

Final Terms dated 17 January 2012



**COMPAGNIE DE
FINANCEMENT
FONCIER**
CREDIT FONCIER GROUP

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: 559

TRANCHE NO: 1

EUR 1,000,000,000 4.250 per cent. *Obligations Foncières* due January 2022

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

Issue Price: 99.664 per cent.

Joint-Lead Managers

DEUTSCHE BANK

DZ BANK AG

HSBC

NATIXIS

SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING

Co-Lead Managers

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

LANDESBANK BADEN-WÜRTTEMBERG

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 received visa n°11-278 from the *Autorité des marchés financiers* (the “**AMF**”) on 30 June 2011 and the supplement to the Base Prospectus dated 1 September 2011 which received visa from the AMF n°11-380 on 1 September 2011, 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:	559
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	Euro (“ EUR ”)
4	Aggregate Nominal Amount:	
	Series:	EUR 1,000,000,000
	Tranche:	EUR 1,000,000,000
5	Issue Price:	99.664 per cent. of the Aggregate Nominal Amount
6	Specified Denominations:	EUR 1,000
7	(i) Issue Date:	19 January 2012
	(ii) Interest Commencement Date:	19 January 2012
8	Maturity Date:	19 January 2022

9	Interest Basis:	4.250 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 Compagnie de Financement Foncier dated 16 December 2011 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 5 billion for the first quarter of 2012.
14	Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15	Fixed Rate Note Provisions	Applicable
	(i) Rate of Interest:	4.250 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	19 January in each year commencing on 19 January 2013 up to and including the Maturity Date
	(iii) Fixed Coupon Amount:	EUR 42.50 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)):	19 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: (i) Form of Dematerialised Notes: (ii) Registration Agent: (iii) Temporary Global Certificate: (iv) Applicable TEFRA exemption:	Dematerialised Notes 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: 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.

Not Applicable

32 Other final terms:

DISTRIBUTION

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

Joint Lead Managers:

Deutsche Bank Aktiengesellschaft
Theodor-Heuss-Allee 70
60486 Frankfurt am Main
Germany
Underwriting commitment: EUR 196,000,000

**DZ BANK AG Deutsche Zentral-
Genossenschaftsbank, Frankfurt am Main**
Platz der Republik
60265 Frankfurt am Main
Germany
Underwriting commitment: EUR 196,000,000

HSBC France
103, avenue des Champs Elysées
75008 Paris
France
Underwriting commitment: EUR 196,000,000

NATIXIS
30 avenue Pierre Mendès France
75013 Paris
France
Underwriting commitment: EUR 196,000,000

Société Générale
Tours Société Générale
17, cours Valmy
98987 Paris La Défense Cedex
France
Underwriting commitment: EUR 196,000,000

Co-Lead Managers:

Banco Bilbao Vizcaya Argentaria, S.A.
Via los Poblados, s/n ADAPTAR
2a Planta
28033 Madrid
Spain
Underwriting commitment: EUR 10,000,000

Landesbank Baden-Württemberg
Am Hauptbahnhof 2
70173 Stuttgart
Germany
Underwriting commitment: EUR 10,000,000

- (ii) Date of Subscription Agreement: 17 January 2012
- (iii) Stabilising Manager(s) (if any): Not Applicable
- 34** If non-syndicated, name and address of Dealer: Not Applicable
- 35** Total commission and concession: 0.325 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 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 19 January 2012.
- (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 ("Moody's") and AAA by Standard & Poor's Ratings Services ("S&P").
- For Moody's, 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 moodys.com.
- The Notes issued under the Programme will be rated AAA by S&P¹ and by Fitch Ratings ("Fitch")².
- Each of S&P, Fitch and Moody's is established in the European Union and registered under Regulation (EC) No 1060/2009 (the "CRA Regulation") as amended by Regulation (EU) 513/2011.
- As such, each of S&P, Fitch and Moody's is included

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).

in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.

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 30 June 2011 and the supplement dated 1 September 2011 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 993,390,000 |
| (iii) Estimated total expenses: | Estimated total listing fees (Paris and Luxembourg):
EUR 18,100 |

8. YIELD

- | | |
|----------------------|---|
| Indication of yield: | 4.292 per cent. per annum
Calculated at the Issue Date in accordance with the ICMA method, which determines the effective interest rate of the Notes 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. 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: FR0011181171

Common Code: 073112150

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

**SPECIFIC CONTROLLER'S CERTIFICATE RELATING TO NOTE
ISSUANCE OF EUR 1 BILLION PURSUANT TO ARTICLES L.515-30 AND
R.515-13 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

SPECIFIC CONTROLLER'S CERTIFICATE RELATING TO NOTE ISSUANCE OF EUR 1 BILLION PURSUANT TO ARTICLES L.515-30 AND R.515-13 OF THE FRENCH MONETARY AND FINANCIAL CODE

To the Directors of Compagnie de Financement Foncier,

In our capacity of specific controller (*contrôleur spécifique*) of your company and pursuant to the provisions set forth in Articles L.515-30 and R.515-13 of the French Monetary and Financial Code, we have verified the compliance with the rules provided for in Articles L.515-20 and R.515-7-2 pursuant to the French Monetary and Financial Code within the framework of the note issuance of at least €500 million.

In a decision dated December 16, 2011, the board of directors of Compagnie de Financement Foncier set the maximum amount of the issuance programme benefiting from the statutory privileged right of payment set forth in Article L.515-19 of the French Monetary and Financial Code at EUR 5 billion, for the period from January 1st to March 31, 2012.

Within the scope of this quarterly issuance programme, in a decision dated January 9, 2012, the deputy managing director of Compagnie de Financement Foncier approved a note issuance benefiting from the statutory privileged right of payment 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* must be greater than the amount of liabilities benefiting from the privileged right of payment mentioned in Article L.515-19 of such code. Furthermore, Article R.515-7-2 of such code provides that *sociétés de crédit foncier* must all the time maintain a cover ratio of at least 102 per cent. of their assets to the total amount of their liabilities benefiting from the statutory privileged right.

It is our responsibility to certify the compliance with such rules for the issuance at stake.

Compliance with these rules, after taking into account the aforementioned note issuance, was verified on the basis of estimated and forecasted financial data, drawn up under your responsibility. The forecasted financial data were drawn up on the basis of assumptions which reflect the position that you deemed to be most likely as of the date of the issuance at stake. This information is presented in an appendix to this report.

We performed our review in accordance with the standards procedures issued in 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 assessment.

Our work consisted in:

- verifying the conformity for the amount of the note issuance with the decision authorizing this issue,
- examining the process of presenting the forecasted financial data including the aforementioned issue, considering that, as the forecasts are uncertain by nature, the actual results could differ significantly from the forecasted data presented,
- verifying the methods for calculating the forecasted cover ratio provided for in Regulation no. 99-10 of the French Banking and Financial Regulations Committee and Instruction 2011-I-06 of *Autorité de Contrôle Prudentiel*,
- verifying compliance with the rules set forth in Articles L.515-20 and R.515-7-2 of the French Monetary and Financial Code, based on the forecasted financial data.

Based on our work, we have no comments with respect to the compliance by Compagnie de Financement Foncier with Articles L.515-20 and R.515-7-2 of the French Monetary and Financial Code, after taking into account of the aforementioned note issuance.

Paris, January 13, 2012

The Specific Controller

CAILLIAU DEDOUIT ET ASSOCIES

Laurent BRUN

APPENDIX

Figures after taking into account the notes issues for the period from January 1st to January 12, 2012 including the present note issuance of EUR 1 billion (value date January 19, 2012).

In million of EUR	Estimated Figures	Forecasted Figures
	As of December 31, 2011	As of March 31, 2012
Total application of funds	104 717	100 942
Total of weighted assets	99 628	96 343
Total sources of funds that qualify for the privileged right mentioned in Article L.515-19 of the French Monetary and Financial Code	90 435	86 882

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The original certificate in French reads :

Au Conseil d'administration de la Compagnie de Financement Foncier,

En notre qualité de Contrôleur Spécifique de la Compagnie de Financement Foncier et en exécution des dispositions prévues par les articles L.515-30 et R.515-13 du Code monétaire et financier, nous avons procédé à la vérification du respect des règles relatives au ratio de couverture prévues aux articles L.515-20 et R.515-7-2 du Code monétaire et financier dans le cadre de l'émission d'obligations foncières d'une valeur unitaire au moins égale à 500 millions d'euros.

Par décision en date du 16 décembre 2011, 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 5 milliards d'euros, pour la période allant du 1^{er} janvier au 31 mars 2012.

Dans le cadre de ce programme trimestriel d'émissions, par décision en date du 9 janvier 2012, le Directeur Général Délégué de la Compagnie de Financement Foncier a autorisé une 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 code. En outre, l'article R.515-7-2 de ce code dispose que les sociétés de crédit foncier sont tenues de respecter à tout moment un ratio de couverture des ressources privilégiées par les éléments d'actifs au moins égal à 102%. Il nous appartient d'attester du respect de ces règles au titre de la présente opération.

Le respect de ces règles, après prise en compte de l'émission susvisée, a été vérifié sur la base d'informations financières estimées et prévisionnelles établies sous votre responsabilité. Les informations 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.

Notre intervention a été effectuée selon la doctrine professionnelle de la Compagnie Nationale des Commissaires aux Comptes relative à cette mission.

Nos travaux ont consisté à :

- vérifier la conformité du montant de l'émission visée ci-dessus avec le procès-verbal de l'organe délibérant autorisant cette émission ;
- examiner le processus d'élaboration des données financières prévisionnelles tenant compte de la présente émission, étant rappelé que, s'agissant de prévisions présentant par nature un caractère incertain, les réalisations différeront parfois de manière significative, des informations prévisionnelles établies ;
- vérifier les modalités de calcul du ratio de couverture issu de ces données prévisionnelles, telles qu'elles sont prévues par les dispositions du règlement 99-10 du CRBF et par l'instruction 2011-I-06 de l'Autorité de Contrôle Prudentiel ;
- vérifier le respect des règles prévues aux articles L.515-20 et R.515-7-2 sur la base de ces données financières prévisionnelles.

Sur la base de nos travaux, nous n'avons pas d'observation à formuler sur le respect, par la Compagnie de Financement Foncier, des règles prévues aux articles L.515-20 et R.515-7-2 du code monétaire et financier, après prise en compte de la présente émission visée ci-dessus.

Paris, le 13 janvier 2012

Le Contrôleur Spécifique

CAILLIAU DEDOUIT ET ASSOCIES

Laurent BRUN



ANNEXE

Montants après prise en compte des émissions obligataires réalisées du 1^{er} janvier 2012 au 12 janvier 2012, y compris la présente émission de 1 milliard d'euros (date de règlement 19 janvier 2012).

En millions d'euros	Estimé	Prévisionnel
	Au 31 décembre 2011	Au 31 mars 2012
Total des emplois	104 717	100 942
Total des emplois pondérés	99 628	96 343
Total des ressources bénéficiant du privilège mentionné à l'article L.515-19 du Code monétaire et financier	90 435	86 882