

Final Terms dated 12 July 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: 542**

**TRANCHE NO: 1**

**USD 24,500,000 Callable Zero Coupon *Obligations Foncières* due July 2041 (the “Notes”)**

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

Issue Price: 100.00 per cent.

**Credit Suisse Securities (Europe) Limited**

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 30 June 2011 which has received visa n°11-278 from the *Autorité des marchés financiers* (the “AMF”) on 30 June 2011 which constitutes 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. 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. The Base Prospectus is 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.

<b>1</b>	Issuer:	Compagnie de Financement Foncier
<b>2</b>	(i) Series Number:	542
	(ii) Tranche Number:	1
<b>3</b>	Specified Currency or Currencies:	United States Dollar (“ <b>USD</b> ”)
<b>4</b>	Aggregate Nominal Amount of Notes listed and admitted to trading:	
	(i) Series:	USD 24,500,000
	(ii) Tranche:	USD 24,500,000
<b>5</b>	Issue Price:	100.00 per cent. of the Aggregate Nominal Amount
<b>6</b>	Specified Denominations:	USD 500,000
<b>7</b>	(i) Issue Date:	15 July 2011
	(ii) Interest Commencement Date:	Not Applicable
<b>8</b>	Maturity Date:	15 July 2041
<b>9</b>	Interest Basis:	Zero Coupon <i>(further particulars specified below)</i>
<b>10</b>	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.

<b>11</b>	Change of Interest or Redemption/Payment Basis:	Not Applicable
<b>12</b>	Put/Call Options:	Issuer Call <i>(further particulars specified below)</i>
<b>13</b>	(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 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 decision of the <i>Conseil d'administration</i> of the Issuer dated 29 June 2011 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 8 billion for the third quarter of 2011.
<b>14</b>	Method of distribution:	Non-syndicated

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

<b>15</b>	<b>Fixed Rate Note Provisions</b>	Not Applicable
<b>16</b>	<b>Floating Rate Provisions</b>	Not Applicable
<b>17</b>	<b>Zero Coupon Note Provisions</b>	Applicable
	(i) Amortisation Yield (Condition 6(e)):	5.735 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
<b>18</b>	<b>Index Linked Interest Note/other variable-linked interest Note Provisions</b>	Not Applicable
<b>19</b>	<b>Dual Currency Note Provisions</b>	Not Applicable

**PROVISIONS RELATING TO REDEMPTION**

<b>20</b>	<b>Call Option</b>	Applicable
	(i) Optional Redemption Date(s):	The Issuer has the option to redeem the Notes in whole but not in part on 15 July commencing on and including 15 July 2016 and every five year thereafter up to and including 15 July 2036.
	(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  1) 15 July 2016 (the " <b>First Optional Redemption Date</b> ") at the amount of USD

32,378,739.11 per Aggregate Nominal Amount of Notes (the "**First Optional Redemption Amount**"), corresponding to an indicative percentage about 132.158119 per cent. of the Aggregate Nominal Amount of Notes, or (if not redeemed on the First Optional Redemption Date) on

- 2) 15 July 2021 (the "**Second Optional Redemption Date**") at the amount of USD 42,791,132.50 per Aggregate Nominal Amount of Notes (the "**Second Optional Redemption Amount**"), corresponding to an indicative percentage about 174.657684 per cent. of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Second Optional Redemption Date) on
- 3) 15 July 2026 (the "**Third Optional Redemption Date**") at the amount of USD 56,551,955.74 per Aggregate Nominal Amount of Notes (the "**Third Optional Redemption Amount**"), corresponding to an indicative percentage about 230.824309 per cent. of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Third Optional Redemption Date) on
- 4) 15 July 2031 (the "**Fourth Optional Redemption Date**") at the amount of USD 74,738,000.85 per Aggregate Nominal Amount of Notes (the "**Fourth Optional Redemption Amount**"), corresponding to an indicative percentage about 305.053065 per cent. of the Aggregate Nominal Amount of Notes, or (if not redeemed on the Fourth Optional Redemption Date) on
- 5) 15 July 2036 (the "**Fifth Optional Redemption Date**") at the amount of USD 98,772,335.97 per Aggregate Nominal Amount of Notes (the "**Fifth Optional Redemption Amount**"), corresponding to an indicative percentage about 403.152392 per cent. of the Aggregate Nominal Amount of Notes, (and together with the other four Optional Redemption Dates, the "**Optional Redemption Dates**").

**For the avoidance of doubt, at an Optional Redemption Date, the Optional Redemption Amount prevails since the percentage is only indicative and has been rounded to 6 (six) 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 form specified in Condition 14.
21	<b>Put Option</b>	Not Applicable
22	<b>Final Redemption Amount of each Note</b>	USD 130,535,661.12 per Aggregate Nominal Amount of Notes corresponding to an indicative percentage about 532.798617 per cent. of the Aggregate Nominal Amount of Notes. <b>For the avoidance of doubt, the Final Redemption Amount prevails since the percentage is only indicative and has been rounded to 6 (six) decimal places.</b>
23	<b>Early Redemption Amount</b>	
	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
<b>GENERAL PROVISIONS APPLICABLE TO THE NOTES</b>		
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, renominalisation and reconventioning provisions:	Not Applicable
30	Consolidation provisions:	Not Applicable
31	Representation of holders of Notes - <i>Masse</i> (Condition 10):	<p>Applicable</p> <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 Representatives 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:	Credit Suisse Securities (Europe) Limited
35	Additional selling restrictions:	<p><b>Taiwan</b></p> <p>The Dealer represents and agrees that the Notes may not be sold, offered or issued to Taiwan resident investors unless they are made available outside Taiwan for purchase by such investors outside Taiwan.</p> <p><b>Hong Kong</b></p> <p>The Dealer represents and agrees that:</p> <p>(A) The Notes have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (i) to persons whose ordinary it is to buy or sell shares or debentures (whether as principal or agent); (ii) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under the Ordinance; or (iii) in other circumstance which do not result in the document being a “prospectus” as defined in the companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within</p>

the meaning of that Ordinance; and

(B) no advertisement, invitation or document relating to the Notes has been issued or possessed for the purpose of the issue or will be issued or possessed for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted under the securities laws of Hong Kong) other than any advertisement, invitation or document with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and futures Ordinance and any rules made under than Ordinance.

### **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) 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* (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 and the Final Terms will be published on the website of the *Bourse de Luxembourg* ([www.bourse.lu](http://www.bourse.lu)).
- (iii) Estimate of total expenses related to admission to trading: EUR 6,700.00
- (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<sup>1</sup> and by Fitch Ratings<sup>2</sup>.

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

<sup>1</sup> 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.

<sup>2</sup> "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).



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.

#### 4. NOTIFICATION

The *Autorité des marchés financiers* in France has provided the *Commission de Surveillance du Secteur Financier* in Luxembourg with certificates of approval attesting that the Base Prospectus dated 30 June 2011 has 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. |
| (ii) Estimated net proceeds:    | USD 24,500,000   |
| (iii) Estimated total expenses: | See Part B item 2 (iii) above  |

#### 7. OPERATIONAL INFORMATION

ISIN Code: FR0011075969

Common Code: 064698249

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, Principal Paying Agent and Calculation 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

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 1.4533  
per Euro 1.00, producing a sum of:

EUR 16,858,184.82