisions** Not Applicable

17 **Zero Coupon Note Provisions** Not Applicable

18 **Index Linked Interest Note/other variable-linked interest Note Provisions** Applicable

- (i) Index/Formula/other variable: The **Rate of Interest** per Specified Denomination payable annually in arrear on each Interest Payment Date shall be determined by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula:

$$4.98\% \times N/12$$

Where:

“**N**” means the actual number of months in the relevant Interest Period where the Index Performance remains within the following range:

$$1.20\% < \text{Index Performance} < 2.70\%$$

“**Index**” means the revised Harmonised Index of Consumer Prices (HICP) excluding tobacco, for the Euro zone as calculated and published by Eurostat monthly, observed 3 months prior to the Monthly Fixing Date and available on the “Agence France Trésor” website www.aft.gouv.fr (or such replacement website on that service which displays the information) and on Reuters Page OATEI01.

“**Eurostat**” means the statistical office of the European Communities in Luxembourg.

“**Index Performance**” is the monthly performance of the Index computed as follows:

$$\frac{(\text{HICP Month}(i) \text{ Year}(n) - \text{HICP Month}(i) \text{ Year}(n-1))}{\text{HICP Month}(i) \text{ Year}(n-1)}$$

“**Month(i)**” means each period of an Interest Period beginning on and including a Monthly Fixing Date and

ending but excluding to next succeeding Monthly Fixing Date.

“**Year(n)**” means the calendar year of the relevant Interest Payment Date.

“**Monthly Fixing Date**” means the 27th of each Month(i), at the beginning of the relevant Month(i), from and including 27 March 2007 to and including the Maturity Date.

Any correction published after the Interest Determination Date shall be disregarded by the Calculation Agent for the purpose of determining the Rate of Interest.

- (ii) Calculation Agent responsible for calculating the interest due: NATIXIS
- (iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable: The Interest Amount payable in respect of each Note on the relevant Specified Interest Payment Date (as defined in paragraph 18(vii)) will be obtained by multiplying the relevant Rate of Interest (as defined in paragraph 18(i)) by the Nominal Amount of such *Obligations Foncières*.
- (iv) Interest Period(s): Means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date
- (v) Provisions for determining Coupon where calculation by reference to Index and/or Formula an/or other variable is impossible or impracticable or other wise disrupted:
- (a) If the HICP value for any relevant month (**m**) is not published or ceases to be published, then a substitute HICP value (the **Substitute Index**) will be used and will be determined by the Calculation Agent in accordance with the following provisions:
- (i) if a provisional HICP has already been published by Eurostat, such index shall automatically be used as the Substitute Index and such term shall be construed accordingly;
- (ii) if a provisional HICP is not available, the Substitute Index shall be calculated in accordance with the following formula:

$$\text{SUBSTITUTE INDEX } m = \text{HICP}_{m-1} \times \left(\frac{\text{HICP}_{m-1}}{\text{HICP}_{m-13}} \right)^{\frac{1}{12}}$$

Where:

“**m**” means the month for which no HICP value has been published and is therefore needed to be determined for the Substitute Index by extrapolation. If such temporary cessation of publication should last longer than one month,

the Calculation Agent will, in good faith and in a commercially reasonable manner, make any necessary adjustments or take any necessary reasonable measures to calculate the HICP value for the relevant month;

If no HICP has been published at m-1, then m-1 in the above formula shall be the value of the latest Index in respect of the month for which an HICP was in fact published prior to the relevant month for which the Substitute Index is required. In such case, "1/12" in the above formula shall be replaced by "n/12", where :

"n" means the number of calendar months between the month for which the Substitute Index is to be determined and the month of the latest index published by Eurostat. If n is greater than 12, the Calculation Agent will determine the Substitute Index in a method substantially similar to the method outlined above, in good faith and in a commercially reasonable manner.

- (b) If the Index is replaced by a successor index (or such other index of Euro-zone inflation as may, in the reasonable opinion of the Calculation Agent acting in good faith, replace such index from time to time) using the same or a substantially similar formula and method of calculation as used in the calculation of the Index and such successor (or other index) is reasonably acceptable to the Calculation Agent acting in good faith then the relevant index will be the successor reference index.
- (c) If the HICP value for a given month is subject to a modification of its base of calculation, the value of the HICP following such change in base shall be determined by the Calculation Agent in good faith in accordance with the methodology published by Eurostat following such change in base. In the event that no such methodology is published, then the Calculation Agent shall make such calculation as it, in its reasonable discretion and acting in good faith, deems appropriate to determine the HICP value applicable making any necessary adjustments (if any).
- (d) Change in the Sponsor of the HICP Index:
If the HICP Index is not calculated and/or disseminated by Eurostat, but is calculated and/or disseminated by another relevant authority approved by the European Union (the "**New Sponsor**"), then the HICP Index as so calculated and/or disseminated by the New Sponsor shall be used for the purpose of calculating the Rate of Interest.

- (vi) Interest Determinations Date(s) 27 February in each year, from and including 27 February 2008 to and including 27 February 2012.

(vii)	Specified Interest Payment Dates:	27 March in each year, from and including 27 March 2008 to and including the Maturity Date.
(viii)	Business Day Convention:	Not Applicable
(ix)	Business Centre(s) (Condition 5(a)):	Target
(x)	Minimum Rate/Amount of Interest:	Not Applicable
(xi)	Maximum Rate/Amount of Interest:	Not Applicable
(xii)	Day Count Fraction (Condition 5(a)):	30/360, (Unadjusted)
19	Dual Currency Note Provisions	Not Applicable
PROVISIONS RELATING TO REDEMPTION		
20	Call Option	Not Applicable
21	Other Option	Not Applicable
22	Final Redemption Amount of each Note	EUR 50,000 per Note of EUR 50,000 Specified Denomination
23	Early Redemption Amount	
	Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on any early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions).	Not Applicable
GENERAL PROVISIONS APPLICABLE TO THE NOTES		
24	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:	Not Applicable
25	Financial Centre(s) (Condition 7(h)) or other special provisions relating to Payment Dates:	Target
	Adjusted Payment Date (Condition 7(h)):	The next following business day unless it would thereby fall into the next calendar month, in which such event such date shall be brought forward to the immediately preceding business day

26	Talons for future Coupons or Receipts to be attached to Definitive Materialised Notes (and dates on which such Talons mature):	Not Applicable
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:	Not Applicable
28	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
29	Redenomination, renominatisation and reconventioning provisions:	Not Applicable
30	Consolidation provisions:	Not Applicable
31	Representation of holders of Notes - Masse (Condition 10)	<p>The initial Representative will be:</p> <p>MURACEF 5, rue Masseran 75007 Paris France</p> <p>The alternative Representative will be :</p> <p>M. Hervé Bernard VALLEE 1, Hameau de Suscy 77390 Crisenoy France</p> <p>The Representative will not receive any remuneration.</p>
32	Other final terms:	Not Applicable
DISTRIBUTION		
33	(i) If syndicated, names of Managers:	Not Applicable
	(ii) Stabilising Manager(s) (if any):	Not Applicable
34	If non-syndicated, name of Dealer:	NATIXIS

36 Additional selling restrictions:

FRANCE:

Each of the Dealer and the Issuer has acknowledged that the Notes are deemed to be issued outside the Republic of France and, accordingly each of the Dealer and the Issuer has represented and agreed that, (i) it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public (*appel public à l'épargne*) in the Republic of France and (ii) offers and sales of Notes in the Republic of France will be made to qualified investors (*investisseurs qualifiés*) as defined in, and in accordance with, Articles L.411-1, L.411-2 and D. 411-1 to D. 411-3 of the French *Code monétaire et financier*.

In addition, each of the Dealer and the Issuer has represented and agreed that in connection with their initial distribution, it has not distributed or caused to be distributed and will not distribute or cause to be distributed in the Republic of France, the Base Prospectus, these Final Terms or any other offering material relating to the Notes other than to those investors (if any) to whom offers and sales of the Notes in the Republic of France may be made as described above.

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have listed and admitted to trading the issue of Notes described herein pursuant to the Euro 75,000,000,000 Euro Medium Term Note Programme of Compagnie de Financement Foncier.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, no facts have been omitted which would render the reproduced inaccurate or misleading.

Signed on behalf of the Issuer:

Duly represented by:

PART B – OTHER INFORMATION

1. RISK FACTORS

Not Applicable

2. LISTING

- (i) Listing: *Bourse de Luxembourg* (regulated market of the Luxembourg Stock Exchange).
- (ii) Admission to trading: Application has been made for the Notes to be listed and admitted to trading on the Luxembourg Stock Exchange with effect from 27 March 2007.
- (iii) Additional publication of Base Prospectus and Final Terms: The Base Prospectus and the Final Terms will be published on the website of the Luxembourg Stock Exchange: www.bourse.lu
- (iv) Estimate of total expenses related to listing and admission to trading: EUR 1975

3. RATINGS

Ratings: The Programme has been rated Aaa by Moody's Investors Service and AAA by Standard & Poors Ratings Services.

For Moody's Investors Service, 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 moody.com.

The Notes issued under the Programme will be rated AAA by Standard & Poors Ratings Services and by Fitch Ratings.

4. NOTIFICATION

The *Autorité des marchés financiers* in France has provided the *Commission de Surveillance du Secteur Financier* in Luxembourg with a certificate of approval attesting that the Base Prospectus and its supplement dated 4 October 2006 have been drawn up in accordance with the Prospectus Directive.

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

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. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: See "Use of Proceeds" wording in Base Prospectus
- (ii) Estimated net proceeds: EUR 44,000,000
- (iii) Estimated total expenses: Not Applicable

7. OPERATIONAL INFORMATION

ISIN Code: FR0010448779

Common Code: 029167524

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

The Agents appointed in respect of
the Notes are: **Fiscal Agent and Principal Paying Agent**
Deutsche Bank AG London
Winchester House
1 Great Winchester Street
EC2N 2DB London
United Kingdom

Luxembourg Listing and Paying Agent:
Deutsche Bank Luxembourg S.A.
2, boulevard Konrad Adenauer
L-1115 Luxembourg
Luxembourg

Paris Paying Agent:
Crédit Foncier de France
4, quai de Bercy
94224 Charenton
France

Calculation Agent
NATIXIS
45 rue Saint Dominique
75007 Paris

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 *[currency]*
[•] per Euro 1. 00, producing a sum
of: Not Applicable