

Final Terms dated 12 January 2011



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: 527

TRANCHE NO: 1

EUR 1,000,000,000 2.875 per cent. *Obligations Foncières* due January 2016

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

Issue Price: 99.478 per cent.

COMMERZBANK

DEUTSCHE BANK

HSBC

NATIXIS

DZ BANK AG

NORDDEUTSCHE LANDESBANK GIROZENTRALE

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 any Manager 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 any Manager 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 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 received visa from the AMF n°10-301 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 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:	527
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	Euro (“ EUR ”)
4	Aggregate Nominal Amount:	
	(i) Series:	EUR 1,000,000,000
	(ii) Tranche:	EUR 1,000,000,000
5	Issue Price:	99.478 per cent. of the Aggregate Nominal Amount
6	Specified Denominations:	EUR 1,000
7	(i) Issue Date:	14 January 2011
	(ii) Interest Commencement Date:	14 January 2011
8	Maturity Date:	14 January 2016
9	Interest Basis:	2.875 per cent. Fixed Rate <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 Notes obtained:	Decisions of the <i>Conseil d'administration</i> of <i>Compagnie de Financement Foncier</i> dated 17 December 2010 authorising (i) the issue of the Notes, (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 (iii) 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 EUR 9 billion for the first quarter of 2011.
14	Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15	Fixed Rate Note Provisions	Applicable
	(i) Rate of Interest:	2.875 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	14 January in each year commencing on 14 January 2012.
	(iii) Fixed Coupon Amount:	EUR 28.75 per EUR 1,000 in nominal amount.
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction (Condition 5(a)):	Actual/Actual (ICMA) (unadjusted)
	(vi) Determination Date(s) (Condition 5(a)):	14 January in each year
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	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	Not Applicable
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 1,000 per Note of EUR 1,000 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: Adjusted Payment Date (Condition 7(h)):	TARGET The next following business day that is a 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 alternate Representative will be:

M. Hervé Bernard VALLEE

1, Hameau de Suscy

77390 Crisenoy

France

The Representative will not receive any remuneration

32 Other final terms:

Not Applicable

DISTRIBUTION

33 (i) If syndicated, names and addresses of Managers and underwriting commitments:

Joint Lead Managers:

Commerzbank Aktiengesellschaft

Kaiserstraße 16 (Kaiserplatz)

60261 Frankfurt am Main

Germany

Underwriting commitment: EUR 242,500,000

Deutsche Bank Aktiengesellschaft

Theodor-Heuss-Allee 70

60486 Frankfurt am Main

Germany

Underwriting commitment: EUR 242,500,000

HSBC France

103, avenue des Champs Elysées

75008 Paris

France

Underwriting commitment: EUR 242,500,000

NATIXIS

30 avenue Pierre Mendès France

75013 Paris

France

Underwriting commitment: EUR 242,500,000

Co-Lead Managers:

DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main

Platz der Republik

60265 Frankfurt am Main

Germany

Underwriting commitment: EUR 15,000,000

Norddeutsche Landesbank Girozentrale

Friedrichswall 10

30159 Hannover

Germany

Underwriting commitment: EUR 15,000,000

	(ii) Date of Subscription Agreement:	12 January 2011
	(iii) Stabilising Manager(s) (if any):	Not Applicable
34	If non-syndicated, name and address of Dealer:	Not Applicable
35	Total commission and concession:	0.225 per cent. of the Aggregate Nominal Amount.
36	Additional selling restrictions:	<p>Public Offer Selling Restriction under the Prospectus Directive</p> <p>In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), each Manager has represented, warranted and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Base Prospectus as completed by these Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:</p> <p>(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;</p> <p>(b) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Manager or Managers nominated by the Issuer for any such offer; or</p> <p>(c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,</p> <p>provided that no such offer of Notes referred</p>

to in (a) to (c) above shall require the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

37 Non-exempt offer:

Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the *Bourse de Luxembourg* (regulated market of the Luxembourg Stock Exchange) and Euronext Paris (regulated market of the Paris 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 de Luxembourg* and on Euronext Paris with effect from 14 January 2011.
- (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) 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. TERMS AND CONDITIONS OF THE OFFER

Not Applicable

4. 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 Services¹ and by Fitch Ratings².

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.

² "AAA" ratings denote the lowest expectation of credit risk. They are assigned only in case of exceptionally strong capacity for timely payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events (source: Fitch Ratings).

Each of Standard & Poor's Ratings Services, Fitch Ratings and Moody's Investors Service is established in the European Union and has applied to be registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, although the result of such application has not yet been notified by the relevant competent authority.

5. 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 1 July 2010 and the supplement dated 2 September 2010 have been drawn up in accordance with the Prospectus Directive.

6. 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.

7. 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. |
| (ii) Estimated net proceeds: | EUR 992,530,000 |
| (iii) Estimated total expenses: | Estimated total listing fees (Paris and Luxembourg):
EUR 14,050 |

8. YIELD

- | | |
|----------------------|---|
| Indication of yield: | 2.989 per cent. per annum |
| | As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield. |

9. HISTORIC INTEREST RATES

Not Applicable

10. PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

Not Applicable

11. PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

Not Applicable

12. EXPLANATION OF EFFECT ON VALUE OF INVESTMENT, RETURN ON DERIVATIVES SECURITIES AND INFORMATION CONCERNING THE UNDERLYING

Not Applicable

13. OPERATIONAL INFORMATION

ISIN Code: FR0010989152

Common Code: 057689927

Depositories:

(i) Euroclear France to act as Central Depository: Yes

(ii) Common Depository for Euroclear Bank S.A./N.V. and Clearstream Luxembourg: No

Any clearing system(s) other than Euroclear 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 and Principal Paying Agent:**
Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
EC2N 2DB London
United Kingdom

Paris Paying Agent:
Crédit Foncier de France
4 Quai de Bercy
94224 Charenton Cedex
France

Luxembourg Listing and Paying Agent:
Deutsche Bank Luxembourg S.A.
2 Boulevard Konrad Adenauer
L-1115 Luxembourg
Grand-Duchy of Luxembourg

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

TRANSLATED FROM FRENCH

COMPAGNIE DE FINANCEMENT FONCIER

**CERTIFICATE OF THE SPECIFIC CONTROLLER
RELATING TO THE DEBENTURE ISSUE
AMOUNTING TO EUR 1 BILLION
PURSUANT TO ARTICLES R.515-13 AND L.515-30
OF THE FRENCH MONETARY AND FINANCIAL CODE**

CAILLIAU DEDOUIT ET ASSOCIES

**19, RUE CLEMENT MAROT
75008 PARIS**

COMPAGNIE DE FINANCEMENT FONCIER

4, quai de Bercy

94224 CHARENTON CEDEX

CERTIFICATE OF THE SPECIFIC CONTROLLER RELATING TO THE DEBENTURE ISSUE AMOUNTING TO EUR 1 BILLION PURSUANT TO ARTICLES R.515-13 AND L.515-30 OF THE FRENCH MONETARY AND FINANCIAL CODE

To the Directors of Compagnie de Financement Foncier,

In our capacity as Specific Controller of your company and pursuant to the provisions set forth in Articles R.515-13 and L.515-30 of the French Monetary and Financial Code, we hereby set out our certification regarding compliance with the rule provided for in Article L.515-20 of the French Monetary and Financial Code within the framework of any issue of mortgage debentures with a unit value of at least EUR 500 million.

In a decision dated December 17, 2010, the Board of Directors of Compagnie de Financement Foncier set the maximum ceiling for the programme for issuing funding that qualify for the privileged right laid down by Article L.515-19 of the French Monetary and Financial Code at EUR 9 billion, for the period from January 1st to March 31, 2011.

Within the scope of this quarterly issue programme, in a decision dated January 5, 2011, the deputy managing director of Compagnie de Financement Foncier approved a new issue of funds qualifying for the preferential rights set forth in Article L.515-19 of the French Monetary and Financial Code, for an amount of EUR 1 billion.

Article L.515-20 of the French Monetary and Financial Code states that the total amount of assets held by *sociétés de crédit foncier* (special-purpose real estate credit institutions) must be greater than the amount of liabilities which qualify for the privileged right mentioned in Article L.515-19 of said code. Our responsibility is to certify the compliance of the current transaction with this rule.

Compliance with this rule, after taking into account the aforementioned debenture issue, was verified on the basis of estimated and forecasted financial data, drawn up under the responsibility of your Board of Directors. The forecasted financial data were drawn up on the basis of assumptions which reflect the position that you deemed to be most probable as of the date of the present issue. This information is presented in an appendix to this report.

We performed our review in accordance with the procedures issued from the professional rules and practises of the *Compagnie Nationale des Commissaires aux Comptes* (National Association of Statutory Auditors) that are applicable to this type of assignment. These procedures, based on such financial information, were carried out in order to verify compliance with the rule laid down by Article

L.515-20 of the French Monetary and Financial Code and with the methods of calculating the hedge ratio provided for in Regulation n° 99-10 of the French Banking and Financial Regulations Committee.

Our work has also required that we plan and prepare our review leading to an assessment of the fair presentation of the estimated and the forecasted financial data, drawn up as of the closest date of the present issue, with regard to its consistency, plausibility and relevance, with a view to checking compliance with the rule provided for in Article L.515-20 of the French Monetary and Financial Code. Regarding the forecasted financial data, we have assessed the assumptions used and their statement in figures, considering that, as the forecasts are, by their nature, uncertain, the actual results could differ significantly from the forecasted data presented.

Based on our work, we have no comments to make as regards compliance by Compagnie de Financement Foncier with Article L.515-20 of the French Monetary and Financial Code, which states that the amount of assets must be greater than the amount of preferential liabilities, after taking into account the aforementioned issue.

Paris, January 11, 2011

The Specific Controller

CAILLIAU DEDOUT ET ASSOCIES
Laurent BRUN



APPENDIX

Figures after taking into account the debentures issues for the period from January 1st to January 10, 2011 including the present issue of EUR 1 billion (value date January 14, 2011).

In million of EUR	Estimated figures	Forecasted Figures
	As of December 31, 2010	As of March 31, 2011
Total application of funds	102 565	99 879
Total of weighted assets	98 202	97 738 (*)
Total sources of funds that qualify for the privileged right mentioned in Article L. 515-19 of the French Monetary and Financial Code	89 036	88 139

(*) After taking into account the expected changes in laws and regulation applicable to *sociétés de crédit foncier*, especially the new asset composition ratio concerning RMBS (limited to 10% of the nominal value of privileged debt), the total of weighted assets would amount to EUR 94 652 million.

The original certificate in French reads :

Messieurs les Administrateurs de la Compagnie de Financement Foncier,

En notre qualité de contrôleur spécifique de votre société et en exécution des dispositions prévues par les articles R.515-13 et L.515-30 du Code monétaire et financier, nous devons établir une attestation portant sur le respect de la règle prévue à l'article L.515-20 de ce Code, dans le cadre de toute émission d'obligations foncières d'une valeur unitaire au moins égale à EUR 500 millions.

Par décision en date du 17 décembre 2010, le conseil d'administration de la Compagnie de Financement Foncier a fixé le plafond maximum du programme d'émissions de ressources bénéficiant du privilège institué par l'article L.515-19 du Code monétaire et financier, à EUR 9 milliards, pour la période allant du 1^{er} janvier au 31 mars 2011.

Dans le cadre de ce programme trimestriel d'émissions, par décision en date du 5 janvier 2011, le Directeur Général Délégué de la Compagnie de Financement Foncier a autorisé le lancement d'une nouvelle émission de ressources bénéficiant du privilège institué par l'article L.515-19 du Code monétaire et financier, pour un montant de 1 milliard d'euros.

L'article L.515-20 du Code monétaire et financier dispose que le montant total des éléments d'actif des sociétés de crédit foncier doit être supérieur au montant des éléments de passif bénéficiant du privilège mentionné à l'article L.515-19 de ce même Code. Il nous appartient d'attester du respect de cette règle au titre de la présente opération.

Le respect de cette règle, après prise en compte de l'émission visée ci-dessus, a été vérifié sur la base d'informations financières estimées et prévisionnelles établies sous la responsabilité de votre conseil d'administration. Les informations financières prévisionnelles ont été établies à partir des hypothèses traduisant la situation future que vous avez estimée la plus probable à la date de la présente émission. Ces informations sont présentées en annexe à la présente attestation.

Nous avons effectué nos travaux sur la base des diligences que nous avons estimé nécessaires au regard de la doctrine professionnelle de la Compagnie Nationale des Commissaires aux Comptes relative à cette intervention. Ces diligences sont destinées à vérifier, sur la base des informations financières établies, le respect de la règle prévue par l'article L.515-20 du Code monétaire et financier et les modalités de calcul du ratio de couverture prévues par les dispositions du règlement n°99-10 du Comité de la Réglementation Bancaire et Financière.

Nos diligences ont notamment consisté à examiner le processus d'élaboration des informations financières estimées et prévisionnelles, établies à la date la plus proche de celle de la présente émission, afin d'en vérifier la cohérence dans la perspective de contrôler le respect de la règle prévue à l'article L.515-20 du Code monétaire et financier. En ce qui concerne les informations prévisionnelles, nous avons pris connaissance des hypothèses retenues et vérifié leur traduction chiffrée, étant rappelé que, s'agissant de prévisions présentant par nature un caractère incertain, les réalisations différeront parfois de manière significative des informations prévisionnelles établies.

Sur la base de nos travaux, nous n'avons pas d'observation à formuler sur le respect, par la Compagnie de Financement Foncier, de l'article L.515-20 du Code monétaire et financier stipulant que le montant des éléments d'actif doit être supérieur au montant des éléments de passif privilégiés, après prise en compte de la présente émission visée ci-dessus.

Paris, le 11 janvier 2011

Le Contrôleur Spécifique

CAILLIAU DEDOUT ET ASSOCIES

Laurent BRUN



ANNEXE

Montants après prise en compte des émissions obligataires réalisées du 1^{er} janvier au 10 janvier 2011, y compris la présente émission de 1 milliard d'euros (date de règlement 14 janvier 2011).

En millions d'euros	Estimé	Prévisionnel
	Au 31 décembre 2010	Au 31 mars 2011
Total des emplois	102 565	99 879
Total des emplois pondérés	98 202	97 738 (*)
Total des ressources bénéficiant du privilège mentionné à l'article L.515-19 du code monétaire et financier	89 036	88 139

(*) En tenant compte des évolutions réglementaires, prévisibles à ce jour, concernant notamment la limitation de la détention de parts de fonds communs de titrisation hypothécaires à 10% de la valeur nominale des obligations foncières, le total des emplois pondérés s'élèverait à 94 652 M€.