

Final Terms dated 16 December 2010



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: 524

TRANCHE NO: 1

USD 30,000,000 Callable Zero Coupon *Obligations Foncières* due December 2040 (the “Notes”)

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

Issue Price: 100.00 per cent.

HSBC Bank plc

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a “**Relevant Member State**”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or the Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor the Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

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 July 2010 which has received visa n°10-214 from the *Autorité des marchés financiers* (the “**AMF**”) on 1 July 2010 and the supplement to the Base Prospectus dated 2 September 2010 which has received visa n°10-301 from the AMF on 2 September 2010 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 at the office of the Fiscal Agent or each of the Paying Agents and on the website of the AMF, 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:	524
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	United States Dollar (“ USD ”)
4	Aggregate Nominal Amount of Notes listed and admitted to trading:	
	(i) Series:	USD 30,000,000
	(ii) Tranche:	USD 30,000,000
5	Issue Price:	100 per cent. of the Aggregate Nominal Amount
6	Specified Denominations:	USD 100,000
7	(i) Issue Date:	20 December 2010
	(ii) Interest Commencement Date:	Not Applicable
8	Maturity Date:	20 December 2040
9	Interest Basis:	Zero Coupon <i>(further particulars specified below)</i>
10	Redemption/Payment Basis:	The Notes will be redeemed on the basis as set out in item 22, subject to the exercise of the Call Option in which case the Notes will be redeemed as set out in item 20.
11	Change of Interest or Redemption/Payment Basis:	Not Applicable
12	Put/Call Options:	Issuer Call <i>(further particulars specified below)</i>
13	(i) Status of the Notes:	<i>Obligations Foncières</i>

(ii)	Dates of the corporate authorisations for issuance of Notes obtained:	Decision of the <i>Conseil d'administration</i> of Compagnie de Financement Foncier dated 15 December 2009 and 27 August 2010 authorising (i) the issue of the Notes, and (ii) <i>inter alia</i> , its <i>Président Directeur Général</i> and its <i>Directeur Général Délégué</i> to sign and execute all documents in relation to the issue of Notes, and decision of the <i>Conseil d'administration</i> of the Issuer dated 29 September 2010 authorising the quarterly programme of borrowings which benefit from the <i>privilège</i> referred to in Article L. 515-19 of the French <i>Code monétaire et financier</i> up to and including Euro 6 billion for the fourth quarter of 2010.
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	Applicable
	(i) Amortisation Yield (Condition 6(e)):	5.35 per cent. per annum
	(ii) Day Count Fraction (Condition 5(a)):	30/360 (unadjusted)
	(iii) Any other formula/basis of determining amount payable:	Not Applicable
18	Index Linked Interest Note/other variable-linked interest Note Provisions	Applicable
19	Dual Currency Note Provisions	Not Applicable
PROVISIONS RELATING TO REDEMPTION		
20	Call Option	Applicable
	(i) Optional Redemption Date(s):	The Issuer has the option to redeem in whole but not in part the Notes on 20 December in each year from and including 20 December 2015 up to, and including, 20 December 2039.
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	The Issuer may redeem the Notes in whole but not in part on: (a) 20 December 2015 (the " First Optional Redemption Date ") at the amount of USD 38,930,856.13 per Aggregate Nominal Amount of Notes (the " First Optional Redemption Amount "), corresponding to an indicative percentage of about 129.769520433333% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the First Optional Redemption Date) on (b) 20 December 2016 (the " Second Optional Redemption Date ") at the amount of USD 41,013,656.94 per Aggregate Nominal Amount of Notes (the " Second Optional Redemption Amount "), corresponding to an indicative percentage of about 136.712189800000% of the Aggregate

Nominal Amount of Notes, or (if not redeemed on the Second Optional Redemption Date) on

(c) 20 December 2017 (the "**Third Optional Redemption Date**") at the amount of USD 43,207,887.58 per Aggregate Nominal Amount of Notes (the "**Third Optional Redemption Amount**"), corresponding to an indicative percentage of about 144.026291933333% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Third Optional Redemption Date) on

(d) 20 December 2018 (the "**Fourth Optional Redemption Date**") at the amount of USD 45,519,509.57 per Aggregate Nominal Amount of Notes (the "**Fourth Optional Redemption Amount**"), corresponding to an indicative percentage of about 151.731698566667% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Fourth Optional Redemption Date) on

(e) 20 December 2019 (the "**Fifth Optional Redemption Date**") at the amount of USD 47,954,803.33 per Aggregate Nominal Amount of Notes (the "**Fifth Optional Redemption Amount**"), corresponding to an indicative percentage of about 159.849344433333% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Fifth Optional Redemption Date) on

(f) 20 December 2020 (the "**Sixth Optional Redemption Date**") at the amount of USD 50,520,385.31 per Aggregate Nominal Amount of Notes (the "**Sixth Optional Redemption Amount**"), corresponding to an indicative percentage of about 168.401284366667% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Sixth Optional Redemption Date) on

(g) 20 December 2021 (the "**Seventh Optional Redemption Date**") at the amount of USD 53,223,225.92 per Aggregate Nominal Amount of Notes (the "**Seventh Optional Redemption Amount**"), corresponding to an indicative percentage of about 177.410753066667% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Seventh Optional Redemption Date) on

(h) 20 December 2022 (the "**Eighth Optional Redemption Date**") at the amount of USD 56,070,668.51 per Aggregate Nominal Amount of Notes (the "**Eighth Optional Redemption Amount**"), corresponding to an indicative percentage of about 186.902228366667% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Eighth Optional Redemption Date) on

(i) 20 December 2023 (the "**Ninth Optional**

Redemption Date") at the amount of USD 59,070,449.27 per Aggregate Nominal Amount of Notes (the "**Ninth Optional Redemption Amount**"), corresponding to an indicative percentage of about 196.901497566667% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Ninth Optional Redemption Date) on

(j) 20 December 2024 (the "**Tenth Optional Redemption Date**") at the amount of USD 62,230,718.31 per Aggregate Nominal Amount of Notes (the "**Tenth Optional Redemption Amount**"), corresponding to an indicative percentage of about 207.435727700000% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Tenth Optional Redemption Date) on

(k) 20 December 2025 (the "**Eleventh Optional Redemption Date**") at the amount of USD 65,560,061.74 per Aggregate Nominal Amount of Notes (the "**Eleventh Optional Redemption Amount**"), corresponding to an indicative percentage of about 218.533539133333% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Eleventh Optional Redemption Date) on

(l) 20 December 2026 (the "**Twelfth Optional Redemption Date**") at the amount of USD 69,067,525.04 per Aggregate Nominal Amount of Notes (the "**Twelfth Optional Redemption Amount**"), corresponding to an indicative percentage of about 230.225083466667% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Twelfth Optional Redemption Date) on

(m) 20 December 2027 (the "**Thirteenth Optional Redemption Date**") at the amount of USD 72,762,637.63 per Aggregate Nominal Amount of Notes (the "**Thirteenth Optional Redemption Amount**"), corresponding to an indicative percentage of about 242.542125433333% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Thirteenth Optional Redemption Date) on

(n) 20 December 2028 (the "**Fourteenth Optional Redemption Date**") at the amount of USD 76,655,438.75 per Aggregate Nominal Amount of Notes (the "**Fourteenth Optional Redemption Amount**"), corresponding to an indicative percentage of about 255.518129166667% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Fourteenth Optional Redemption Date) on

(o) 20 December 2029 (the "**Fifteenth Optional Redemption Date**") at the amount of

USD 80,756,504.72 per Aggregate Nominal Amount of Notes (the "**Fifteenth Optional Redemption Amount**"), corresponding to an indicative percentage of about 269.188349066667% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Fifteenth Optional Redemption Date) on

(p) 20 December 2030 (the "**Sixteenth Optional Redemption Date**") at the amount of USD 85,076,977.72 per Aggregate Nominal Amount of Notes (the "**Sixteenth Optional Redemption Amount**"), corresponding to an indicative percentage of about 283.589925733333% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Sixteenth Optional Redemption Date) on

(q) 20 December 2031 (the "**Seventeenth Optional Redemption Date**") at the amount of USD 89,628,596.03 per Aggregate Nominal Amount of Notes (the "**Seventeenth Optional Redemption Amount**"), corresponding to an indicative percentage of about 298.761986766667% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Seventeenth Optional Redemption Date) on

(r) 20 December 2032 (the "**Eighteenth Optional Redemption Date**") at the amount of USD 94,423,725.92 per Aggregate Nominal Amount of Notes (the "**Eighteenth Optional Redemption Amount**"), corresponding to an indicative percentage of about 314.745753066667% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Eighteenth Optional Redemption Date) on

(s) 20 December 2033 (the "**Nineteenth Optional Redemption Date**") at the amount of USD 99,475,395.25 per Aggregate Nominal Amount of Notes (the "**Nineteenth Optional Redemption Amount**"), corresponding to an indicative percentage of about 331.584650833333% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Nineteenth Optional Redemption Date) on

(t) 20 December 2034 (the "**Twentieth Optional Redemption Date**") at the amount of USD 104,797,328.90 per Aggregate Nominal Amount of Notes (the "**Twentieth Optional Redemption Amount**"), corresponding to an indicative percentage of about 349.324429666667% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Twentieth Optional Redemption Date) on

(u) 20 December 2035 (the "**Twenty-first Optional Redemption Date**") at the amount of USD 110,403,985.99 per Aggregate Nominal Amount of Notes (the "**Twenty-first Optional Redemption Amount**"), corresponding to an indicative percentage of about 368.013286633333% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Twenty-first Optional Redemption Date) on

(v) 20 December 2036 (the "**Twenty-second Optional Redemption Date**") at the amount of USD 116,310,599.25 per Aggregate Nominal Amount of Notes (the "**Twenty-second Optional Redemption Amount**"), corresponding to an indicative percentage of about 387.701997500000% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Twenty-second Optional Redemption Date) on

(w) 20 December 2037 (the "**Twenty-third Optional Redemption Date**") at the amount of USD 122,533,216.30 per Aggregate Nominal Amount of Notes (the "**Twenty-third Optional Redemption Amount**"), corresponding to an indicative percentage of about 408.444054333333% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Twenty-third Optional Redemption Date) on

(x) 20 December 2038 (the "**Twenty-fourth Optional Redemption Date**") at the amount of USD 129,088,743.38 per Aggregate Nominal Amount of Notes (the "**Twenty-fourth Optional Redemption Amount**"), corresponding to an indicative percentage of about 430.295811266667% of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Twenty-fourth Optional Redemption Date) on

(y) 20 December 2039 (the "**Twenty-fifth Optional Redemption Date**") at the amount of USD 135,994,991.15 per Aggregate Nominal Amount of Notes (the "**Twenty-fifth Optional Redemption Amount**"), corresponding to an indicative percentage of about 453.316637166667% of the Aggregate Nominal Amount of Notes, and together with the other twenty-four Optional Redemption Dates the "**Optional Redemption Dates**").

For the avoidance of doubt, on an Optional Redemption Date, the Optional Redemption Amount prevails since the percentage is only indicative and has been rounded to 12 (twelve) decimal places.

	(iii) If redeemable in part:	
	(a) Minimum Redemption Amount to be redeemed:	Not Applicable
	(b) Maximum Redemption Amount to be redeemed:	Not Applicable
	(iv) Notice period:	Not less than five London, New York and TARGET Business Days prior to the relevant Optional Redemption Date with notification in the form specified in Condition 14.
21	Put Option	Not Applicable
22	Final Redemption Amount of each Note	USD 143,270,723.17 per Aggregate Nominal Amount of Notes corresponding to an indicative percentage of about 477.569077233333% of the Aggregate Nominal Amount of Notes.
	In cases where the Final Redemption Amount is Index-Linked or other variable-linked:	For the avoidance of doubt, the Final Redemption Amount prevails since the percentage is only indicative and has been rounded to 12 (twelve) decimal places.
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:	London, New York and 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 and consequences (if any) of failure to pay:	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 - <i>Masse</i> (Condition 10)	Applicable The Initial Representative will be: MURACEF 5, rue Masseran 75007 Paris France The Alternative Representative will be: M. Hervé Bernard VALLEE 1, Hameau de Suscy 77390 Crisenoy France The Representatives will not receive any remuneration
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:	HSBC Bank plc
35	Additional selling restrictions:	Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the *Bourse du Luxembourg* (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. RISK FACTORS

Not Applicable

2. LISTING

- (i) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the *Bourse du Luxembourg* (regulated market of the Luxembourg Stock Exchange) with effect from the Issue Date.
- (ii) Additional publication of the Base Prospectus and Final Terms: The Base Prospectus as supplemented and the Final Terms will be published on the website of the *Bourse de Luxembourg* (www.bourse.lu).
- (iii) Estimate of total expenses related to admission to trading: EUR 6,700
- (iv) 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

3. RATINGS

- Ratings: The Programme has been rated Aaa by Moody's Investors Service and AAA by Standard & Poor's 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 Investors Service* rating desk or moodys.com.
- The Notes issued under the Programme will be rated AAA by Standard & Poor's Ratings Services and by Fitch Ratings¹.

4. NOTIFICATION

The *Autorité des marchés financiers* in France has provided *Commission de Surveillance du Secteur Financier* in Luxembourg with certificates of approval attesting that the Base Prospectus dated 1 July 2010 and the supplement dated 2 September 2010 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: The net proceeds of the issue of the Notes will be used for the Issuer's general corporate purposes.

* 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.

(ii) Estimated net proceeds: USD 30,000,000
(iii) Estimated total expenses: See Part B item 2 (iii) above

7. OPERATIONAL INFORMATION

ISIN Code: FR0010975946

Common Code: 056775943

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 Branch
Winchester House
1 Great Winchester Street
EC2N 2DB London
United Kingdom

Luxembourg Paying Agent and Listing Agent:

Deutsche Bank Luxembourg S.A.
2, boulevard Konrad Adenauer
L-1115 Luxembourg
Grand-Duchy of Luxembourg

Paris Paying Agent

Crédit Foncier de France
4, Quai de Bercy
94224 Charenton Cedex
France

Calculation Agent

Commerzbank Frankfurt
Kaiserplatz 1
60261 Frankfurt am Main
Germany

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 USD 1.3248 per Euro 1.00, producing a sum of: Euro 22,644,927.54