

Final Terms dated 16 May 2011



Municipal Agency

DEXIA MUNICIPAL AGENCY
(the "Issuer")

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

SERIES NO: 425
TRANCHE NO: 1

Euro 1,000,000,000 3.75 per cent. *Obligations Foncières* due 18 May 2016

Issue Price: 99.606 per cent. of the Aggregate Nominal Amount

Joint Lead Managers

DEXIA CAPITAL MARKETS
ING COMMERCIAL BANKING
MORGAN STANLEY
NATIXIS
NOMURA

Co-Lead Managers

DZ BANK AG
HELABA
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 *Obligations Foncières* in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (the "**Prospectus Directive**") (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 *Obligations Foncières*. Accordingly any person making or intending to make an offer in that Relevant Member State of the *Obligations Foncières* 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 *Obligations Foncières* 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 8 April 2011 (the "**Base Prospectus**") which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC).

This document constitutes the Final Terms of the *Obligations Foncières* 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 *Obligations Foncières* 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 were published in accordance with the provisions of Article 14 of the Prospectus Directive, admitting the validity of disclosure carried out, *inter alia* and always at the choice of the Issuer, through release on the website of the Issuer (www.dexia-ma.com) or on the website of the Luxembourg Stock Exchange (www.bourse.lu), and copies may be obtained from Dexia Municipal Agency, Tour Dexia, La Défense 2 - 1, passerelle des Reflets, TSA 92202 - 92919 La Défense Cedex, France.

1	Issuer:	Dexia Municipal Agency
2	(i) Series Number:	425
	(ii) Tranche Number:	1
3	Specified Currency:	Euro ("€")
4	Aggregate Nominal Amount:	
	(i) Series:	€1,000,000,000
	(ii) Tranche:	€1,000,000,000
5	Issue Price:	99.606 per cent. of the Aggregate Nominal Amount
6	Specified Denomination:	€1,000
7	(i) Issue Date:	18 May 2011
	(ii) Interest Commencement Date:	18 May 2011
8	Maturity Date:	18 May 2016

9	Interest Basis:	3.75 per cent. Fixed Rate
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 <i>Obligations Foncières</i> :	<i>Obligations Foncières</i>
	(ii) Dates of the corporate authorisations for issuance of <i>Obligations Foncières</i> obtained:	Decision of the <i>Directoire</i> of Dexia Municipal Agency dated 11 May 2011 deciding the issue of the <i>Obligations Foncières</i> and authorising Mr François Laugier, President or its <i>Directeur Général</i> Mr Gilles Gallerne or Mr Christophe Piatte to sign and execute all documents in relation to the issue of the <i>Obligations Foncières</i> .
14	Method of distribution:	Syndicated
	PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE	
15	Fixed Rate <i>Obligation Foncière</i> Provisions	Applicable
	(i) Rate of Interest:	3.75 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	18 May in each year commencing on (and including) 18 May 2012 up to and including the Maturity Date
	(iii) Fixed Coupon Amount:	€37.50 per <i>Obligation Foncière</i> of €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)):	18 May in each year
	(vii) Other terms relating to the method of calculating interest for Fixed Rate <i>Obligations Foncières</i> :	Not Applicable
16	Floating Rate Provisions	Not Applicable
17	Zero Coupon <i>Obligation Foncière</i> Provisions	Not Applicable
18	Index Linked Interest <i>Obligation Foncière</i> / other variable-linked interest <i>Obligations Foncières</i> Provisions	Not Applicable
19	Dual Currency <i>Obligation Foncière</i> Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

20	Call Option	Not Applicable
21	Other Option	Not Applicable
22	Final Redemption Amount of each <i>Obligation Foncière</i>	€1,000 per <i>Obligation Foncière</i> of €1,000 Specified Denomination
23	Early Redemption Amount Early Redemption Amount(s) of each <i>Obligation Foncière</i> 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 *OBLIGATIONS FONCIÈRES*

24	Form of <i>Obligations Foncières</i> : (i) Form of Dematerialised <i>Obligations Foncières</i> : (ii) Registration Agent (iii) Temporary Global Certificate: (iv) Applicable TEFRA exemption:	Dematerialised <i>Obligations Foncières</i> Bearer dematerialised form (<i>au porteur</i>) Not Applicable Not Applicable Not Applicable
25	Financial Centre(s) (Condition 7(h)) or other special provisions relating to Payment Dates: (i) Adjusted Payment Date (Condition 7(h)):	TARGET The next following Business Day
26	Talons for future Coupons or Receipts to be attached to definitive Materialised <i>Obligations Foncières</i> (and dates on which such Talons mature):	Not Applicable
27	Details relating to Partly Paid <i>Obligations Foncières</i> : 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 <i>Obligations Foncières</i> : 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 *Obligations Foncières - Masse* (Condition 10): Applicable
The initial Representative will be:
Antoine de Chauveron
23, avenue Foch
75016 Paris
France
The alternative Representative will be:
Laurent Vallery Radot
23, avenue Foch
75016 Paris
France
The Representative will not be remunerated.
- 32** Other final terms: Not Applicable
- DISTRIBUTION**
- 33** (i) If syndicated, names and addresses of Managers and underwriting commitments: **Joint Lead Managers:**
Dexia Banque Internationale à Luxembourg, société anonyme (acting under the name of Dexia Capital Markets)
69, route d'Esch
L-1470 Luxembourg
Grand-Duchy of Luxembourg
Underwriting commitment: €191,000,000
ING Bank N.V.
Foppingadreef 7
1102 BD Amsterdam
The Netherlands
Underwriting commitment: €191,000,000
Morgan Stanley & Co. International plc
25 Cabot Square
Canary Wharf
London E14 4QA
United Kingdom
Underwriting commitment: €191,000,000
Natixis
47, quai d'Austerlitz
75013 Paris
France
Underwriting commitment: €191,000,000
Nomura International plc
Nomura House
1 St Martin's-le-Grand
London EC1A 4NP
United Kingdom
Underwriting commitment: €191,000,000

Co-Lead Managers :

**DZ BANK AG Deutsche Zentral-
Genossenschaftsbank, Frankfurt am
Main**

Platz der Republik
60265 Frankfurt am Main
Germany

Underwriting commitment: €15,000,000

**Landesbank Hessen-Thüringen
Girozentrale**

Neue Mainzer Str. 52-58
60311 Frankfurt am Main
Germany

Underwriting commitment: €15,000,000

**Norddeutsche Landesbank
Girozentrale**

Friedrichswall 10
30159 Hannover
Germany

Underwriting commitment: €15,000,000

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| | (ii) Date of Subscription Agreement: | 16 May 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: | 0.18 per cent. of the Aggregate Nominal Amount |
| 36 | Additional selling restrictions: | Not Applicable |
| 37 | Non-exempt Offer: | Not Applicable |

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue and admission to trading on Euronext Paris and on the Regulated Market of the Luxembourg Stock Exchange of the *Obligations Foncières* described herein pursuant to the Euro 75,000,000,000 Euro Medium Term Note Programme of Dexia Municipal Agency.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

Duly represented by:

F. LAUGER

PART B – OTHER INFORMATION

1. RISK FACTORS

Not Applicable.

2. LISTING AND ADMISSION TO TRADING

Application has been made by the Issuer (or on its behalf) for the *Obligations Foncières* to be listed on the official list of the Luxembourg Stock Exchange and on Euronext Paris and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and on Euronext Paris with effect from 18 May 2011.

3. RATINGS

Ratings: *Obligations Foncières* to be issued under the Programme are expected to be rated AAA by Standard & Poor's Rating Services and AAA by Fitch Ratings and Aaa by Moody's Investors Services, Inc.

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.

4. SPECIFIC CONTROLLER

The specific controller (*contrôleur spécifique*) of the Issuer has certified that the value of the assets of the Issuer will be greater than the value of its liabilities benefiting from the *privilege* defined in Article L. 515-19 of the French Monetary and Financial Code, after settlement of this issue and of the issues which have been the subject of previous attestations.

5. NOTIFICATION

The *Commission de surveillance du secteur financier* in Luxembourg has provided the *Autorité des marchés financiers* with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

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

Save as disclosed in the "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the *Obligations Foncières* 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 *Obligations Foncières* will be used for the Issuer's general corporate purposes.
- (ii) Estimated net proceeds: €994,260,000

(iii) Estimated total expenses: Estimated listing fees: €6,925

8. YIELD

Indication of yield: 3.838 per cent. per annum

Calculated at the Issue Date in accordance with the ICMA method, which determines the effective interest rate of the *Obligations Foncières* taking into account accrued interest on a daily basis on the Issue Date.

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. OPERATIONAL INFORMATION

ISIN Code: FR0011049782

Common Code: 062859636

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 *Obligations Foncières* are:

Fiscal Agent, Principal Paying Agent and Luxembourg Listing Agent:

Dexia Banque Internationale à Luxembourg, société anonyme
69, route d'Esch
L-1470 Luxembourg
Grand-Duchy of Luxembourg

Paying Agent:

Dexia Bank Belgium SA
44, boulevard Pachéco
B-1000 Brussels
Belgium

Name and address of the Calculation Agent: Not Applicable

Names and addresses of additional Paying Agent(s) (if any):

Not Applicable

The aggregate principal amount of *Obligations Foncières* issued has been translated into Euro at the rate of [currency] per Euro 1.00, producing a sum of:

Not Applicable