



COMPAGNIE DE FINANCEMENT FONCIER

Euro 50,000,000,000

Euro Medium Term Note Programme

for the issue of *Obligations Foncières* due from one month from the date of original issue

Under the Euro Medium Term Note Programme described in this Base Prospectus (the “**Programme**”), Compagnie de Financement Foncier (the “**Issuer**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue *obligations foncières* (the “**Obligations Foncières**” or the “**Notes**”), benefiting from the statutory *privilège* created by Article L.515-19 of the French *Code monétaire et financier*, as more fully described herein. No credit linked Notes will be issued under the Programme.

The aggregate nominal amount of Notes outstanding will not at any time exceed Euro 50,000,000,000 (or the equivalent in other currencies).

This Base Prospectus replaces and supersedes the Offering Circular dated 1 July 2004.

Application has been made to the *Commission de surveillance du secteur financier* in Luxembourg for approval of this Base Prospectus and, at the same time for the notification of a certificate of approval released to the French competent authority, both of approval and notification being made in its capacity as competent authority under the “*loi relative aux prospectus pour valeurs mobilières*” dated 10 July 2005 which implements the Directive 2003/71/EC of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading.

Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme for the period of 12 months from the date of this Base Prospectus to be listed and admitted to trading on the Luxembourg Stock Exchange. The Luxembourg Stock Exchange is a regulated market for the purposes of the Investment Services Directive 93/22/EEC, appearing on the list of regulated markets issued by the European Commission (see “*Terms and Conditions of the Notes*”). Notes which are not listed or admitted to trading on a regulated market, or which are not offered to the public, in a Member State of the European Economic Area (“**EEA**”) may be issued under the Programme and may also be listed on an alternative stock exchange or may not be listed at all. The relevant final terms (the “**Final Terms**”) (as defined in “*Overview of the Programme*”) in respect of the issue of any Notes will specify whether or not such Notes will be listed and admitted to trading and/or offered to the public and, if so, the relevant regulated market in the EEA where the Notes will be listed and admitted to trading and/or the Member State(s) in the EEA where the Notes will be offered to the public and will be published, if relevant, on the website of the regulated market where the admission to trading is sought.

Notes may be issued either in dematerialised form (“**Dematerialised Notes**”) or in materialised form (“**Materialised Notes**”) as more fully described herein.

Dematerialised Notes will at all times be in book entry form in compliance with Article L.211-4 of the French *Code monétaire et financier*. No physical documents of title will be issued in respect of the Dematerialised Notes.

Dematerialised Notes may, at the option of the Issuer, be in bearer dematerialised form (*au porteur*) inscribed as from the issue date in the books of Euroclear France (“**Euroclear France**”) (acting as central depository) which shall credit the accounts of Account Holders (as defined in “*Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination*”) including, Euroclear Bank S.A./N.V., as operator of the Euroclear System (“**Euroclear**”) and the depository bank for Clearstream Banking, *société anonyme* (“**Clearstream, Luxembourg**”), or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant holder, in either fully registered dematerialised form (*nominatif pur*), in which case they will be inscribed in an account in the books of Euroclear France maintained by a registration agent (appointed in the relevant Final Terms) for the Issuer, or in administered registered dematerialised form (*nominatif administré*) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant holder of Notes.

Materialised Notes will be in bearer materialised form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a “**Temporary Global Certificate**”) will initially be issued in relation to Materialised Notes. Such Temporary Global Certificate will subsequently be exchanged for definitive Materialised Notes in bearer form (the “**Definitive Materialised Notes**”) on or after a date expected to be on or about the 40th day after the issue date of the Notes (subject to postponement as described in “*Temporary Global Certificate issued in respect of Materialised Notes*”) upon certification as to non-US beneficial ownership with, where applicable, coupons for interest attached.

Temporary Global Certificates will (a) in the case of a Tranche intended to be cleared through Euroclear and/or Clearstream, Luxembourg, be deposited on the issue date with a common depository for Euroclear and Clearstream, Luxembourg, (b) in the case of a Tranche intended to be cleared through Euroclear France, be deposited with Euroclear France as central depository, and (c) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream, Luxembourg and Euroclear France or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer (as defined below).

The Programme has been rated Aaa by Moody’s Investors Service and AAA by Standard & Poors Ratings Services. It is expected that the Notes issued under the Programme will be rated AAA by Standard & Poors Ratings Services, by Fitch Ratings and Aaa by Moody’s Investors Service.

The final terms of the Notes will be determined at the time of the offering of each Tranche and will be set out in the relevant Final Terms.

Arranger
Deutsche Bank
Dealers

ABN AMRO
BNP PARIBAS
IXIS Corporate & Investment Bank
Credit Suisse First Boston
Dresdner Kleinwort Wasserstein
Merrill Lynch International
Nomura International

Barclays Capital
CALYON Corporate & Investment Bank
Crédit Foncier de France
Deutsche Bank
HSBC-CFF
Morgan Stanley
SG Corporate & Investment Banking

The prospectus as defined in Article 5.4 of Directive 2003/71/EC (the “Prospectus Directive”) consists in (a) this base prospectus (the « Base Prospectus ») containing the base terms and conditions of the Notes to be issued under the Programme and (b) the Final Terms of the Notes.

This Base Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see “Documents Incorporated by Reference” below).

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Arranger (as defined in “Overview of the Programme”). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Issuer has undertaken with the Dealers to amend or supplement this Base Prospectus or publish a new Prospectus if and when the information herein should become materially inaccurate or incomplete.

The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or with any security regulation authority of any state or other jurisdiction of the United States and include Materialised Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered or sold or, in the case of Materialised Notes delivered within the United States or to U.S. persons (as defined in Regulation S under the Securities Act (“Regulation S”) or, in the case of Materialised Notes in bearer forms the U.S. Internal Revenue Code of 1986, as amended (the “U.S. Internal Revenue Code”).

THE NOTES ARE BEING OFFERED OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S.

For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see “Subscription and Sale”.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger or the Dealers to subscribe for, or purchase, any Notes.

The Arranger and the Dealers have not separately verified the information contained in this Base Prospectus. None of the Dealers or the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus. Neither this Base Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review

the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

In connection with the issue of any Tranche (as defined in “Summary of the Programme”), the Dealer or Dealers (if any) named as the stabilising manager(s) (the “Stabilising Manager(s)”) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes (provided that, in the case of any Tranche to be listed and admitted to trading, the aggregate principal amount of Obligations Foncières allotted does not exceed 105 per cent. of the aggregate principal amount of the relevant Tranche) or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to “€”, “Euro”, “EUR” are to the currency which was introduced as of 1 January 1999 with the start of the third stage of the European Economic and Monetary Union by which date the Euro became the legal currency in eleven Member States of the European Union, references to “£”, “pounds sterling”, “GBP” and “Sterling” are to the lawful currency of the United Kingdom, references to “\$”, “USD” and “US Dollars” are to the lawful currency of the United States of America, references to “¥”, “Hong Kong Dollars” are to the lawful current of Hong Kong, “JPY” and “Yen” are to the lawful currency of Japan and references to “CHF” and “Swiss Francs” are to the lawful currency of the Helvetic Confederation.

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SUMMARY OF THE PROGRAMME

This summary must be read as an introduction to this Base Prospectus and any decision to invest in the Notes should be based on a consideration of the Base Prospectus as a whole, including the documents incorporated by reference. Following the implementation of the relevant provisions of Directive 2003/71/EC (the “**Prospectus Directive**”) in each Member State of the European Economic Area no civil liability will attach to the Persons Responsible for the Information given in the Base Prospectus in any such Member State solely on the basis of the summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus. Where a claim relating to the information contained in this Base Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.

1-KEY INFORMATION ABOUT NOTES TO BE ISSUED UNDER THE PROGRAMME

Issuer:	Compagnie de Financement Foncier
Arranger:	Deutsche Bank AG Paris
Dealers:	ABN Amro Bank N.V, Barclays Bank PLC, BNP Paribas, Calyon, CCF, IXIS Corporate & Investment Bank, Crédit Foncier de France, Credit Suisse First Boston (Europe) Limited, Deutsche Bank AG, acting through its London branch at the address set out below (“Deutsche Bank AG, London Branch”), Dresdner Bank Aktiengesellschaft, Merrill Lynch International, Morgan Stanley & Co. International Limited, Nomura International plc and Société Générale
Programme Limit:	Up to Euro 50,000,000,000
Fiscal Agent and Principal Paying Agent:	Deutsche Bank AG, London Branch
Paying Agents:	Crédit Foncier de France (as Paris Paying Agent) Deutsche Bank Luxembourg S.A. (as Luxembourg Paying Agent) Deutsche Bank Aktiengesellschaft (as Frankfurt Paying Agent)
Luxembourg Listing Agent:	Deutsche Bank Luxembourg S.A.
Method of Issue:	The Notes will be issued on a syndicated or non-syndicated basis.
Maturities:	Subject to compliance with all relevant laws, regulations and directives, any maturity from one month from the date of original issue.
Currencies:	Euro, U.S. Dollars, Hong Kong Dollars, Japanese yen, Swiss francs, Sterling and in any other currency specified in the relevant Final Terms.
Commercial terms of the Notes (price, amount, interest rate, etc.):	The commercial terms and conditions of the Notes of each Series of Notes will be set out in the applicable Final Terms.
Denomination:	Minimum denomination of each Note: €1,000 (or the equivalent amount in any other currency at the issue date). Dematerialised Notes shall be issued in one denomination only.
Use of Proceeds	The net proceeds of the issue of the Notes will be used for the Issuer’s general corporate purposes.

Status of Notes:	The Notes (<i>Obligations Foncières</i>) are issued under Articles L. 515-13 to L. 515-33 of the French <i>Code monétaire et financier</i> . Holders of Notes benefit from a <i>privilège</i> (priority right of payment) over all the assets and revenues of the Issuer.
Form of Notes:	Dematerialised Notes or Materialised Notes. Dematerialised Notes may be issued in bearer dematerialised form (<i>au porteur</i>) or in registered dematerialised form (<i>au nominatif</i>). Materialised Notes will be in bearer form only.
Negative Pledge:	None.
Events of Default (including Cross Default):	None.
Redemption:	The Final Terms will specify the conditions under which the Notes may be redeemed prior to maturity at the option of the Noteholder or the Issuer.
Taxation:	Except as otherwise stated in the Final Terms, payments in respect of the Notes issued by <i>Compagnie de Financement Foncier</i> will be made without withholding or deduction for, or on account of, taxes imposed by or on behalf of the Republic of France.
Central Depository	Euroclear France in respect of Dematerialised Notes
Clearing Systems	Euroclear France, Euroclear and Clearstream Luxembourg.
Listing and Admission to Trading:	The Luxembourg Stock Exchange or as otherwise specified in the relevant Final Terms. As specified in the relevant Final Terms, a Series of Notes may or may not be listed and admitted to trading
Offer to the public:	The Notes may or may not be offered to the public in Luxembourg and/or in any Member State of the European Economic Area.
Method of Publication of the Final Terms:	The Final Terms related to Notes listed and admitted to trading will be published, if relevant, on the website of the Luxembourg Stock Exchange.
Rating:	Notes issued under the Programme will be rated.
Selling Restrictions:	The offer and sale of Notes will be subject to selling restrictions in various jurisdictions, in particular, those of the United States of America, those of the European Economic Area including France and the United Kingdom. Further restrictions that may apply to a Series of Notes will be specified in the applicable Final Terms.
Governing Law:	French law.

2-KEY INFORMATION ABOUT THE ISSUER

In compliance with the Savings and Financial Security Act of June 1999, Crédit Foncier de France founded in 1852, created the SCF ("Société de Crédit Foncier") *Compagnie de Financement Foncier* on July 23, 1999. At this time, the existing stock of bonds and eligible assets was transferred to this new entity from Crédit Foncier de France. As the "Société de Crédit Foncier" of Groupe Crédit Foncier de France (AA-/Aa3/AA-) and its parent company Groupe Caisse d'Epargne (AA/Aa2/AA), *Compagnie de Financement Foncier* is their dedicated

AAA/Aaa/AAA refinancing vehicle. It is a French « *société anonyme* » (limited liability company) authorised as a Financial Company (*Société Financière*) and a « Société de Crédit Foncier » by a decision of the French Credit Institutions Committee (CECEI – Comité des Etablissements de Crédit et des Entreprises d'Investissement). It is therefore governed by the legislation applicable to credit institutions and, as a « Société de Crédit Foncier », it is also governed by Articles L.515-13 to L.515-33 of the French Monetary and Financial Code.

As at 29 June 2005 the Compagnie de Financement Foncier's subscribed capital amounted to 110,000,000 euros. It is divided into 6,875,000 fully paid-up shares with a par-value of 16 euros each, of which 6,874,994 are held by Crédit Foncier de France.

Its registered office is located at 19, rue des Capucines, 75001 Paris.

With an issue volume of €11.2 billion (€9.6 billion in 2003), the Company became France's leading private issuer in 2004. Within the covered bonds market, Compagnie de Financement Foncier is the principal issuer of "obligations foncières" (with a market share of close to 50%), and is one of Europe's top ten issuers of covered bonds. Since its creation in 1999, it has issued €43.7 billion worth of "obligations foncières" and has a total outstanding of €41.1 billion.

Compagnie de Financement Foncier's sole activity is to acquire and refinance eligible assets. These assets are comprised of loans with a first rank mortgage, local authority and public sector loans, securities issued or guaranteed by local authorities and public entities and senior securitisation units of mortgage loans or loans to public sector. In order to refinance these assets, the Compagnie de Financement Foncier issues AAA/Aaa/AAA-rated "obligations foncières" and raises other resources which may or may not benefit from the privilege as defined by Article L.515-19 of the French Monetary and Financial Code.

Key information concerning selected data of Compagnie de Financement Foncier in 2004 as at 31 December 2004

Mortgage loans acquired from Crédit Foncier de France	€2.9 billion
Acquisition of securitisation units	€3.4 billion
Acquisition of loans granted to public persons	€1.3 billion
Acquisition of securities issued by public entities	€2.1 billion
Increase of portfolio of replacement securities	Nearly €0.9 billion

3-RISK FACTORS

A. Risk factors relating to the Issuer

In order to offer more protection to holders of "obligations foncières" and ensure that ratings remain stable, Compagnie de Financement Foncier has created several additional levels of overcollateralisation above and beyond simple compliance with legal overcollateralisation. Moreover, it has strengthened its risk management by introducing strict management rules in addition to the existing regulatory framework. Compliance with these commitments is monitored by various means and reported to the Rating Agencies on a quarterly basis. These strict rules are designed to ensure the management of the credit risk, the interest rate risk, the currency risk and the liquidity risk. In addition, Compagnie de Financement Foncier hedges against interest rate risks, as it does for the rest of its balance sheet, by converting assets bought at fixed rate into assets at variable rates, and liabilities issued at fixed rates into liabilities at variable rates in euro. Furthermore, Compagnie de Financement Foncier has no open currency positions. The operations initiated in foreign currencies, primarily those negotiated during issues of "obligations foncières" are converted into euros through micro-hedging swaps at the time of their execution.

B. Risk factors relating to the Notes to be issued by the Issuer

In addition, there are certain factors that are specific to the Notes to be issued by the Issuer under the Programme.

An investment in the Notes involves certain risks which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. While all of these risk factors are contingencies which may or may not occur, potential investors should be aware that the risks involved with investing in the Notes may lead to a volatility and/or decrease in the market value of the relevant Tranche of Notes whereby the market value falls short of the expectations (financial or otherwise) of an investor upon making an investment in such Notes.

However, each prospective investor of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and conditions, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

The risk factors relating to the Notes Issued by the Issuer are more detailed in the section "Risk factors" of this Base Prospectus. The risk factors relating to the Issuer are more detailed in the section "Secure Risk Management" (pages 29 to 33) and in paragraphs 5 (included) to 9 (included) (pages 52 to 61) of the Annual Report 2004 incorporated by reference, as set out in the section "Documents incorporated by reference" of this Base Prospectus.

RISK FACTORS

Prospective purchasers of the Notes offered hereby should consider carefully, in light of their financial circumstances and investment objectives, all of the information in this Base Prospectus and, in particular, the risk factors set forth below in making an investment decision.

RISK FACTORS RELATING TO THE ISSUER

The risk factors relating to the Issuer are more detailed in the section "Secure Risk Management" (pages 29 to 33) and in paragraphs 5 (included) to 9 (included) (pages 52 to 61) of the Annual Report 2004 incorporated by reference as set out in the section "Documents incorporated by reference" of this Base Prospectus.

RISK FACTORS RELATING TO THE NOTES

The following paragraphs describe some risk factors that are material to the Notes to be offered and/or listed and admitted to trading in order to assess the market risk associated with these Notes. They do not describe all the risks of an investment in the Notes. Prospective investors should consult their own financial and legal advisers about risks associated with investment in a particular Series of Notes and the suitability of investing in the Notes in light of their particular circumstances. These risk factors may be completed in the Final Terms of the relevant Notes for a particular issue of Notes.

1. GENERAL RISKS RELATING TO THE NOTES

1.1 Independent Review and Advice

Each prospective investor of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

A prospective investor may not rely on the Issuer or the Dealer(s) or any of their affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

1.2 Potential Conflicts of Interest

Potential conflicts of interest may arise between the calculation agent, if any, for a Tranche of Notes and the Holders of Notes, including with respect to certain discretionary determinations and judgements that such calculation agent may make pursuant to the Terms and Conditions that may influence the amount receivable upon redemption of the Notes.

1.3 Legality of Purchase

Neither the Issuer, the Dealer(s) nor any of their affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

1.4 Modification, waivers and substitution

The conditions of the Notes contain provisions for calling general meetings of Holders of Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all including Holders of Notes who did not attend and vote at the relevant general meeting and Holders of Notes who voted in a manner contrary to the majority.

1.5 Taxation

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for innovative financial notes such as the Notes. Potential investors are advised not to rely upon the tax summary contained in this Base Prospectus and/or in the Final Terms but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor. This

investment consideration has to be read in connection with the taxation sections of this Base Prospectus and the additional tax sections, if any, contained in the relevant Final Terms.

1.6 EU Savings Directive

On 3 June 2003, the European Council of Economics and Finance Ministers adopted a Directive on the taxation of savings income. Under the Directive Member States are (if equivalent measures have been introduced by certain non-EU countries) required, from 1 July 2005, to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria will instead be required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries).

If, following implementation of the Directive, a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on payment made by a Paying Agent following implementation of the Directive, the Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

1.7 Change of Law

The Terms and Conditions of the Notes are based on French law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in French law or the official application or interpretation of French law after the date of this Base Prospectus.

1.8 Currency risk

Prospective investors of the Notes should be aware that an investment in the Notes may involve exchange rate risks. The Notes may be denominated in a currency other than the currency of the purchaser's home jurisdiction; and/or the Notes may be denominated in a currency other than the currency in which a purchaser wishes to receive funds. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets which are influenced by macro economic factors, speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Fluctuations in exchange rates may affect the value of the Notes.

1.9 Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

1.10 Market Value of the Notes

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including the value of an index, including, but not limited to, the volatility of an index, or the dividend on the securities taken up in the index, market interest and yield rates and the time remaining to the maturity date.

The value of the Notes, the index depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes, the securities taken up in the index, or the index are traded. The price at which a holder of Notes will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser. The historical market prices of an index should not be taken as an indication of an index's future performance during the term of any Note.

2. RISKS RELATED TO THE STRUCTURE OF A PARTICULAR ISSUE OF NOTES

The Programme allows for different types of Notes to be issued. Accordingly, each Tranche of Notes may carry varying risks for potential investors depending on the specific features of such Notes such as, inter alia, the provisions for computation of periodic interest payments, if any, redemption and issue price.

2.1 Notes subject to optional redemption by the Issuer

If in the case of any particular Tranche of Notes the Final Terms specifies that the Notes are redeemable at the Issuer's option in certain circumstances the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. During a period when the Issuer may elect, or has elected, to redeem Notes, such Notes may feature a market value not substantially above the price at which they can be redeemed. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes.

2.2 Fixed Rate Notes

Investment in Notes which bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the value of the relevant Tranche of Notes.

2.3 Floating Rate Notes

Investment in Notes which bear interest at a floating rate comprise (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the Final Terms) of the reference rate (e.g., every three months or six months) which itself will change in accordance with general market conditions. Accordingly, the market value of floating rate Notes may be volatile if changes, particularly short term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate.

2.4 Inverse Floating Rate Notes

Investment in Notes which bear interest at an inverse floating rate comprise (i) a fixed base rate minus (ii) a reference rate. The market value of such Notes typically is more volatile than the market value of floating rate Notes based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

2.5 Fixed to Floating Rate Notes

Fixed to floating rate Notes initially bear interest at a fixed rate; conversion from a fixed rate to a floating rate then takes place either automatically or at the option of the Issuer if certain predetermined conditions are met. The conversion (whether it be automatic or optional) of the interest rate will affect the secondary market and the market value of the Notes since the conversion may lead to a lower overall cost of borrowing. If a fixed rate is converted to a floating rate, the spread on the fixed to floating rate Notes may be less favourable than then prevailing spreads on comparable floating rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes.

2.6 Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

2.7 Index-Linked Notes

Index-linked Notes are debt securities which do not provide for predetermined redemption amounts and/or interest payments but amounts due in respect of principal and/or interest will be dependent upon the performance of an index, which itself may contain substantial credit, interest rate or other risks. The amount of principal and/or interest, if any, payable by the Issuer might be substantially less than the issue price or, as the

case may be, the purchase price invested by the Holder of Notes and may even be zero in which case the Holder of Notes may lose his entire investment.

Index-linked Notes are not in any way sponsored, endorsed, sold or promoted by the index sponsor or the respective licensor of the index and such index sponsor or licensor makes no warranty or representation whatsoever, express or implied, either as to the results to be obtained from the use of the index and/or the figure at which the index stands at any particular time. Each index is determined, composed and calculated by its respective index sponsor or licensor, without regard to the Issuer or the Notes. None of the index sponsors or licensors is responsible for or has participated in the determination of the timing of, prices at, or quantities of the Notes to be issued or in determination or calculation of the equation by which the Notes settle into cash. None of the index sponsors or licensors has any obligation or liability in connection with the administration, marketing or trading of the Notes. The index sponsor or licensor of an index has no responsibility for any calculation agency adjustment made for the index.

None of the Issuer, the Dealer(s) or any of their affiliates makes any representation as to an index. Any of such persons may have acquired, or during the term of the Notes may acquire, non-public information with respect to an index that is or may be material in the context of index-linked Notes. The issue of index-linked Notes will not create any obligation on the part of any such persons to disclose to the Holders of Notes or any other party such information (whether or not confidential).

2.8 Partly-paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of his investment.

2.9 Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features, their market values may be even more volatile than those for securities that do not include those features.

2.10 Structured Notes

An investment in Notes, the premium and/or the interest on or principal of which is determined by reference to one or more values of currencies, commodities, interest rates or other indices or formulae, either directly or inversely, may entail significant risks not associated with similar investments in a conventional debt security, including the risks that the resulting interest rate will be less than that payable on a conventional debt security at the same time and/or that an investor may lose the value of its entire investment or part of it, as the case may be. Neither the current nor the historical value of the relevant currencies, commodities, interest rates or other indices or formulae should be taken as an indication of future performance of such currencies, commodities, interest rates or other indices or formulae during the term of any Note.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the audited annual financial statements and audit reports for the financial years ended 31 December 2003 and 2004 of the Issuer which have been previously published or are published simultaneously with the Base Prospectus and that have been filed with the *Commission de surveillance du secteur financier* in Luxembourg (the “CSSF”) and shall be incorporated in, and form part of, this Base Prospectus save that any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus. This Base Prospectus will be published on the website of the Luxembourg Stock Exchange.

All documents incorporated by reference in this Base Prospectus may be obtained, free of charge, at the offices of each Paying Agent set out at the end of this Base Prospectus during normal business hours so long as any of the Notes are outstanding and will be published on the website of the Luxembourg Stock Exchange.

The Annual Report 2004 in the English language relating to Compagnie de Financement Foncier, incorporating its audited annual accounts for each of the periods ended 31 December 2002, 2003 and 2004, filed with the *Commission de surveillance du secteur financier* in Luxembourg is incorporated herein by reference. Copies of such Annual Report 2004 are available without charge on request at the principal office of Compagnie de Financement Foncier and the Listing Agent and will be published on the website of the Luxembourg Stock Exchange.

The Annual Report 2003 in the English language relating to Compagnie de Financement Foncier, incorporating its audited annual accounts for each of the periods ended 31 December 2001, 2002 and 2003, filed with the *Commission de surveillance du secteur financier* in Luxembourg, is incorporated herein by reference. Copies of such Annual Report 2003 are available without charge on request at the principal office of Compagnie de Financement Foncier and the Listing Agent and will be published on the website of the Luxembourg Stock Exchange.

The information in relation with cash flow statements dated 19 August 2005 is incorporated herein by reference.

The information incorporated by reference in this Base Prospectus shall be read in connection with the cross-reference list as set out in the section “Cross-Reference List”.

A complement information is included in this Base Prospectus under the section “Complement Information”.

SUPPLEMENT TO THE BASE PROSPECTUS

If at any time the Issuer shall be required to prepare a supplement to the Base Prospectus pursuant to the provisions of the *loi relative aux prospectus pour valeurs mobilières* in Luxembourg implementing Article 16 of the Prospectus Directive 2003/71/EC, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus or a restated Base Prospectus, which in respect of any subsequent issue of Notes to be listed and admitted to trading on the Luxembourg Stock Exchange or on a regulated market of a Member State of the European Economic Area or to be offered to the public in Luxembourg or in any Member State of the European Economic Area, shall constitute a supplement to the Base Prospectus for the purpose of the relevant provisions of the *loi relative aux prospectus pour valeurs mobilières*.

**PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE BASE
PROSPECTUS**

To the best knowledge of the Issuer, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, in accordance with the facts and contains no omission likely to affect its import.

Compagnie de Financement Foncier
19, rue des Capucines
75001 Paris
France

Duly represented by: M. Thierry Dufour
Directeur Général/C.E.O.
Duly authorised

OVERVIEW OF THE PROGRAMME

The following overview is qualified in its entirety by the remainder of this Base Prospectus.

I. Notes to be issued under the Programme

Issuer: Compagnie de Financement Foncier, (a *société anonyme* incorporated under French law duly licensed in France as a *société de crédit foncier*).

Description: Euro Medium Term Note Programme for the continuous offer of Notes (as described herein) (the “**Programme**”); under the Programme the Issuer may, from time to time, issue *obligations foncières* (the “**Obligations Foncières**”) benefiting from the *privilège* created by Article L. 515-19 of the French *Code monétaire et financier* (for further description see “Summary of the legislation and regulations relating to *Sociétés de Crédit Foncier*). The *Obligations Foncières* are hereinafter referred to as the “**Notes**”.

Arranger: Deutsche Bank AG Paris

Dealers: ABN AMRO Bank N.V.
Barclays Bank PLC
BNP PARIBAS
CALYON
CCF
IXIS Corporate & Investment Bank
Crédit Foncier de France
Credit Suisse First Boston (Europe) Limited
Deutsche Bank AG, acting through its London branch at the address set out below (“Deutsche Bank AG, London Branch”)
Dresdner Bank Aktiengesellschaft
Merrill Lynch International
Morgan Stanley & Co. International Limited
Nomura International plc
Société Générale

The Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to “**Permanent Dealers**” are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to “**Dealers**” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.

At the date of this Base Prospectus, only credit institutions and investment firms incorporated in a member state of the European Union (“**EU**”) and which are authorised by the relevant authority of such member home state to lead-manage bond issues in such member state may act (a) as Dealers with respect to non-syndicated issues of Notes denominated in Euro and (b) as lead manager of issues of Notes denominated in Euro issued on a syndicated basis.

Programme Limit:	Up to Euro 50,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
Luxembourg Listing Agent:	Deutsche Bank Luxembourg S.A. 2, boulevard Konrad Adenauer L-1115 Luxembourg Luxembourg
Fiscal Agent and Principal Paying Agent:	Deutsche Bank AG, London Branch Winchester House 1 Great Winchester Street EC2N 2DB London United Kingdom
Paying Agents:	Crédit Foncier de France as Paris Paying Agent 4, Quai de Bercy 94224 Charenton Cedex France
	Deutsche Bank Luxembourg S.A. as Luxembourg Paying Agent 2, boulevard Konrad Adenauer L-1115 Luxembourg Luxembourg
	Deutsche Bank Aktiengesellschaft, as Frankfurt Paying Agent Grosse Gallustrasse 10-14 60272 Frankfurt am Main Germany
Method of Issue:	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “ Series ”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “ Tranche ”) on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and which, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a Final Terms to this Base Prospectus (the “ Final Terms ”).
Maturities:	Subject to compliance with all relevant laws, regulations and directives, any maturity from one month from the date of original issue.
Currencies:	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, U.S. Dollars, Hong Kong Dollars, Japanese yen, Swiss francs, Sterling and in any other currency agreed between the Issuer and the relevant Dealers.
	The Arranger, each Dealer and the Issuer will, in relation to issues of Notes denominated in Euro, comply with the Guidelines provided by the letter dated 1 October 1998 from the French Minister of Economy, Finance and Industry to the <i>Président</i> of the <i>Association française des</i>

établissements de crédit et des entreprises d'investissement (the “**Euro Guidelines**”).

Denomination:	<p>Notes will be in such denominations as may be specified in the relevant Final Terms.</p> <p>The Notes will be issued in such denomination(s) as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note listed and admitted to trading on a regulated market, or offered to the public, in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date) or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.</p> <p>Notes having a maturity of less than one year will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent.</p> <p>Dematerialised Notes shall be issued in one denomination only.</p>
Status of Notes:	<p>The Notes will constitute direct, unconditional, and, as provided below, privileged obligations of the Issuer, all as described in “Terms and Conditions of the Notes - Status”. The Notes are issued under Articles L. 515-13 to L. 515-33 of the French <i>Code monétaire et financier</i>. Holders of Notes issued by a <i>société de crédit foncier</i> (like the Issuer) benefit from a <i>privilège</i> (priority right of payment) over all the assets and revenues of such <i>société de crédit foncier</i>. See “Terms and Conditions of the Notes - <i>Privilège</i>” and Summary of the Legislation and Regulations relating to <i>sociétés de crédit foncier</i>.</p>
Negative Pledge:	<p>None.</p>
Events of Default (including Cross Default):	<p>None.</p>
Redemption:	<p>The relevant Final Terms will specify the basis for calculating the redemption amounts payable.</p>
Optional Redemption:	<p>The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and if so the terms applicable to such redemption.</p>
Redemption by Instalments:	<p>The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.</p>
Interest Periods and Interest Rates:	<p>The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.</p>

Fixed Rate Notes:	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.
Floating Rate Notes:	<p>Floating Rate Notes will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none"> (i) on the same basis as the floating rate under an interest rate swap transaction in the relevant Specified Currency pursuant to the 2001 FBF Master Agreement relating to transactions on forward financial instruments (formerly 1994 AFB Master Agreement for Foreign Exchange and Derivatives Transactions, as supplemented by the Technical Schedules published by the <i>Association Française des Banques</i> or the FBF), or (ii) by reference to LIBOR, LIBID, LIMEAN or EURIBOR (or such other benchmark as may be specified in the relevant Final Terms), or as otherwise provided in the relevant Final Terms, <p>in each case as adjusted for any applicable margin.</p> <p>Interest periods will be specified in the relevant Final Terms.</p>
Zero Coupon Notes:	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
Dual Currency Notes:	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as may be specified in the relevant Final Terms.
Index Linked Notes:	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula as may be specified in the relevant Final Terms. Index Linked Notes will be issued in accordance with the applicable provisions of French law and the Issuer's <i>statuts</i> from time to time.
Other Notes:	Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, reverse dual currency Notes, optional dual currency Notes, partly paid Notes and any other type of Notes that the Issuer and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Final Terms. No credit linked Notes will be issued under the Programme.
Redenomination:	Notes issued in the currency of any Member State of the EU which participates in the single currency of the EMU may be redenominated into Euro, all as more fully provided in "Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination(s)" below.
Consolidation:	Notes of one Series may be consolidated with Notes of another Series as more fully provided in "Terms and Conditions of the Notes - Further Issues and Consolidation".
Form of Notes:	<p>Notes may be issued in either dematerialised form ("Dematerialised Notes") or in bearer materialised form ("Materialised Notes").</p> <p>Dematerialised Notes may, at the option of the Issuer, be issued in bearer dematerialised form (<i>au porteur</i>) or in registered dematerialised form (<i>au nominatif</i>) and, in such latter case, at the option of the relevant holder, in either fully registered dematerialised form (<i>au nominatif pur</i>) or administered registered dematerialised form (<i>au nominatif</i>).</p>

administré). No physical documents of title will be issued in respect of Dematerialised Notes. See “Notes - Form, Denomination, Title and Redenomination”.

Materialised Notes will be in bearer materialised form only. A Temporary Global Certificate will initially be issued in respect of each Tranche of Materialised Notes. Materialised Notes may only be issued outside France.

Governing Law:	French.
Clearing Systems:	Euroclear France as central depository in relation to Dematerialised Notes and, in relation to Materialised Notes, Clearstream, Luxembourg and Euroclear or any other clearing system that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer.
Initial Delivery of Dematerialised Notes:	No later than one Paris business day before the issue date of each Tranche of Dematerialised Notes, the <i>lettre comptable</i> relating to such Tranche shall be deposited with Euroclear France as central depository.
Initial Delivery of Materialised Notes:	On or before the issue date for each Tranche of Materialised Notes, the Temporary Global Certificate issued in respect of such Tranche shall be deposited with a common depository for Euroclear and Clearstream, Luxembourg or with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer.
Issue Price:	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.
Taxation:	<p>Payments in respect of the Notes will be made without withholding or deduction for, or on account of, taxes imposed by or on behalf of the Republic of France as provided by Article 131 <i>quater</i> of the French <i>Code Général des Impôts</i>, to the extent that the Notes are issued (or deemed to be issued) outside France.</p> <p>The Notes constituting <i>Obligations Foncières</i> will be issued (or deemed to be issued) outside France (i) in the case of syndicated or non-syndicated issues of <i>Obligations Foncières</i>, if such Notes are denominated in Euro, (ii) in the case of syndicated issues of <i>Obligations Foncières</i> denominated in currencies other than Euro, if, <i>inter alia</i>, the Issuer and the relevant Dealers agree not to offer the <i>Obligations Foncières</i> to the public in the Republic of France in connection with their initial distribution and such <i>Obligations Foncières</i> are offered in the Republic of France only through an international syndicate to “qualified investors” as described in Article L.411-2 of the French <i>Code monétaire et financier</i>, or (iii) in the case of non-syndicated issues of <i>Obligations Foncières</i> denominated in currencies other than Euro, if each of the initial subscribers of the <i>Obligations Foncières</i> is domiciled or resident for tax purposes outside the Republic of France, in each case as more fully set out in the Circular 5 I-11-98 of the <i>Direction Générale des Impôts</i> dated 30 September 1998.</p> <p>If so provided in the relevant Final Terms, Notes constituting <i>Obligations Foncières</i> and denominated in currencies other than Euro may be issued on a non-syndicated basis and placed with subscribers</p>

who are all resident outside the Republic of France. In such cases, the *Obligations Foncières* will not benefit from the exemption from deduction at source provided by Article 131 *quater* of the French *Code Général des Impôts* and payments under such *Obligations Foncières* made to a non-French resident will be exempt from withholding or deduction at source only if the beneficiary of the payment provides certification that he is not resident in the Republic of France, all in accordance with the provisions of Article 125 A III of the French *Code Général des Impôts*, as more fully described in “Terms and Conditions of the Notes - Taxation”.

Unless specifically provided in the Final Terms, there will be no grossing up provisions and accordingly no Issuer’s tax call option. See “Terms and Conditions of the Notes - Taxation”.

Listing and Admission to Trading:

The Luxembourg Stock Exchange or as otherwise specified in the relevant Final Terms. As specified in the relevant Final Terms, a Series of Notes may or may not be admitted to trading

Offer to the public:

Unless the Final Terms so specify, the Notes shall not be offered to the public in Luxembourg and/or in any Member State of the European Economic Area.

Method of Publication of the Final Terms:

The Final Terms related to Notes listed and admitted to trading on any Regulated Market and/or offered to the public will be published, if relevant, will always be published on the website of the Luxembourg Stock Exchange.

Rating:

The Programme has been rated Aaa by Moody’s Investors Service¹ and AAA by Standard & Poors 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 rating desk or moodys.com. It is expected that the Notes issued under the Programme will be rated AAA by Standard & Poors Ratings Services² and by Fitch Ratings.³ 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.

Selling Restrictions:

There are restrictions on the sale of Notes and the distribution of offering material in various jurisdictions. See “Subscription and Sale”. In connection with the offering and sale of a particular Tranche, additional selling restrictions may be imposed which will be set out in the relevant Final Terms. See “Subscription and Sale”.

The Issuer is Category 1 for the purposes of Regulation S under the United States Securities Act of 1933, as amended.

¹ Obligations rated Aaa are judged to be of the highest quality, with minimal credit risk (source: Moody’s Investors Service).

² An obligation rated “AAA” has the highest rating assigned by Standard & Poor’s. The obligor capacity to meet its financial commitment on the obligation is extremely strong (source: Standard & Poors Ratings Services).

³ “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).

Materialised Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the “**D Rules**”) unless (i) the relevant Final Terms states that such Materialised Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “**C Rules**”) or (ii) such Materialised Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.

Dematerialised Notes do not require compliance with the TEFRA Rules.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Final Terms, shall be applicable to the Notes. In the case of Dematerialised Notes, the text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text as completed, amended or varied by the relevant Final Terms. In the case of Materialised Notes, either (i) the full text of these terms and conditions together with the relevant provisions of the Final Terms or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on Definitive Materialised Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Final Terms. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued by Compagnie de Financement Foncier (the “**Issuer**”) with the benefit of an amended and restated agency agreement dated 25 August 2005 between the Issuer, Deutsche Bank AG, London Branch as fiscal agent and the other agents named in it (the “**Amended and Restated Agency Agreement**”). The fiscal agent, the paying agents, the redenomination agent, the consolidation agent and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Fiscal Agent**”, the “**Paying Agents**” (which expression shall include the Fiscal Agent), the “**Redenomination Agent**”, the “**Consolidation Agent**” and the “**Calculation Agent(s)**”.

For the purpose of these Terms and Conditions, “**Regulated Market**” means any regulated market situated in a Member State of the European Economic Area (“**EEA**”) as defined in the Investment Services Directive 93/22/EC and as listed on the website of Europa (http://www.europa.eu.int/comm/internal_market/en/finances/mobil/isd).

References below to “**Conditions**” are, unless the context requires otherwise, to the numbered paragraphs below.

Certain defined terms contained in the 2001 FBF Master Agreement relating to transactions on forward financial instruments (formerly the 1994 AFB Master Agreement for Foreign Exchange and Derivatives Transactions as supplemented by the Technical Schedules published by the AFB or the FBF (together the “**FBF Master Agreement**”)) have either been used or reproduced in Condition 5 below.

Copies of the FBF Master Agreement are available for inspection at the specified offices of each of the Paying Agents.

1 Form, Denomination, Title and Redenomination

- (a) **Form:** Notes may be issued either in dematerialised form (“**Dematerialised Notes**”) or in materialised form (“**Materialised Notes**”).
 - (i) Title to Dematerialised Notes will be evidenced in accordance with Article L.211-4 of the French *Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article 7 of Decree no. 83-359 of 2 May 1983) will be issued in respect of the Dematerialised Notes.

Dematerialised Notes are issued, at the option of the Issuer and as specified in the final terms (the “**Final Terms**”), in either bearer dematerialised form (*au porteur*), which will be inscribed in the books of Euroclear France (“**Euroclear France**”) (acting as central depository) which shall credit the accounts of Account Holders, or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant holder in either administered registered dematerialised form (*au nominatif administré*) inscribed in the books of an Account Holder designated by the relevant holder of Notes or in fully registered dematerialised form (*au nominatif pur*) inscribed in an account in

the books of Euroclear France maintained by a registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the “**Registration Agent**”).

For the purpose of these Conditions, “**Account Holder**” means any authorised financial intermediary institution entitled to hold directly or indirectly accounts on behalf of its customers with Euroclear France, Euroclear Bank S.A. / N.V., as operator of the Euroclear System (“**Euroclear**”) and the depositary bank for Clearstream Banking, société anonyme, (“**Clearstream, Luxembourg**”).

- (ii) Materialised Notes are issued in bearer form. Definitive Materialised Notes are printed on security paper, are serially numbered and are issued with coupons (the “**Coupons**”) (and, where appropriate, a talon (the “**Talons**”) attached), save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more receipts (the “**Receipts**”) attached.

In accordance with Article L.211-4 of the French Code monétaire et financier, securities (including the Notes) in materialised form and governed by French law must be issued outside the French territory.

- (b) **Denomination:** Notes shall be issued in the Specified Denomination(s) as set out in the relevant Final Terms save that the minimum denomination of each Note listed and admitted to trading on a regulated market, or offered to the public, in a Member State of the European Economic Area (“**EEA**”) in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the issue date) or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency. Dematerialised Notes shall be issued in one Specified Denomination only. Dematerialised Notes shall be issued in one Specified Denomination only.
- (c) **Title:**
 - (i) Title to Dematerialised Notes in bearer dematerialised form (*au porteur*) and in administered registered dematerialised form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of Account Holders. Title to Dematerialised Notes in fully registered dematerialised form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Registration Agent.
 - (ii) Title to Definitive Materialised Notes and Receipts, Coupons and Talons shall pass by delivery.
 - (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.
 - (iv) In these Conditions, “**holder of Notes**”, “**holder of any Note**” or “**Noteholder**” means (i) in the case of Dematerialised Notes, the person whose name appears in the account of the relevant Account Holder or the Registration Agent (as the case may be) as being entitled to such Notes and (ii) in the case of Materialised Notes, the bearer of any definitive Materialised Note and the Receipt, Coupon or Talon relating to it, and capitalised terms have the meanings given to them in the relevant Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes.

(d) **Redenomination:**

- (i) The Issuer may (if so specified in the relevant Final Terms), on any Interest Payment Date, without the consent of the holder of any Note, Receipt, Coupon or Talon, by giving at least 30 days' notice in accordance with Condition 14 and on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the third stage (or any further stage) of the European Economic and Monetary Union (as provided in the Treaty establishing the European Community (the "EC", as amended from time to time (the "**Treaty**")) or events have occurred which have substantially the same effects (in either case, "EMU"), redenominate all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Final Terms accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the "**Redenomination Date**".
- (ii) Unless otherwise specified in the relevant Final Terms, the redenomination of the Notes pursuant to Condition 1(d)(i) shall be made by converting the principal amount of each Note from the relevant national currency into Euro using the fixed relevant national currency Euro conversion rate established by the Council of the European Union pursuant to applicable regulations of the Treaty and rounding the resulting figure to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). If the Issuer so elects, the figure resulting from conversion of the principal amount of each Note using the fixed relevant national currency Euro conversion rate shall be rounded down to the nearest Euro. The Euro denominations of the Notes so determined shall be notified to holders of Notes in accordance with Condition 14. Any balance remaining from the redenomination with a denomination higher than Euro 0.01 shall be paid by way of cash adjustment rounded to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). Such cash adjustment will be payable in Euros on the Redenomination Date in the manner notified to holders of Notes by the Issuer.
- (iii) In the case of Dematerialised Notes only, the Issuer may also redenominate all, but not some only, of the Notes of any Series into Euro in accordance with Article L.113-4 of the French *Code monétaire et financier* provided that references to the Franc or the ECU contained in such Article L.113-4 shall be deemed to be references to the currency of any Member State participating in the third stage of the EMU.
- (iv) Upon redenomination of the Notes, any reference hereon to the relevant national currency shall be construed as a reference to Euro.
- (v) Unless otherwise specified in the relevant Final Terms, the Issuer may, with the prior approval of the Redenomination Agent and the Consolidation Agent, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 13, without the consent of the holder of any Note, Receipt, Coupon or Talon, make any changes or additions to these Conditions or Condition 13 (including, without limitation, any change to any applicable business day definition, business day convention, principal financial centre of the country of the Specified Currency, interest accrual basis or benchmark), taking into account market practice in respect of redenominated Euromarket debt obligations and which it believes are not prejudicial to the interests of such holders. Any such changes or additions shall, in the absence of manifest error, be binding on the holders of Notes, Receipts, Coupons and Talons and shall be notified to holders of Notes in accordance with Condition 14 as soon as practicable thereafter.
- (vi) Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note, Receipt, Coupon or Talon or other person for any commissions, costs, losses or

expenses in relation to or resulting from the credit or transfer of Euros or any currency conversion or rounding effected in connection therewith.

2 Conversions and Exchanges of Notes

(a) Dematerialised Notes

- (i) Dematerialised Notes issued in bearer dematerialised form (*au porteur*) may not be converted for Dematerialised Notes in registered dematerialised form, whether in fully registered dematerialised form (*au nominatif pur*) or in administered registered dematerialised form, (*au nominatif administré*).
- (ii) Dematerialised Notes issued in registered dematerialised form (*au nominatif*) may not be converted for Dematerialised Notes in bearer dematerialised form (*au porteur*).
- (iii) Dematerialised Notes issued in fully registered dematerialised form (*au nominatif pur*) may, at the option of the holder of such Notes, be converted into Notes in administered registered dematerialised form (*au nominatif administré*), and *vice versa*. The exercise of any such option by such holder shall be made in accordance with Article 4 of Decree no. 83-359 of 2 May 1983. Any such conversion shall be effected at the cost of such holder.

(b) Materialised Notes

Materialised Notes of one Specified Denomination may not be exchanged for Materialised Notes of another Specified Denomination.

3 Status

The Notes and, where applicable, any Receipts and Coupons relating to them constitute direct, unconditional and, pursuant to the provisions of Condition 4, privileged obligations of the Issuer and rank and will rank *pari passu* and without any preference among themselves and equally and rateably with all other present or future notes (including the Notes of all other Series) and other resources raised by the Issuer benefiting from the *privilège* (the “**Privilège**”) created by Article L.515-19 of the French *Code monétaire et financier* as described in Condition 4.

4 Privilège

- (a) The Notes benefit from the *Privilège* (priority right of payment) created by Article L.515-19 of the French *Code monétaire et financier*.
- (b) Pursuant to Article L.515-19 of the French *Code monétaire et financier*, all amounts payable to the Issuer in respect of loans and securities referred to in Article L.515-14 to L.515-17 of the French *Code monétaire et financier* and the forward financial instruments referred to in Article L.515-18 of the French *Code monétaire et financier* (in each case after any applicable netting), together with the claims in respect of deposits made by the Issuer with credit institutions, are allocated in priority to the payment of any sums due in respect of the *obligations foncières* issued by the Issuer and any other resources raised by the Issuer pursuant to the *Privilège*.

It should be noted that not only Notes benefit from the *Privilège*; other resources (such as loans) and derivative transactions for hedging Notes and such other resources may also benefit from the *Privilège*.

- (c) Article L.515-19 of the French *Code monétaire et financier* provides that, notwithstanding any legislative provisions to the contrary and in particular those contained in the French *Code de Commerce* (relating to the prevention and amicable settlement of business difficulties and to the judicial administration and liquidation of companies), the amounts due regularly under *obligations foncières* and any other resources benefiting from the *Privilège*, are paid on their contractual due date, and in priority to all other debts, whether or not preferred, including interest resulting from agreements whatever their duration. Accordingly, until all creditors

benefiting from the *Privilège* have been fully paid, no other creditor of the Issuer may exercise any right over the assets and rights of the Issuer.

5 Interest and other Calculations

- (a) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Business Day**” means:

- (i) in the case of Euro, a day on which the TARGET system is operating (a “**TARGET Business Day**”) and/or
- (ii) in the case of a Specified Currency other than Euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency and/or
- (iii) in the case of a Specified Currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the “**Calculation Period**”):

- (i) if “**Actual/365 - FBF**” is specified in the relevant Final Terms, the fraction whose numerator is the actual number of days elapsed during the Calculation Period and whose denominator is 365. If part of that Calculation Period falls in a leap year, Actual /365 - FBF shall mean the sum of (i) the fraction whose numerator is the actual number of days elapsed during the non-leap year and whose denominator is 365 and (ii) the fraction whose numerator is the number of actual days elapsed during the leap year and whose denominator is 366
- (ii) if “**Actual/Actual**” is specified in the relevant Final Terms in respect of each calculation, the fraction whose numerator is the actual number of days elapsed during such period and whose denominator is 365 (or 366 if 29 February falls within the Calculation Period)
- (iii) if “**Actual/Actual-ISMA**” is specified in the relevant Final Terms

if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

if the Calculation Period is longer than one Determination Period, the sum of:

the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“**Determination Date**” means the date specified hereon or, if none is specified, the Interest Payment Date.

- (iv) if “**Actual/365 (Fixed)**” is specified in the relevant Final Terms, the fraction whose numerator is the actual number of days elapsed during the Calculation Period and whose denominator is 365
- (v) if “**Actual/360**” is specified in the relevant Final Terms, the fraction whose numerator is the actual number of days elapsed **during** the Calculation Period and whose denominator is 360
- (vi) if “**30/360**” or “**Actual 30A/360 (American Bond Basis)**” is specified in the relevant Final Terms

in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days calculated as for 30E/360, subject to the following exception:

where the last day of this period is the 31st and the first day is neither the 30th nor the 31st, the last month of the period shall be deemed to be a month of 31 days. Using the previous notation as with 30E/360 the fraction is:

If $dd2 = 31$ and $dd1 \neq (30,31)$

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + (dd2 - dd1)]$$

or

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + \text{Min}(dd2, 30) - \text{Min}(dd1, 30)]$$

and

- (vii) if “**30E/360**” (“**Eurobond Basis**”) is specified in the relevant Final Terms, in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days elapsed during such period, calculated on the basis of a year comprising 12 months of 30 days, subject to the following exception:

if the last day of the period is the last day of the month of February, the number of days elapsed during such month shall be taken as the actual number of days.

Where:

D1 (dd1, mm1, yy1) is the date of the beginning of the period

D2 (dd2, mm2, yy2) is the date of the end of the period

The fraction is:

$$\frac{1}{360} \times [(yy2 - yy1) \times 360 + (mm2 - mm1) \times 30 + \text{Min}(dd2, 30) - \text{Min}(dd1, 30)]$$

“**Effective Date**” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the relevant Final Terms or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended

“**FBF Definitions**” means the definitions set out in the 2001 FBF Master Agreement relating to Transactions on Forward Financial Instruments as supplemented by the Technical Schedules published by the *Fédération Bancaire Française*, as the case may be (“**FBF**”) (together the “**FBF Master Agreement**”), unless otherwise specified in the relevant Final Terms

“**Interest Accrual Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date

“**Interest Amount**” means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount, as the case may be

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified in the relevant Final Terms

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two Business Days in Paris for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro

“**Interest Payment Date**” means the date(s) specified in the relevant Final Terms

“**Interest Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date, unless otherwise specified in the relevant Final Terms

“**Interest Period Date**” means each Interest Payment Date unless otherwise specified in the relevant Final Terms

“**Page**” means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters Markets 3000 (“**Reuters**”) and Telerate (“**Telerate**”)) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

“**Rate of Interest**” means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions of the relevant Final Terms

“**Reference Banks**” means the institutions specified as such in the relevant Final Terms or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the benchmark (which, if EURIBOR is the relevant Benchmark, shall be the Euro-zone)

“**Relevant Financial Centre**” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such in the relevant Final Terms or, if none is so specified, the

financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, shall be the Euro-zone) or, if none is so connected, Paris

“**Relevant Date**” means, in respect of any Note, Receipt or Coupon, the date on which payment in respect of it first became due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (in the case of Materialised Notes if earlier) the date seven days after that on which notice is duly given to the holders of such Materialised Notes that, upon further presentation of the Materialised Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation

“**Relevant Rate**” means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date

“**Relevant Time**” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified hereon or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre and for this purpose “local time” means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, 11.00 a.m, Brussels time.

“**Representative Amount**” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in the relevant Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time

“**Specified Currency**” means the currency specified as such in the relevant Final Terms or, if none is specified, the currency in which the Notes are denominated

“**Specified Duration**” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the relevant Final Terms or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 5(c)(ii)

“**TARGET System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System or any successor thereto.

- (b) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date.

If a Fixed Coupon Amount or a Broken Amount is specified in the relevant Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Final Terms.

- (c) **Interest on Floating Rate Notes and Index Linked Interest Notes:**

- (i) *Interest Payment Dates:* Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Interest Period after the

preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

- (ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Following Business Day Convention, such date shall be carried forward to the following Business Day, (B) the Following Business Day except the Following Month Convention, such date shall be carried forward to the following day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be carried back to the previous Business Day or (C) the Preceding Business Day Convention, such date shall be carried back to the previous Business Day.
- (iii) *Rate of Interest for Floating Rate Notes*: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and the provisions below relating to either FBF Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Final Terms.

(A) FBF Determination for Floating Rate Notes

Where FBF Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant FBF Rate. For the purposes of this sub-paragraph (A), “**FBF Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Transaction under the terms of an agreement incorporating the FBF Definitions and under which:

- (a) the Floating Rate is as specified in the relevant Final Terms and
- (b) the relevant Floating Rate Determination Date (*Date de Détermination du Taux Variable*) is the first day of that Interest Accrual Period unless otherwise specified in the relevant Final Terms

For the purposes of this sub-paragraph (A), “Floating Rate”, “Calculation Agent”, “Floating Rate Determination Date (*Date de Détermination du Taux Variable*)” and “Transaction” have the meanings given to those terms in the FBF Definitions, provided that “Euribor” means the rate calculated for deposits in Euro which appears on Telerate Page 248, as more fully described in the relevant Final Terms.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

- (a) if the primary source for Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:
- (i) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity) or
 - (ii) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,
- in each case appearing on such Page at the Relevant Time on the Interest Determination Date,.
- (b) if the primary source for the Floating Rate is Reference Banks or if sub-paragraph (a)(i) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (a)(ii) applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent and
- (c) if paragraph (b) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is Euro, in the Euro-zone as selected by the Calculation Agent (the “**Principal Financial Centre**”) are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).
- (iv) *Rate of Interest for Index Linked Interest Notes:* The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and interest will accrue by reference to an Index or Formula as specified in the relevant Final Terms.
- (a) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date pursuant to an Issuer’s

Option or, if so specified in the relevant Final Terms, pursuant to Condition 6(e) or otherwise and is not paid when due, the amount due and payable prior to the Maturity Date shall, unless otherwise provided in the relevant Final Terms, be the Early Redemption Amount. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(d)(i)).

- (b) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating a Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the relevant Final Terms.
- (c) **Partly Paid Notes:** In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the relevant Final Terms.
- (d) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, on such due date or (ii) in the case of Materialised Notes, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date.
- (e) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding:**
 - (i) If any Margin or Rate Multiplier is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph
 - (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be
 - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up). For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.
- (f) **Calculations:** The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction,

unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

- (g) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts:** As soon as practicable after the relevant time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the holders of Notes, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed and admitted on a Regulated Market and the rules of such Regulated Market so require, such Regulated Market as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.
- (h) **Calculation Agent and Reference Banks:** The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding (as defined in the Amended and Restated Agency Agreement). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual

Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

- (i) For the purpose of these Conditions, “**outstanding**” means, in relation to the Notes of any Series, all the Notes issued other than (a) those that have been redeemed in accordance with these Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid (i) in the case of Dematerialised Notes in bearer dematerialised form and in administered registered dematerialised form, to the relevant Account Holder on behalf of the holder of Notes, (ii) in the case of Dematerialised Notes in fully registered dematerialised form, to the account of the holder of Notes and (iii) in the case of Materialised Notes, to the Fiscal Agent and remain available for payment against presentation and surrender of Bearer Materialised Notes, Receipts and/or Coupons, as the case may be, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in these Conditions, (e) in the case of Materialised Notes (i) those mutilated or defaced Bearer Materialised Notes that have been surrendered in exchange for replacement Bearer Materialised Notes, (ii) (for the purpose only of determining how many such Bearer Materialised Notes are outstanding and without prejudice to their status for any other purpose) those Bearer Materialised Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Bearer Materialised Notes have been issued and (iii) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more definitive Bearer Materialised Notes, pursuant to its provisions.

6 Redemption, Purchase and Options

- (a) **Final Redemption:** Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any Issuer’s option in accordance with Condition 6(c), each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within Condition 6(b) below, its final Instalment Amount.
- (b) **Redemption by Instalments and Final Redemption:** Unless previously redeemed, purchased and cancelled as provided in this Condition 6 or the relevant Instalment Date (being one of the dates so specified in the relevant Final Terms) is extended pursuant to any Issuer’s option in accordance with Condition 6(c) or (d) as specified in the relevant Final Terms, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the relevant . The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused (i) in the case of Dematerialised Notes, on the due date for such payment or (ii) in the case of Materialised Notes,

on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

- (c) **Redemption at the Option of the Issuer, Exercise of Issuer's Options and Partial Redemption:** If a Call Option is specified in the relevant Final Terms, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice in accordance with Condition 14 to the holders of Notes (or such other notice period as may be specified in the relevant Final Terms) redeem, or exercise any Issuer's option (as may be described) in relation to, all or, if so provided, some, of the Notes on any Optional Redemption Date or Option Exercise Date, as the case may be. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption, if any. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the minimum nominal amount to be redeemed as specified in the relevant Final Terms and no greater than the maximum nominal amount to be redeemed as specified in the relevant Final Terms.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer's option in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also contain the numbers of the Definitive Materialised Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange requirements of the Regulated Market on which the Notes are listed and admitted to trading.

In the case of a partial redemption of, or a partial exercise of an Issuer's option in respect of, Dematerialised Notes, the redemption may be effected, at the option of the Issuer, either (i) by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed or (ii) by redeeming in full some only of such Dematerialised Notes and, in such latter case, the choice between those Dematerialised Notes that will be fully redeemed and those Dematerialised Notes of any Series that will not be redeemed shall be made in accordance with Article 9 of Decree no. 83-359 of 2 May 1983 and the provisions of the relevant Final Terms, subject to compliance with any other applicable laws and stock exchange requirements of the Regulated Market on which the Notes are listed and admitted to trading.

So long as the Notes are listed and admitted to trading on the Luxembourg Stock Exchange and the rules applicable to that Stock Exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in a leading newspaper of general circulation in the city where the Regulated Market on which such Notes are listed and admitted to trading is located, which in the case of the Luxembourg Stock Exchange is expected to be the *d'Wort*, a notice specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes a list of any Materialised Notes, drawn for redemption but not surrendered.

- (d) **Early Redemption:**

(i) Zero Coupon Notes:

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(e) if so specified in the relevant Final Terms shall be the Amortised Nominal Amount (calculated as provided below) of such Note unless otherwise specified in the relevant Final Terms.

- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, unless otherwise provided in the relevant Final Terms, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Amortised Nominal Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(e) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction as provided in the relevant Final Terms.

- (ii) Other Notes: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note, if so provided in the Relevant Final Terms pursuant to Condition 6(e), shall be the Final Redemption Amount unless otherwise specified in the relevant Final Terms.
- (e) **Redemption for Taxation Reasons:** Unless otherwise specified in the relevant Final Terms, if French law should require that payments of principal or interest in respect of any Note be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, such Notes may be redeemed early.
- (f) **Partly Paid Notes:** Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified in the relevant Final Terms.
- (g) **Purchases:** The Issuer shall have the right at all times to purchase Notes (provided that, in the case of Materialised Notes, all unmaturing Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.
- (h) **Cancellation:** All Notes purchased by or on behalf of the Issuer must be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Notes, by surrendering the Definitive Materialised Notes in question together with all unmaturing Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Materialised Notes, all unmaturing Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

7 Payments and Talons

- (a) **Dematerialised Notes:** Payments of principal and interest in respect of Dematerialised Notes shall (in the case of Dematerialised Notes in bearer dematerialised form or administered registered dematerialised form) be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the holders of Notes and, (in the case of Dematerialised Notes in fully registered dematerialised form), to an account denominated in the relevant currency with a Bank designated by the relevant holder of Notes. All payments validly made to such Account Holders will be an effective discharge of the Issuer in respect of such payments.
- (b) **Materialised Notes:** Payments of principal and interest in respect of Materialised Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Materialised Note), Materialised Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with a Bank.
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Materialised Notes are denominated in U.S. Dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments Subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to Condition 8. No commission or expenses shall be charged to the holders of Notes or Coupons in respect of such payments.
- (e) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Calculation Agent, the Redenomination Agent, the Consolidation Agent and the Registration Agent initially appointed by the Issuer and their respective specified offices are listed at the end of the Prospectus relating to the Programme of the Notes of the Issuer. The Fiscal Agent, the Paying Agents, the Redenomination Agent, the Consolidation Agent and the Registration Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each case such, do not assume any obligation or relationship of agency for any holder of Note or Coupon. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Redenomination Agent, the Consolidation Agent and the Registration Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) a Redenomination Agent and a Consolidation Agent where the Conditions so require, (iv) Paying Agents having specified offices in at least two major European cities (including, Luxembourg so long as the Notes are listed and admitted to trading on the Luxembourg Stock Exchange) (v), in the case of Dematerialised Notes in fully registered form, a Registration Agent and (vi) such other agents as may be required by the rules applicable to any other stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Notes denominated in U.S. Dollars in the circumstances described in paragraph (c) above.

On a redenomination of the Notes of any Series pursuant to Condition 1(d) with a view to consolidating such Notes with one or more other Series of Notes, in accordance with Condition 13, the Issuer shall ensure that the same entity shall be appointed as both Redenomination Agent and Consolidation Agent in respect of both such Notes and such other Series of Notes to be so consolidated with such Notes.

Notice of any such change or any change of any specified office shall promptly be given to the holders of Notes in accordance with Condition 14.

(f) **Unmatured Coupons and Receipts and unexchanged Talons:**

- (i) Unless Materialised Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Materialised Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Amortised Nominal Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) If Materialised Notes so provide, upon the due date for redemption of any such Materialised Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Materialised Note, any unexpired Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Materialised Note that is redeemable in instalments, all Receipts relating to such Materialised Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Materialised Note that provides that the relative unexpired Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unexpired Coupons, and where any Materialised Note is presented for redemption without any unexpired Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Materialised Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant definitive Materialised Note. Interest accrued on a Materialised Note that only bears interest after its Maturity Date shall be payable on redemption of such Materialised Note against presentation (and surrender if appropriate) of the relevant definitive Materialised Note.

- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon

sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

- (h) **Business Days for payment:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day unless otherwise specified in the relevant Final Terms, nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (B) in such jurisdictions as shall be specified as “**Financial Centres**” in the relevant Final Terms and (C) (i) in the case of a payment in a currency other than Euro, where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) in the case of a payment in Euro, which is a TARGET Business Day.
- (i) **Bank:** For the purpose of this Condition 7, “**Bank**” means a bank in the principal financial centre of the relevant currency or, in the case of Euro, in a city in which banks have access to the TARGET System.

8 Taxation

- (a) **Tax exemption for *Obligations Foncières* issued or deemed to be issued outside France:** Interest and other revenues with respect to Notes constituting *Obligations Foncières* which, as may be specified in the relevant Final Terms are being issued or deemed to be issued outside the Republic of France, benefit from the exemption provided for in Article 131 *quater* of the *Code Général des Impôts* (French general tax code) from deduction of tax at source. Accordingly such payments do not give the right to any tax credit from any French source.

As to the meaning of the expression “issued or deemed to be issued outside the Republic of France” see “Overview of the Programme - Taxation” above.
- (b) **No Additional Amounts:** If French law should require that payments of principal or interest in respect of any Note constituting *Obligations Foncières*, or any Receipt or Coupon relating thereto, be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will not be required to pay any additional amounts in respect of any such deduction or withholding.
- (c) **Tax exemption for *Obligations Foncières* not issued or deemed to be issued outside France:** Interest and other revenues with respect to Notes constituting *Obligations Foncières* which, as may be specified in the relevant Final Terms, are not being issued or deemed to be issued outside the Republic of France (within the meaning of Article 131 *quater* of the *Code Général des Impôts*) only benefit from the exemption from deduction of tax at source provided by, and subject to, the provisions of Article 125 A III of the *Code Général des Impôts*, which requires, *inter alia*, certification of non-residency as further provided in paragraph (d) below.
- (d) **Certification of non-residency in France:** for the purposes of paragraph 8 (c) above, the holder of any Note, Receipt or Coupon shall be responsible for supplying certification of non-residency (a form of which shall be available at the specified offices of any of the Paying Agents or in such other form as may be required by the French tax authorities from time to time) to the Issuer or any Paying Agent in accordance with the provisions of Article 125 A III of the *Code Général des Impôts*, and the Issuer shall not be responsible for any deduction or withholding in respect of any payment made under any Note, Receipt or Coupon resulting from the failure of such holder to submit such certification.

9 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or 5 years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 Representation of holders of Notes

Except as otherwise provided by the relevant Final Terms, holders of Notes will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *masse* (in each case, the “**Masse**”).

The Masse will be governed by the provisions of the French *Code of Commerce* with the exception of Articles L.228-47, L.228-48 and L.228-59 and by the decree no. 67-236 of 23 March 1967, with the exception of Articles 218, 222 and 224 subject to the following provisions:

(a) Legal Personality

The Masse will be a separate legal entity and will act in part through one or two representatives (each a “**Representative**”) and in part through a general meeting of the holders of Notes (the “**General Meeting**”).

The Masse alone, to the exclusion of all individual holders of Notes, shall exercise the common rights, actions and benefits which now or in the future may accrue respectively with respect to the Notes.

(b) Representatives

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representatives:

- (i) the Issuer, the members of its Board of Directors (*conseil d'administration*), its statutory auditors, its employees and their ascendants, descendants and spouses; or
- (ii) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors, Executive Board or Supervisory Board, their statutory auditors, employees and their ascendants, descendants and spouses; or
- (iii) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing an enterprise in whatever capacity.

The names and addresses of the initial Representatives and their alternates will be set out in the Final Terms.

The remuneration of each Representative, and date(s) of payment thereof, will be set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of one or both Representatives, such Representative(s) will be replaced by one or both Representatives, as the case may be. In the event of the death, retirement or revocation of appointment of one or both alternate Representatives, an alternate will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the names and addresses of the initial Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the Paying Agents.

(c) Powers of Representative

The Representatives, acting jointly or separately, shall, in the absence of any decision to the contrary of the General Meeting and except as provided by paragraph 1 of Article L.515-31 of

the French *Code monétaire et financier*, have the power to take all acts of management necessary in order to defend the common interests of the holders of Notes.

All legal proceedings against the holders of Notes or initiated by them, must be brought by or against the Representatives; except that, should judicial reorganisation or liquidation (*redressement judiciaire* or *liquidation judiciaire*) proceedings be commenced against the Issuer, the specific controller would file the proof of debt of all creditors (including the holders of Notes) of the Issuer benefiting from the *Privilège*.

The Representatives may not be involved in the management of the affairs of the Issuer.

(d) **General Meeting**

A General Meeting may be held at any time, on convocation either by the Issuer or by the Representatives. One or more holders of Notes, holding together at least one-thirtieth of the principal amount of the Notes outstanding, may address to the Issuer and the Representatives a demand for convocation of the General Meeting. If such General Meeting has not been convened within two months after such demand, the holders of Notes may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, hour, place and agenda of any General Meeting will be published as provided under Condition 14.

Each holder of a Note has the right to participate in a General Meeting in person, by proxy, correspondence or, if the *statuts* of the Issuer so specify¹, videoconference or any other means of telecommunication allowing the identification of the participating Noteholders. Each Note carries the right to one vote or, in the case of Notes issued with more than one Specified Denomination, one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such Note.

(e) **Powers of the General Meetings**

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representatives and the alternate Representatives and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representatives to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase amounts payable by holders of Notes, nor authorise or accept a postponement of the date of payment of interest on or a modification of the terms of repayment of or the rate of interest on the Notes, nor establish any unequal treatment between the holders of Notes nor decide to convert Notes into shares.

General Meetings may deliberate validly on first convocation only if holders of Notes present or represented hold at least a quarter of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-third majority of votes cast by holders of Notes attending such General Meetings or represented thereat.

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 14.

¹ At the date of this Base Prospectus the *statuts* of the Issuer do not contemplate the right for a holder of a Note to participate in a General Meeting by videoconference or any other means of telecommunication allowing the identification of the participating Noteholders.

(f) **Information to holders of Notes**

Each holder of a Note or representative thereof will have the right, during the 15-day period preceding the holding of each General Meeting, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the General Meeting, all of which will be available for inspection by the relevant holders of Notes at the registered office of the Issuer, at the specified offices of any of the Paying Agents and at any other place specified in the notice of the General Meeting.

(g) **Expenses**

The Issuer will pay all expenses relating to the operation of the Masse (including those incurred by the Representatives in the proper performance of their functions and duties), and those relating to the calling and holding of General Meetings and, more generally, all administrative expenses resolved upon by the General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable on the Notes.

(h) **Single Masse**

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 13, shall, for the defence of their respective common interests, be grouped in a single Masse. The Representatives appointed in respect of the first Tranche of any Series of Notes will be the Representatives of the single Masse of all Tranches in such Series.

11 **Modifications**

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

12 **Replacement of Definitive Materialised Notes, Receipts, Coupons and Talons**

If, in the case of any Materialised Notes, a definitive Materialised Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and regulations of the Regulated Market on which the Notes are listed and admitted to trading, at the specified office of the Fiscal Agent or such other Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to holders of Notes, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed definitive Materialised Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Notes, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Materialised Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

13 **Further Issues and Consolidation**

(a) **Further Issues:** The Issuer may from time to time without the consent of the holders of Notes, Receipts or Coupons create and issue further Notes to be assimilated (*assimilées*) with the Notes provided such Notes and the further Notes carry rights identical in all respects (or in all respects save for the principal amount thereof and the first payment of interest specified in the relevant Final Terms) and that the terms of such Notes provide for such assimilation and references in these Conditions to “Notes” shall be construed accordingly.

(b) **Consolidation:** The Issuer may from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than 30 days’ prior notice to the holders of Notes in accordance with Condition 14, without the consent of the holders of Notes, Receipts or Coupons, consolidate the Notes of one Series denominated in Euro with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national

currencies or in Euro, provided such other Notes have been redenominated in Euro (if not originally denominated in Euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

14 Notices

- (a) Notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either, (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing, or, (ii) they are published (a) so long as such Notes are listed and admitted to trading on the Luxembourg Stock Exchange, and the rules of such Stock Exchange so permit, on the website of the CSSF in Luxembourg or (b) at the option of the Issuer, they are published in a leading daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*) and so long as such Notes are listed and admitted to trading on any Regulated Market in a leading daily newspaper with general circulation in the city where the Regulated Market on which such Notes are listed and admitted to trading is located which in the case of the Luxembourg Stock Exchange, is expected to be the *d'Wort*.
- (b) Notices to the holders of Materialised Notes and Dematerialised Notes in bearer form (*au porteur*) shall be valid if published (i) so long as such Notes are listed and admitted to trading on the Luxembourg Stock Exchange, and the rules of such Stock Exchange so permit, on the website of the CSSF in Luxembourg or (ii) at the option of the Issuer, in a daily leading newspaper of general circulation in Europe (which is expected to be the *Financial Times*). and so long as such Notes are listed and admitted to trading on any Regulated Market in a leading daily newspaper with general circulation in the city where the Regulated Market on which such Notes are listed and admitted to trading is located which in the case of the Luxembourg Stock Exchange, is expected to be the *Luxemburger d'Wort*.
- (c) If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Holders of coupons shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Notes in accordance with this Condition.
- (d) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) pursuant to these Conditions may be given by delivery of the relevant notice to the Euroclear France, Euroclear, Clearstream, Luxembourg and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication as required by Conditions 14(a), (b), (c) above; except that (i) (a) so long as such Notes are listed and admitted to trading on the Luxembourg Stock Exchange and the rules of such Stock Exchange so permit, notices shall also be published on the website of the *Commission de surveillance du secteur financier* in Luxembourg or (b) so long as such Notes are listed and admitted to trading on any Regulated Market and the rules applicable to that Regulated Market so require, notices shall be published in a leading daily newspaper with general circulation in the city Regulated Market on which such Notes are listed and admitted to trading is located and (ii) notices relating to the convocation and decision(s) of the General Meetings pursuant to Condition 10 shall also be published (a) so long as such Notes are listed and admitted to trading on the Luxembourg Stock Exchange and the rules of such Stock Exchange so permit, on the website of the *Commission de surveillance du secteur financier* in Luxembourg or (b) in a leading daily newspaper of general circulation in Europe.

15 Method of Publication of the Final Terms

The Final Terms related to Notes listed and admitted to trading and/or offered to the public will be published, if relevant, on the website of the Luxembourg Stock Exchange.

16 **Governing Law and Jurisdiction**

- (a) **Governing Law:** The Notes, the Receipts, the Coupons and the Talons are governed by, and shall be construed in accordance with, French law.
- (b) **Jurisdiction:** Any claim against the Issuer in connection with any Notes, Receipts, Coupons or Talons may be brought before any competent court in Paris.

TEMPORARY GLOBAL CERTIFICATES ISSUED IN RESPECT OF MATERIALIZED NOTES

Temporary Global Certificates

A Temporary Global Certificate without interest coupons, will initially be issued in connection with Materialised Notes. Upon the initial deposit of such Temporary Global Certificate with a common depository for Euroclear and Clearstream, Luxembourg (the “**Common Depository**”), Euroclear or Clearstream, Luxembourg will credit the accounts of each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

The Common Depository may also credit with a nominal amount of Notes the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, a nominal amount of Notes that is initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Exchange

Each Temporary Global Certificate issued in respect of Materialised Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below):

- (i) if the relevant Final Terms indicates that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “Overview of the Programme - Selling Restrictions”), in whole, but not in part, for the Definitive Materialised Notes and
- (ii) otherwise, in whole but not in part, upon certification as to non-U.S. beneficial ownership (a form of which shall be available at the specified offices of any of the Paying Agents) for Definitive Materialised Notes.

Delivery of Definitive Materialised Notes

On or after its Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to or to the order of the Fiscal Agent. In exchange for any Temporary Global Certificate, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Notes. In this Prospectus, “**Definitive Materialised Notes**” means, in relation to any Temporary Global Certificate, the Definitive Materialised Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Notes will be security printed in accordance with any applicable legal and requirements of the Regulated Market. Forms of such Definitive Materialised Notes shall be available at the specified offices of any of the Paying Agents set out in the Schedules to the Amended and Restated Agency Agreement.

Exchange Date

“**Exchange Date**” means, in relation to a Temporary Global Certificate in respect of any Materialised Notes, the day falling after the expiry of 40 days after its issue date, provided that in the event any further Materialised Notes which are to be assimilated with such first mentioned Materialised Notes are issued prior to such day pursuant to Condition 13(a), the Exchange Date may, at the option of the Issuer, be postponed to the day falling after the expiry of 40 days after the issue date of such further Materialised Notes.

USE OF PROCEEDS

The net proceeds of the issue of the Notes will be used for the Issuer's general corporate purposes.

SUMMARY OF THE LEGISLATION AND REGULATIONS RELATING TO *SOCIÉTÉS DE CRÉDIT FONCIER*

Entities entitled to issue Obligations Foncières

Prior to the introduction of French law n°99-532 of 25 June 1999 (the “**Law**”), now integrated into the French *Code monétaire et financier* (the “**Code**”), only Crédit Foncier de France and Crédit Communal d’Alsace-Lorraine were entitled to issue *Obligations Foncières*. The Law creates a whole new category of credit institutions (*sociétés de crédit foncier*) the exclusive purpose of which is to grant or acquire secured loans from the proceeds of the issue of *obligations foncières* as well as other forms of notes or borrowings.

Holders of *obligations foncières* or of these other borrowings benefit from a *privilège* (priority right of payment) on all the assets and revenues of the *sociétés de crédit foncier* and are allowed to operate in a bankruptcy remote environment.

Sociétés de crédit foncier may grant or acquire either mortgage-backed loans or loans to states or state-owned entities (regional and local authorities) and issue *obligations foncières* (or incur other forms of borrowings) in order to finance these loans.

The Law allows *sociétés de crédit foncier* to issue ordinary bonds or raise funds which do not benefit from the *privilège*.

Pursuant to Article L.515-17 of the Code, *sociétés de crédit foncier* may not hold shares in other companies.

Eligible receivables

The mortgage-backed loans include loans which are secured by a first-ranking mortgage. Other types of charges and security interest also qualify under certain conditions provided in particular they are at least equivalent to a first-ranking mortgage such as a guarantee given by a credit institution or an insurance company that does not belong to the same group as the relevant *société de crédit foncier*. The property must be located in the European Economic Area (the “**EEA**”), in France’s overseas territories, in Switzerland, in the United States of America, in Canada or in Japan. Decree n°99-710 of 3 August 1999 (the “**Decree**”) provides that the mortgage-backed loans cannot exceed a threshold of 60% of the property’s value, except under certain conditions.

The other eligible receivables comprise loans granted to, or bonds issued by, state or state-owned entities located within the EEA, in Switzerland, in the United States of America, in Canada or in Japan, or wholly guaranteed by such entities, and specific investments (namely units issued by FCCs – *Fonds Commun de Créances*, which are French securitisation vehicles, or other similar vehicles, the assets of which comprise at least 90% of secured loans or loans to state or state-owned entities).

Sociétés de crédit foncier may not make any other investments, except investments in securities which are sufficiently secure and liquid to be held as so-called replacement values, as defined in the Decree.

Over-Collateralisation

Article L.515-20 of the Code provides for the principle of over-collateralisation (*surdimensionnement*), which entails that the total amount of the assets of a *société de crédit foncier* must be at all times greater than the global amount of liabilities benefiting from the *privilège*.

Sociétés de crédit foncier must appoint a specific controller (*contrôleur spécifique*) with the approval of the *Commission Bancaire* (Banking Authority) whose task is to ensure that the principle of over-collateralisation is at all times complied with. In particular, the specific controller must certify that the principle of over-collateralisation is satisfied in connection with (i) the *société de crédit foncier*’s quarterly programme of issues benefiting from the *privilège* and (ii) any specific issue also benefiting from the *privilège* whose amount is greater than Euro 500 million. The specific controller must verify the quality of the assets, the process of yearly revaluation and the quality of the asset liability management (ALM).

Privilège

For bonds to qualify as *Obligations Foncières* and for other resources to benefit from the *privilège*, the documentation relating thereto must explicitly refer to such *privilège*. *Sociétés de crédit foncier* may enter into derivative transactions for hedging *Obligations Foncières* and other resources benefiting from the *privilège*; the amounts due under these derivative transactions also benefit from the *privilège*.

The sums resulting from the eligible receivables and from derivative transactions, together with deposits made by *sociétés de crédit foncier* with other credit institutions, are allocated in priority to the payment of any sums due in relation to the *Obligations Foncières* or other financial resources benefiting from the *privilège*.

Insolvency remoteness

Finally, Article L.515-27 of the Code precludes the extension of insolvency proceedings in respect of the *société de crédit foncier*'s parent company to the *société de crédit foncier*.

The Law provides for a new regime which derogates in many ways from the French legal provisions relating to insolvency proceedings. In particular, in the event of judicial reorganisation (*redressement judiciaire*) or liquidation (*liquidation judiciaire*) of a *société de crédit foncier*, all claims benefiting from the *privilège*, including interest thereon, must be paid on their due dates and in preference to all other claims, whether or not secured or statutorily preferred and, until payment in full of all such preferred claims, no other creditors may take any action against the assets of the *société de crédit foncier*.

In addition, the provision of French insolvency law which provides that certain transactions entered into in the months preceding the commencement of insolvency proceedings (*période suspecte*) are voidable has been set aside by the Law in respect of *sociétés de crédit foncier*.

DESCRIPTION OF COMPAGNIE DE FINANCEMENT FONCIER

Introduction

Compagnie de Financement Foncier is a credit institution approved as a finance company and *société de crédit foncier* by decision of the *Comité des Etablissements de Crédit et des Entreprises d'Investissements - CECEI* (Committee of Credit Institutions and Investment Companies) dated 23 July 1999. Consequently, it is governed by the general body of legislative and regulatory provisions applicable to credit institutions, and, as a *société de crédit foncier*, by the specific provisions of Section IV of the second part of French Law 99-532 of June 25, 1999 governing savings and financial security, which has been incorporated into Articles L515-13 to L515-33 of the French Monetary and Financial Code.

It is a wholly-owned subsidiary of the Crédit Foncier Group. Its mission is to finance real estate and local public sector credit activity for its parent company as well as for the Caisses d'Epargne Group as a whole.

The registered office of the Issuer is located at 19, rue des Capucines, 75001 Paris, France and is registered with the Trade and Companies Registry of Paris under reference number 421 263 047 RCS Paris.

The Issuer was created on 22 December 1998 for a period of 99 years.

Business activities

As a *société de crédit foncier*, the objects of Compagnie de Financement Foncier are to grant or acquire secured loans which are financed by the issue of *obligations foncières*, or by raising funds benefiting or not from the privilege created by Article L.515-19 of the Code (the "*Privilège*").

More specifically, the purpose of the company (Article 2 of the bylaws), in the context of the laws and regulations applicable to mortgage banks, in particular Articles L515-13 and following of the Monetary and Financial Code, and without restriction as to the countries in which it can operate other than those set out in these provisions, is

1. In respect of loan and similar transactions:
 - to grant or acquire secured loans, whether these are loans benefiting from a senior mortgage, a property lien, or any other form of property-based security that is at least equivalent, or loans that carry a guarantee issued by a lending institution or an insurance company;
 - to grant or acquire loans from public entities, and loans fully guaranteed by public entities, and to subscribe for or acquire bonds and other debt securities issued or guaranteed by public entities;
 - to acquire, by subscription at the time of issue, either on the markets on which they are traded, or over the counter or, more generally, in any other manner which in compliance with current legislation, units of FCCs and units or securities issued by similar entities subject to the law of a foreign state, as long as these units or securities are authorized for inclusion in the assets of mortgage banks;
 - to acquire and hold certain and liquid investments and securities as replacement securities authorized for inclusion in the assets of mortgage banks;
2. For financing these categories of loans, investments and securities:
 - to issue *Obligations foncières* benefiting from a preferred right of repayment granted by the legislation governing mortgage banks and, in particular, Article L 515-19 of the Monetary and Financial Code;
 - to procure any other type of financing, stipulating that such financing will benefit from the preferred right of payment granted by the law to *Obligations foncières*;
 - to procure any other financing, including through issue of loans, which does not benefit from the preferred right of payment granted by the law to *Obligations foncières*;

3. To carry out all financial and banking transactions necessary in the context of its purpose and, in particular:
 - securitize, in any manner compliant with current legislation, all or part of the loans that it holds, whatever the nature of such loans;
 - use forward financial instruments, in order to hedge operations to manage loans, *Obligations foncières*, other senior instruments, and other financing without the preferred right of payment granted by law to *Obligations foncières*;
4. To contract with any credit institution all agreements necessary
 - to manage and recover loans;
 - to manage bonds and other financing;
 - more generally, to provide all services necessary to manage the assets, liabilities and the financial balances of the company;
 - as well as all agreements concerning the distribution and refinancing of loans;
5. To acquire and own all property and equipment necessary to achieve its purpose or arising from the recovery of its loans; to contract with any third party any agreement in respect of the acquisition, ownership, management, maintenance and sale of such assets;
6. To contract with any insurance company any agreement which serves the company purpose, notably to cover risks related to borrowers, risks in respect of both assets securing the loans and assets owned by the company, and the liability risks of the company or its directors and officers;
7. To replace Crédit Foncier de France in all loan and credit transactions, whether involving bonds or not, which this company had contracted in its capacity as a mortgage bank prior to this replacement; this replacement
 - is the result of the provisions of the Law of June 25, 1999 concerning savings and financial security and, in particular, Article 110 of said law, as well as any agreement signed with Crédit Foncier de France for the implementation of these provisions; and
 - also results in the transfer to the company of the forward financial instruments described by these legislative provisions, as well as all securities, guarantees and similar commitments;
8. In the context of its proprietary activity, or on behalf of other companies, to make available to customers and manage payment terms, in particular:
 - for the payment of funds or the receipt of all sums arising from the loan activities;
 - for the holding of all accounts of financial relations with other banks or public entities;
 - for the management of technical accounts in respect of expenses and receipts;
9. To participate in any system for interbank settlement, settlement-delivery of securities, as well as in any transactions within the framework of the monetary policy of the European Central Bank, which contribute to the development of the company's activities;
10. More generally, to carry out all operations related to its activity or contributing to the achievement of its corporate purpose as long as such transactions comply with the purpose of mortgage banks as defined in the legislation and regulations that regulate their activity.

As at June, 29 2005, the share capital of the Issuer amounted to Euro 110 million divided into 6,875,000 fully paid ordinary shares with a par value of Euro 16 each, of which 99.99% is held by Crédit Foncier de France.

Recent developments and outlook

In 2005, Compagnie de Financement Foncier plans to continue expanding thanks to an ambitious loan acquisition and asset diversification program within the Group. Compagnie de Financement Foncier has set the following major objectives:

- Assist in the growth of Crédit Foncier de France and of Caisses d'Épargne in the individual loan market and in the local authorities market and their satellites, Compagnie de Financement Foncier will do additional work to complete its loan purchasing process.
- Increase market share in securitization in Europe

Either through the acquisition of RMBS securitization units, or by purchasing securities issued by public entities.

The volumes devoted to these operations was approximately € 4 billion for 2004.

These acquisitions will be refinanced by a bond program around € 12 billion, depending on the extent to which these purchasing objectives are met. At June 30, 2005, as a result of the issuance of Obligations Foncières and other privileged resources, Compagnie de Financement Foncier has issued between Janvier 1, 2005 and June 30, 2005 debt securities for €6,007 billion equivalent, measured in accordance with French GAAP.

As a result, Compagnie de Financement Foncier will again emerge as both the top bond issuer in France aside from the State, and one of the top ten non-sovereign or similar AAA-rated companies. Compagnie de Financement Foncier will also be positioned as one of the major players in Europe in the securitisation market with potentially € 5 to 7 billion in securitisation units or loans acquired by its Group.

RELATIONSHIP BETWEEN COMPAGNIE DE FINANCEMENT FONCIER AND CRÉDIT FONCIER DE FRANCE

The new production of Crédit Foncier de France, as long as it meets the eligibility criteria defined by law, may be financed by Compagnie de Financement Foncier, subject to the provisions of Articles L 515-13 to L 515-33 of the French Monetary and Financial Code.

As stipulated by law, Compagnie de Financement Foncier uses the technical and human resources of its parent company under agreements binding the two companies. These agreements, which are regulated agreements in the meaning attributed to this term by Articles L 225-38 and L 225-86 of the French Commercial Code (previously Articles 101 and 143 of Law No. 66-537 of July 24, 1966), cover all lending activities carried out in the enterprise.

The general principles applied in preparing these agreements are described below:

The texts as drafted take into account the special nature of the relationship between Crédit Foncier de France and its subsidiary Compagnie de Financement Foncier.

Seven agreements have been entered into by Crédit Foncier de France and Compagnie de Financement Foncier, namely:

- A master agreement setting forth the general principles;
- An agreement for the sale of loans;
- An agreement for the management and recovery of loans;
- An agreement governing financial services;
- An administrative and accounting management agreement;
- An agreement concerning audit and control services and an agreement concerning the remuneration of the services.

As a result, with the exception of directors and officers, Compagnie de Financement Foncier does not have any employees.

In 2004, Compagnie de Financement Foncier acquired a variety of assets:

- Residential mortgage loans originated by Crédit Foncier de France: €2.9 billion
- Securities issued by public entities (AAA): €2.1 billion
- Loans granted to public entities by the group: €0.04 million
- Deposits with public organisations: €1.3 billion
- Senior securitisation units (AAA): €2.3 billion
- Senior securitisation units (AAA) of mortgage loans originated by Entenial: €1.2 billion
- Replacement securities: €0.9 billion.

Recent developments:

With regard to the merger of Entenial with Crédit Foncier de France (“CFF”), a general meeting was called on June 1, 2005 in order to amend to the corporate objects of CFF.

Pursuant to the terms of the draft merger agreement signed between Crédit Foncier de France and Entenial on 15 April 2005, Entenial made a capital contribution of all of its assets and liabilities to Crédit Foncier de France. The draft merger agreement further holds that Crédit Foncier de France will substitute itself as debtor of the outstanding bonds issued by Entenial.

The merger between CFF and its 100 per cent owned subsidiaries namely, Entenial, A3C and CFB allows a reorganisation of the CFF group, consistent with the acquisition of Entenial by CFF, and simplifies the legal structure of holdings within the group to which those companies belong.

The entity resulting from the acquisition by Crédit Foncier de France (a specialised financial institution) of Entenial (a bank), Crédit Foncier Banque (a bank) and of A3C (a company specialised in providing services and support functions to subsidiaries specialised in real estate leasing and in management companies of SCPI) will retain the name Crédit Foncier de France and will maintain and develop banking activities of the various entities of the group in order to support its application to the CECEI approval for a banking licence:

- Receipt of funds from the public;
- Credit lending;
- Creation and management of instruments of payments.

The main activity of CFF will remain its lending activity. The receipt of funds from the public and the creation and management of instruments of payments are expected to remain ancillary activities, yet essential for client care purposes.

The core functions and activities are the following:

- subsidised and non-subsidised lending to individuals;
- Real estate financing for companies and local authorities and property developments;
- Specialised real estate services: asset management, real estate expertise, transactions;
- Banking services: bookkeeping, receipt and management of real estate investments for professionals and individuals.

Additionally, the Crédit Foncier de France group will grant secured or unsecured real estate financing to individuals, companies, investors, and local authorities and to offer full banking services within a global relationship to its clients.

As Crédit Foncier de France held 100 per cent of the shares of each of the companies being merged, the transactions were carried out by way of a simplified merger, which will not give rise to a shares exchange nor to a correlative increase in capital.

From a tax and accounting perspective, the mergers took retroactive effect as from 1 January 2005 and thus the results of all transactions carried out by the merged companies, from 1 January 2005 until the date of actual completion of the mergers will, be exclusively for the benefit or cost of CFF, as the transactions will be considered to have been carried out by CFF for both accounting and tax purposes.

Merger of Entenial with CFF

- The approval of the accounts of Entenial for the year ending 31 December 2004 by the general assembly of the shareholders of Entenial;
- The obtaining of the authorisation by the CECEI on the merger and in particular on the cancellation of Entenial's banking approval and substitution of the approval in favour of CFF as credit institution authorised to act as a financial institution specialised as credit institution authorised to act as a bank;
- The approval by the shareholders of CFF at an extraordinary general meeting of the amendment to the corporate objects of the company so as to include all banking activities and of the merger of Entenial with CFF.

Merger of A3C and CFF

- The approval of the accounts of A3C for the year ending 31 December 2004 by decision of the sole shareholder of A3C;

- The approval by the shareholders of CFF at an extraordinary general meeting of the merger of A3C with CFF.

Merger of CFB with CFF

- The approval of the accounts of CFB for the year ending 31 December 2004 by the general assembly of the shareholders of CFB;
- The obtaining of the authorisation by the CECEI of the merger and in particular on the cancellation of CFB's banking approval and substitution of the approval in favour of CFF as credit institution authorised to act as a financial institution specialised as credit institution authorised to act as a bank;
- The approval by the shareholders of CFF at an extraordinary general meeting of the amendment to the corporate objects of the company so as to include all banking activities and approval of the merger of CFB with CFF.

If some of the conditions precedent to the above-mentioned mergers have not been fulfilled by, at the latest, 1 September 2005, the merger agreement will legally be considered to have lapsed in relation only to the merger for which one of the conditions has not been met, without compensation for either party.

On actual completion, each of the companies, Entenial, A3C and Crédit Foncier Banque will be dissolved without being liquidated.

Furthermore, CFF agrees to take over Entenial's obligations as regards the share purchase options granted by Entenial. Consequently, the Entenial share purchase options will give option holders a right, following the mergers (*fusions-absorptions*) of Entenial and CFB, to exercise the options and receive CFF shares instead of Entenial, with an adjustment for the number and the price at which the options may be exercised and they would receive 5 shares in CFF for every 4 shares in Entenial, the other conditions of the exercise of the options remaining unchanged.

Prior amendment to the corporate objects of Crédit Foncier de France

This restructuring has led Crédit Foncier to require from the CECEI a modification of its authorisation and to convene a general meeting of the company in order to vote on the amendment of its corporate objects.

Crédit Foncier de France is currently approved to act as a specialised financial institution.

The taking over of the banking activities carried out by Entenial and Crédit Foncier Banque, both of which are approved as banks, has led Crédit Foncier de France itself to apply for approval as a bank and to consider modifying its articles of association to clearly reflect its capacity to carry out banking activities as well as credit transactions.

This does not imply that Crédit Foncier de France has decided to become active in the sphere of deposit banking; it intends to continue to be a specialised institution, but one which offers a complete range of services to its clients, including those of a banking nature, in order to complement its real estate projects.

Nor does this imply in any way that Crédit Foncier de France intends to forgo its public interest role with which it is currently entrusted, or which could be entrusted to it in the future.

The proposed amendment to the company's articles of association, which were put to the vote at a general meeting of the company :

1. **Broad definition** of the sphere of activity of Crédit Foncier de France, including the corporate objects of Entenial
2. Maintenance of the reference to the core activities of Crédit Foncier de France:
 - real estate financing (such as mortgages);
 - loans in the public sector; however, the reference to the public sector would no longer mention direct loans to public entities and would be confined to a more general wording, which does not prohibit such direct lending and would cover public/private partnerships; and

- reference to the public interest role, however with the exception of the reference to Article L.516-1 of the French Monetary and Financial Code (*Code monétaire et financier*) (which defines specialised financial institutions).
3. Maintenance as well of the reference to the refinancing conditions, in particular recourse to a *société de crédit foncier*.

CROSS-REFERENCE LIST

Regulation – Annex IV		Annual Report 2004
1. Persons responsible	1.1.	Pages 162 and 163.
	1.2.	Pages 163 and 165.
2. Statutory auditors	2.1.	Pages 163 and 165.
	2.2.	Pages 162 and 165.
3. Selected Financial Information	3.1.	Pages 6 and 7. Pages 10 to 12 (including) of the Annual Report 2003
	3.2.	Not relevant.
4. Risk Factors	4.	Pages 29 to 33 and pages 52 to 61.
5. Information about the issuer	<u>5.1. History and development of the Issuer:</u>	Pages 142 and 156.
	5.1.1.	
	5.1.2.	Page 145(g)
	5.1.3.	Page 143(e)
	5.1.4.	Pages 142(a), 143(d) and 145(h)
	5.1.5.	Not relevant.
	<u>5.2. Investments</u>	Negative statement in the Complement Information
6. Business Overview	<u>6.1. Principal activities:</u>	
	6.1.1.	Pages 1, 6,7, 35 to 39 and 21 to 27.
	<u>6.1.2.</u>	<u>Not relevant.</u>
	<u>6.2. Principal markets</u>	Pages 9 to 13.
	6.3.	Pages 35 and 39.
7. Organisational structure	7.1.	Page 167.
	7.2.	Page 147(f)
8. Trend information	8.1.	Negative statement in the Complement Information
	8.2.	Not relevant.
9. Profit forecasts or estimates	9.	Not relevant.

Regulation – Annex IV		Annual Report 2004
10. Administrative, management and supervisory bodies	10.1.	Pages 138 and 141 (names and functions). Business addresses in the supplemental document. Pages 64 to 69.
	10.2.	Negative statement in the Complement Information
11. Board practices	11.1.	Pages 130 (c) to 137.
	11.2.	Page 131 to 135.
12. Major shareholders	12.1.	Page 146.
	12.2.	Not relevant.
13. Financial information concerning the issuer's assets and liabilities, financial position and profits and losses	<u>13.1. Historical Financial Information</u>	Pages 77 to 119, 63(13) and 165. Balance sheet: pages 78 to 80. Income statement: page 81. Cash flow statement: see 13.3.3 below. Accounting policies and explanatory notes relating to the Annual Report 2004: pages 84 to 89. Accounting policies and explanatory notes relating to the Annual Report 2003: pages 96 to 101 (including) and 102 to 133 (including). Audit report in respect of years 2003 and 2004 in the Complement Information.
	<u>13.2. Financial Statements</u>	Not relevant.
	<u>13.3. Auditing of historical annual financial information</u>	
	13.3.1.	Complement Information.
13.3.2.	Supplement to the registration document.	

Regulation – Annex IV		Annual Report 2004
	13.3.3.	<p><u>Information in relation with cash flow statements dated 19 August 2005 containing:</u></p> <ul style="list-style-type: none"> • the report on review of the cash flow statements for the years ended December 31, 2004 and 2003 (page 1), • the methodology – unaudited cash flow statements (page 2), and • the unaudited cash flow statements (page3) <p>is incorporated by reference.</p>
	<p><u>13.5. Interim and other financial information</u></p> <p>13.5.1.</p>	<p>Quarterly financial information as at 31 March 2004 and 2005 are set out in the Complement Information. For the avoidance of doubt, the financial information as at 31st March 2004 and 2005 are both fully reproduced in the tables set out under the section “Complement Information” of this Base Prospectus.</p>
	<u>13.5.2.</u>	Complement Information.
	<u>13.6. Legal and arbitration proceedings</u>	Page 60 (9.a.)
	<u>13.7. Significant change in the issuer’s financial or trading position</u>	Complement Information.
14. Additional information	<p><u>14.1. Share Capital</u></p> <p>14.1.1.</p>	Page 146.
	<p><u>14.2. Memorandum and Articles of Association</u></p> <p>14.2.1.</p>	Pages 142 to 145 and 155 to 156.
15. Material contracts	<u>15.</u>	Not relevant.
16. Third party information and statement by experts and declarations of any interest	16.1.	With respect to the specific controller’s report: Pages 17, 18, 49, 122, 130, 165.
	16.2.	Not relevant.

Regulation – Annex IV		Annual Report 2004
17. Documents on display	17.	Included in part “General Information” of the Base Prospectus.

COMPLEMENT INFORMATION

Regulation – Annex IV

5.2. INVESTMENTS

Pursuant to article L.515-17 of the French *Code monétaire et financier* the issuer is prohibited from owning shares in other companies.

6.3 Business overview

The statements made by the Issuer regarding its competitive position are included in the Issuer's internal documentation.

8. Trend Information

There has been no material adverse change in the prospects of the issuer since the date of its last published audited financial statements and until the date of this Base Prospectus.

10. Administrative, management and supervisory bodies

10.1.

Members of the Board

Drouin Francois

Dufour Thierry

Guérin Sandrine

Fuzier Pierre-Eric

Prévot Alain

Cotret Guy

Business Adresses

4, quai de Bercy, 94224 Charenton Cedex

4, quai de Bercy, 94224 Charenton Cedex

4, quai de Bercy, 94224 Charenton Cedex

4, quai de Bercy, 94224 Charenton Cedex

4, quai de Bercy, 94224 Charenton Cedex

CNCE, 77 bld St Jacques 75014 Paris

10.2.

There is no potential conflict of interests between the duties to the issuer of the members of the Board of Directors and their private interests and or other duties.

11.2.

The control system and organisational structure of the Issuer comply with the corporate governance regime applicable in France, all as more fully described in its Annual Report 2004 (pages131 to 135).

12.1

The Crédit Foncier de France held directly 100 per cent of the shares of the Issuer.

Compagnie de Financement Foncier is a wholly-owned subsidiary of the Crédit Foncier Group, as set out in the section "DESCRIPTION OF COMPAGNIE DE FINANCEMENT FONCIER" of this Base Prospectus.

The measures in place to ensure that such control is not abused are detailed under the section "RELATIONSHIP BETWEEN COMPAGNIE DE FINANCEMENT FONCIER AND CRÉDIT FONCIER DE FRANCE" of this Base Prospectus.

13. Financial information concerning the issuer's assets and liabilities, financial position and profits and losses

13.1.

- Statutory Auditors' report on the financial statements in respect of year 2003

This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. The statutory auditors' report includes information specifically required by French law in all audit reports, whether qualified or not, and this is presented below the opinion on the financial statements. This information includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report, together with the statutory auditors' report addressing financial and accounting information in the President's report on internal control, should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended 31 December 2003, on:

- the audit of the accompanying financial statements of Compagnie de Financement Foncier;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the Company's financial position and its assets and liabilities, as of 31 December 2003, and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

Without qualifying our opinion, we draw your attention to paragraph II-10 "Changes in accounting methods" of the Notes to the financial statements, which provides details concerning the first-time application, effective from 1 January 2003, of *Comité de la Réglementation Comptable* standard CRC 2002-03 relating to accounting for credit risk in companies governed by the *Comité de la Réglementation Bancaire et Financière*.

II - Justification of our assessments

In accordance with the requirements of article L.225-235 of the Code de Commerce relating to the justification of our assessments, introduced by the Financial Security Act of 1 August 2003, and which came into effect for the first time this year, we bring to your attention the following matters:

- Changes of accounting method

As part of our assessment of the accounting rules and principles applied by the company, we ensured that the above-mentioned change of accounting method and the description thereof were appropriate.

- Accounting estimates

The company records provisions to cover the credit risks inherent in its business (paragraph II-2 of the Notes to the financial statements). As part of our assessment of the material estimates used in the preparation of the financial statements, we examined the control procedures applicable for monitoring credit risks, assessing the risks of non-recovery, and determining the related specific and general provisions.

- Accounting rules and principles

The company holds positions relating to securities and financial instruments. Paragraphs II-4 and II-7 and Note 21 of the Notes to the financial statements describe the accounting rules and methods applicable to securities and financial instruments, as well as the accounting treatment of the termination of swaps used for general hedging (macro-hedging) purposes. We examined the control procedures applicable to the related accounting classification and the criteria used for valuing these positions. As part of our assessment of the accounting rules and principles applied by the company, we verified the appropriateness of the above-mentioned accounting methods and the related information provided in the Notes to the financial statements, and ensured that they have been properly applied.

The assessments were made in the context of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of the unqualified opinion expressed in the first part of this report.

III - Specific verifications and information

We have also performed the specific verifications required by law in accordance with professional standards applicable in France.

We have no matters to report regarding the fair presentation and the conformity with the financial statements of the information given in the management report of the Board of Directors, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Paris, 8 April 2004

The Statutory Auditors

Mazars & Guérard

Michel Barbet-Massin

[signature]

PricewaterhouseCoopers Audit

Anik Chaumartin

[signature]

Cailliau Dedouit et Associés

Jean-Jacques Dedouit

[signature]

- **Statutory Auditors' report on the financial statements in respect of year 2004**

Mazars & Guérard
39, rue de Wattignies
75012 Paris

PricewaterhouseCoopers Audit
32, rue Guersant
75017 Paris

Year ended 31 December 2004

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in all audit reports, whether qualified or not, and this is presented below the opinion on the financial statements. This information includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Compagnie de Financement Foncier
4, quai de Bercy
94224 Charenton Cedex

To the shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Meeting, we hereby report to you for the year ended 31 December 2004 on:

- the audit of the accompanying financial statements of Compagnie de Financement Foncier,
- the justification of our assessments,
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

I - Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the Company's financial position and its assets and liabilities, as of 31 December 2004, and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

II - Justification of our assessments

In accordance with the requirements of article L.225-235 of the French Commercial Code (*Code de Commerce*) relating to the justification of our assessments, we bring to your attention the matters set out below:

Accounting estimates:

Your Company records provisions to cover the credit risks inherent in its business (paragraph 2.2 of the notes to the financial statements). As part of our assessment of significant estimates used in the preparation of the financial statements, we examined the control procedures applicable for monitoring credit risks, assessing the risks of non-recovery and determining provisions for specific risks and for counterparty risk on sound loans.

Accounting rules and principles:

Your Company holds positions relating to securities and financial instruments. Paragraphs 2.4 and 2.7 of the notes to the financial statements describe the accounting rules and principles applicable to securities and financial instruments. We examined the control procedures applicable to the related accounting classification and the determination of the criteria used for valuing these positions. As part of our assessment of the accounting rules and principles applied by your Company, we verified that the above-mentioned accounting methods and the related information provided in the notes to the financial statements were appropriate, and ensured they have been properly applied.

Our assessments were made in the context of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of the unqualified opinion expressed in the first part of this report.

III - Specific verification and information

We have also performed the specific verifications required by law in accordance with professional standards applicable in France.

We have no matters to report regarding the fair presentation and the conformity with the financial statements of the information given in the management report of the Board of Directors, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

La Défense and Paris, 6 April 2005

The Statutory Auditors

Mazars & Guérard

PricewaterhouseCoopers Audit

Michel Barbet-Massin

Anik Chaumartin

13.3.1.

- **Statement by the Statutory Auditors on the *Document de Référence***

Mazars & Guérard

39, rue de Wattignies
75012 Paris

PricewaterhouseCoopers Audit

32, rue Guersant
75017 Paris

Compagnie de Financement Foncier

4, quai de Bercy

94224 Charenton Cedex

This is a free translation into English of the Statutory Auditors' statement issued in the French language and is provided solely for the convenience of English speaking readers.

This statement should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

In our capacity as Statutory Auditors of Compagnie de Financement Foncier and in accordance with article 211-5-2 of the General Regulations issued by the French Securities Regulator (*Autorité des Marchés Financiers*), we have examined in accordance with French professional standards the information about the financial position and the historical accounts included in the *Document de Référence*.

The *Document de Référence* is the responsibility of François Drouin, Chairman of the Board of Directors of Compagnie de Financement Foncier. Our responsibility is to express an opinion on the fairness of the information about the financial position and the accounts contained therein.

Our procedures, which were performed in accordance with French professional standards, consisted in assessing the fairness of the information about the financial position and the accounts of Compagnie de Financement Foncier, and verifying that this information agrees with the audited financial statements. Our procedures also consisted in reading the other information contained in the *Document de Référence* in order to identify any material inconsistencies with the information about the financial position and the accounts, and reporting any manifestly incorrect information that came to our attention, based on our overall knowledge of the Company, as acquired during our audit. The *Document de Référence* does not contain any forward-looking information determined according to a structured process.

We audited the financial statements of the Company for the year ended 31 December 2004, as approved by the Board of Directors. Our audit was performed in accordance with auditing standards generally accepted in France. Our reports on these financial statements were free of qualifications or observations.

The financial statements of the Company for the year ended 31 December 2003 were audited by Mazars & Guérard, PricewaterhouseCoopers Audit and Cailliau Dedouit & Associés, in accordance with auditing standards generally accepted in France. The reports on these financial statements were free of qualifications but contained an observation on the change in accounting method as described in paragraph 2.10 of the notes to the financial statements. This paragraph of the notes sets out the methods for applying, as from 1 January 2003, Regulation CRC 2002-03 issued by the French Accounting Regulation Board (*Comité de la Réglementation Comptable*) dealing with the accounting treatment of credit risk in companies governed by the French Banking Regulatory Authorities (*Comité de la Réglementation Bancaire et Financière*).

The financial statements of the Company for the year ended 31 December 2002, as approved by the Board of Directors, were audited by Mazars & Guérard, PricewaterhouseCoopers Audit and Cailliau

Dedouit & Associés, in accordance with auditing standards generally accepted in France. The reports on these financial statements were free of qualifications or observations.

Based on the procedures described above, we have no other matters to report with respect to the fairness of the information about the financial position and the accounts contained in the *Document de Référence*.

Paris, 6 April 2005

The Statutory Auditors

Mazars & Guérard

PricewaterhouseCoopers Audit

Michel Barbet-Massin

Anik Chaumartin

In accordance with applicable legislation:

Page 120 of the *Document de Référence* includes the Statutory Auditors' general report on the financial statements at 31 December 2004. This report sets out the justification for the assessments made by the Statutory Auditors pursuant to paragraphs 1 and 2 of article L. 225-235 of the French Commercial Code (*Code de Commerce*).

Page 139 of the *Document de Référence* also includes the Statutory Auditors' special report, drawn up in accordance with the final paragraph of article L. 225-235 of the French Commercial Code (*Code de Commerce*), on the report by the Chairman of the Board of Directors on internal control procedures as provided for by article L. 225-37 of the French Commercial Code (*Code de Commerce*).

13.3.2.

- **Statutory Auditors' special report on regulated agreements for the year ended 31 December 2004**

Mazars & Guérard
39, rue de Wattignies
75012 Paris

PricewaterhouseCoopers Audit
32, rue Guersant
75017 Paris

Year ended 31 December 2004

This is a free translation into English of the Statutory Auditors' special report issued in the French language and is provided solely for the convenience of English speaking readers.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Compagnie de Financement Foncier
4, quai de Bercy
94224 Charenton Cedex

To the shareholders,

In our capacity as Statutory Auditors of the Company, we hereby report to shareholders on regulated agreements.

In application of article L. 225-40 of the French Commercial Code (Code de Commerce), we have been informed of the agreements which were previously submitted to your Board of Directors for approval.

Our responsibility does not include identifying any undisclosed agreements. We are required to report to shareholders, based on the information provided, on the main terms and conditions of agreements that have been disclosed to us, without commenting on their relevance or substance. Under the provisions of article 92 of the 23 March 1967 Decree, it is the responsibility of shareholders to determine whether the agreements are appropriate and should be approved.

We carried out our work in accordance with French professional standards. Those standards require that we carry out the necessary procedures to verify the consistency of the information disclosed to us with the source documents.

I - Agreement entered into during the year

At its meeting of 28 September 2004, the Board of Directors of Compagnie de Financement Foncier authorised the signing of an addendum to the agreement for the sale by Crédit Foncier de France of eligible loans to Compagnie de Financement Foncier dated 21 October 1999. As a review of the overall agreement is currently underway, the addendum has not yet been finalised.

Directors concerned: F. Drouin, A. Prévost.

II - Agreements approved in prior years that remained in force during the year

Under the provisions of the 23 March 1967 Decree, we were informed that the following agreements approved in prior years, remained in force during the year.

2.1 Subordinated and unsecured loans granted by Crédit Foncier de France

Under the terms of agreements dated 21 October 1999, 23 October 1999 and 1 February 2002, Crédit Foncier de France, granted to Compagnie de Financement Foncier a subordinated loan and an unsecured line of credit, intended to strengthen the capital base of Compagnie de Financement Foncier.

These two forms of financing represent the following:

- a credit line maturing on 21 October 2004 with a maximum authorised amount of drawdowns of €503 million. This credit line was not used during the year ended 31 December 2004;
- a subordinated loan of €1,350 million, maturing on 21 October 2040 and paying annual interest at the "TAM" rate + 2.5%, provided that the net income of Compagnie de Financement Foncier for the financial year in which the interest accrues is at least €10 million, after deducting this interest.

Interest expense of €62.1 million was recorded by Compagnie de Financement Foncier in respect of these agreements for the period from 1 January to 31 December 2004.

2.2 Guarantee agreement with Crédit Foncier de France

As part of the agreement dated 15 September 1999 covering the transfer of assets and liabilities by Crédit Foncier de France to Compagnie de Financement Foncier, Crédit Foncier:

- undertook, by agreement dated 21 October 1999, to indemnify Compagnie de Financement Foncier against the earnings impact of changes in market rates on mismatches related to private sector fixed rate loans;
- guaranteed, by agreement dated 21 October 1999, to Compagnie de Financement Foncier a minimum return on the sold loans, and specifically committed to covering any revenue shortfall arising from unfavourable early repayment and renegotiation trends compared with the assumptions used at the time of sale of the loans;
- undertook to indemnify Compagnie de Financement Foncier in case of a change in the treatment of borrowing costs related to the refinancing of subsidised loans.

These guarantees were taken into account in the valuation of assets transferred to Compagnie de Financement Foncier. They had no cash impact during the year ended 31 December 2004.

2.3 Management agreements with Crédit Foncier de France

Pursuant to the Depositor Protection Act of 25 June 1999, subsequently incorporated into the Monetary and Financial Code (articles L.515-13 *et seq.*), Compagnie de Financement Foncier entrusted to Crédit Foncier de France the management and collection of its loans and other assets, covered bonds (*obligations foncières*) and other secured and unsecured financing, and, more generally, all the services necessary to its operating, financial, administrative and accounting management, together with all necessary internal audit and control services.

For this purpose, a series of agreements dated 21 October 1999 were signed between Compagnie de Financement Foncier and Crédit Foncier de France, as amended by addenda 1, 2, A and B. These agreements are as follows:

- master agreement, setting out the general principles,
- agreement for the sale of eligible loans by Crédit Foncier de France to Compagnie de Financement Foncier,
- loan management and collection agreement,
- financial services agreement,
- administrative and accounting services agreement,

- audit and control services agreement,
- management fee agreement.

The fees billed by Crédit Foncier de France to Compagnie de Financement Foncier under these agreements totalled €96.7 millions for the year ended 31 December 2004.

Pursuant to the loan management and collection agreement, Crédit Foncier de France granted to Compagnie de Financement Foncier cash advances in the total amount of €127 million at the end of 2004, corresponding to unpaid instalments on loans sold to your Company.

Crédit Foncier de France retains the late interest billed to the borrowers concerned, as remuneration for this advance. Remuneration for financial year 2004 amounted to €11.3 million.

The guarantee agreement between Compagnie de Financement Foncier and Crédit Foncier de France provides that losses arising from these loans will be set off against these cash advances. Losses assumed by Crédit Foncier de France under this agreement in 2004 amounted to €0.5 million.

2.4 Disbursing agent agreements with Crédit Foncier de France

Compagnie de Financement Foncier has entered into disbursing agent agreements with Crédit Foncier de France, under the terms of which the latter undertakes to centralise the loans relating to first and second issues of covered bonds (*obligations foncières*). Corresponding agreements were signed on 13 October, 12 November and 15 November 1999.

The fees due to Crédit Foncier for this financial service is included in the remuneration for financial services set by article 6 of the agreement of 21 October 1999 relating to payment for services between Compagnie de Financement Foncier and Crédit Foncier de France.

2.5 Tax consolidation agreements

Compagnie de Financement Foncier signed a tax consolidation agreement on 29 December 1998 with Crédit Foncier de France, supplemented by an addendum dated 28 December 2000. At its meeting of 17 May 2002, your Board of Directors authorised renewal of the provisions of this agreement and the addendum thereto, expiring on 31 December 2001, for a further term of 5 years. This authorisation led to the signing of a new tax consolidation agreement dated 25 June 2002.

This agreement contains the customary terms and conditions. However, Crédit Foncier de France is not committed to paying compensation to any companies that leave the tax group, except in specific circumstances to be agreed jointly by the parties concerned.

No companies left the tax group in financial year 2004.

La Défense and Paris, 6 April 2005

The Statutory Auditors

Mazars & Guérard

PricewaterhouseCoopers Audit

Michel Barbet-Massin

Anik Chaumartin

- **Statutory auditors' report prepared in accordance with the final paragraph of article L.225-235 of the French Commercial Code for the year ended 31 December 2004**

Mazars & Guérard
39, rue de Wattignies
75012 Paris

PricewaterhouseCoopers Audit
32, rue Guersant
75017 Paris

Year ended 31 December 2004

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English speaking readers.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders,

In our capacity as Statutory Auditors of Compagnie de Financement Foncier and in accordance with the final paragraph of article L. 225-235 of the French Commercial Code (*Code de Commerce*), we hereby report to you on the report of the Chairman of your Company in accordance with article L. 225-37 of the French Commercial Code (*Code de Commerce*) for the year ended 31 December 2004.

In his report, the Chairman is notably required to give an account of the conditions in which the duties of the Board of Directors are prepared and organized and of the internal control procedures in place within the Company. It is our responsibility to report to you our observations on the information set out in the Chairman's report on the internal control procedures relating to the preparation and processing of financial and accounting information.

We performed our procedures in accordance with professional guidelines applicable in France. These require us to perform procedures to assess the fairness of the information set out in the Chairman's report on the internal control procedures relating to the preparation and processing of financial and accounting information. These procedures notably consisted of:

- obtaining an understanding of the objectives and general organization of internal control, as well as the internal control procedures relating to the preparation and processing of financial and accounting information, as set out in the Chairman's report;
- obtaining an understanding of the work performed to support the information given in the report.

On the basis of these procedures, we have no matters to report in connection with the information concerning the internal control procedures relating to the preparation and processing of financial and accounting information, as set out in the Chairman's report, prepared in accordance with the final paragraph of article L. 225-37 of the French Commercial Code (*Code de Commerce*).

La Défense and Paris, 6 April 2005

The Statutory Auditors

Mazars & Guérard

PricewaterhouseCoopers Audit

Michel Barbet-Massin

Anik Chaumartin

13.5.1.

The following quarterly financial information are un-audited and have not been reviewed.

Financial information as at 31st March 2004

For the avoidance of doubt, the financial information as at 31st March 2004 is reproduced in its entirety in the table below.

Assets	In thousands of euros
Cash due from central banks and post office accounts.....	33 594
Treasury notes and similar securities	163 614
Due from banks	8 495 701
Customers loans	20 259 582
Bonds and other fixed income securities	12 477 187
Shares and other variable income securities	—
Insurance Company short-term investment securities	—
Reinsurance company securities in technical provisions	—
Other long term securities	—
Equity in subsidiary companies	—
Leasing	—
Intangible fixed assets	40 405
Tangible fixed assets.....	—
Unpaid subscribed capital stock	—
Equity	—
Other insurance assets	—
Others assets	225 222
Prepayments deferred charges and accrued income	1 654 468
Total Assets	43 349 773

Liabilities and Equity	In thousands of euros
Cash due to central banks and post office accounts	-
Due to banks	1 709 328
Customer deposits	74 465
Debt securities	36 266 991
Technical provisions of insurance company	—
Other Insurance liabilities	—
Other liabilities	504 472
Accruals and deferred income.....	2 202 668*

* Of which unaudited net income for the first quarterly borrowing 2004 of EUR 34 066K.

Liabilities and Equity	In thousands of euros
Provisions for liabilities and charges	9 570
Subordinated debt	2 265 726
Fund for general banking risks	20 000
Equity other than fund for general banking risks	296 553
Subscribed capital stock	100 000
Share premiums	118 536
Reserves	46 303
Revaluation variation	—
Regulated provisions and investment subsidies	—
Retained earnings	—
Net income for the year 2003 before distribution	31 714
Total Liabilities and Equity	43 349 773

Off Balance Sheet	In thousands of euros
Commitments given :	
<i>Financing commitments</i>	513 076
<i>Guarantee commitments</i>	—
<i>Securities commitments</i>	—
<i>Commitments given for Insurance activities</i>	—
Commitments received :	
<i>Financing commitments</i>	2 312 720
<i>Guarantee commitments</i>	310 312
<i>Securities commitments</i>	50 000
<i>Commitments received from Insurance activities</i>	—

Financial information as at 31 March 2005

For the avoidance of doubt, the financial information as at 31st March 2005 is reproduced in its entirety in the table below.

Assets	In thousands of euros
Cash due from central banks and post office accounts.....	201
Treasury notes and similar securities	—
Due from banks	9 533 795
Customers loans	20 041 136
Bonds and other fixed income securities.....	19 303 540
Shares and other variable income securities.....	—

Assets	In thousands of euros
Insurance Company short-term investment securities	–
Reinsurance company securities in technical provisions.....	–
Other long term securities	–
Equity in subsidiary companies.....	–
Leasing	–
Intangible fixed assets	28 743
Tangible fixed assets	–
Unpaid subscribed capital stock	–
Equity	–
Other insurance assets	–
Others assets	192 626
Prepayments deferred charges and accrued income	1 850 469
Total Assets	50 950 510

Liabilities and Equity	In thousands of euros
Cash due to central banks and post office accounts	8 278
Due to banks.....	1 357 429
Customer deposits	22 242
Debt securities	43 772 745
Technical provisions of insurance company	–
Other Insurance liabilities	–
Other liabilities	473 478
Accruals and deferred income	2 668 252 ^{□*}
Provisions for liabilities and charges.....	5 403
Subordinated debt.....	2 265 763
Fund for general banking risks	20 000
Equity other than fund for general banking risks	356 920
Subscribed capital stock	100 000
Share premiums.....	118 536
Reserves	65 517
Revaluation variation	–
Regulated provisions and investment subsidies	–
Retained earnings.....	–
Net income for the year 2004 before distribution	72 867

^{□*} Of which unaudited net income for the first quarterly borrowing 2005 of €23 406K.

Liabilities and Equity	In thousands of euros
Total Liabilities and Equity	50 950 510

Off Balance Sheet	In thousands of euros
Commitments given :	
<i>Financing commitments</i>	941 970
<i>Guarantee commitments</i>	—
<i>Securities commitments</i>	—
<i>Commitments given for Insurance activities</i>	—
Commitments received :	
<i>Financing commitments</i>	1 304 901
<i>Guarantee commitments</i>	3 688 426
<i>Securities commitments</i>	115 000
<i>Commitments received from Insurance activities</i>	—

13.7. SIGNIFICANT CHANGE IN THE ISSUER'S FINANCIAL OR TRADING POSITION

No significant change in the financial and trading position of the group has occurred since the end of the last financial period for which interim financial information have been published.

**SPECIFIC CONTROLLER’S REPORT ON THE VALUATION METHODS AND THE
METHODS FOR THE PERIODIC REVIEW OF THE VALUE OF REAL ESTATE AT
DECEMBER 31, 2004**

To the Directors of Compagnie de Financement Foncier,

In our capacity as the Specific Controller of your company, and pursuant to the provisions of Article L.515-30 of the French Monetary and Financial Code, as well as those set out in Article 5 of Regulation 99-10 of the CRBF (French Banking and Financial Regulations Committee), we hereby present you with our report relating to the assessment of the procedure describing the methods used to value the real estate underlying loans and the methods for periodically reviewing their value, published at the same time as the annual financial statements on December 31, 2004 and appended herewith.

The procedure relating to the valuation methods for real estate and the methods for periodically reviewing their value was defined and implemented under the responsibility of the management of your company. It is our responsibility to assess the validity of this procedure in light of its compliance with the regulations in force.

We have examined the valuation methods and the methods for periodically reviewing the value of real estate underlying loans in accordance with the professional standards applicable to this assignment. These standards require that we take the steps necessary to ascertain that the valuation methods and periodic review methods comply, in their design and their application, with the regulations in force, and that we check the presentation of the procedure which is published simultaneously in the annual financial statements.

We have no special observation to make as to the compliance of the valuation methods and the periodic review of the underlying assets described in this procedure with the provisions set out in Regulations 99-10 and 2002-02 of the CRBF.

It should however be noted that, based on the tests we carried out, the operational implementation of this procedure could be improved in terms of:

- automation of uploads into the management databases of securities from the periodic review statistical processes and from the individual review process based on real estate expert appraisals;
- consistency of the methods used to calculate the “provisional” revaluation indices with those used for the “final” indices.

Paris, April, 8, 2005

The Specific Controller

CAILLIAU DEDOUIT ET ASSOCIES

Laurent BRUN

CAILLIAU DEDOUIT ET ASSOCIES

19, rue Clément Marot, 75008 Paris

Procedure for the valuation and periodic review of the assets underlying loans at December 31, 2004

I. Method for the valuation of assets underlying loans

(a) General asset valuation principles

The procedure described below was determined, in accordance with Articles 1 and 2 of Regulation 99-10 of the CRBF, as amended by Regulation 2002-02.

Real estate financed by eligible loans or recorded as assets for these loans is subject to prudent valuation rules.

The valuation is based on the real estate's long term characteristics, normal and local market conditions, the current use of the property and other possible uses.

Exceptionally, the valuation may be based on the total cost of the operation where this cost is lower than €350,000 (CRBF Regulation 2002-02).

(b) Special rule used by Compagnie de Financement Foncier

As from January 1, 2003, in accordance with the provisions of CRBF Regulation 2002-02 and a decision from the Chairman of the Crédit Foncier de France Executive Board dated July 28, 2003, the cost of the operation including VAT and without discount is taken as the estimated value of the asset, for all operations concerning residential property which is valued at less than €350,000.

Exceptionally, the VAT-inclusive collateral less a 10% discount on new property and 5% on old (for old constructions requiring renovation, the collateral is previously discounted by 60% of the renovation cost), is taken as the asset value in the following cases:

- presence of a bridging loan in the operation (Foncier Intégral product)
- the cost of the operation is less than the authorised amount
- one of the loans of the operation was authorised or implemented before January 1, 2003
- one of the loans of the operation was transferred to the "Société de Crédit Foncier" before September 1, 2003

Summary

The foregoing rules are summarised in the tables below:

TYPE OF ASSET	Amounts below €350,000	Amounts above €350,000
RESIDENTIAL PROPERTY	Cost of the operation	Expert appraisal
BUSINESS PROPERTY	Expert appraisal	Expert appraisal
COMBINED PROPERTY	Cost of the operation	Expert appraisal

At December 31, 2004, this valuation method was only used on collateral underlying loans authorised in 2004; collateral underlying loans authorised before 2004 is necessarily subject to periodic reviews of its value at December 31, 2004, as presented hereafter (Cf. II).

II. Methods for periodic review of residential property

The rules detailed below apply to collateral underlying loans authorised before 2004. Collateral underlying loans authorised in 2004 is valued according to the method explained in Chapter I.

Two periodic review methods are applied according to the following distinction:

- The S1 method for all residential assets below €350,000 and for the residential property of private clients above €350,000.
- The S2 method for the residential property of business customers valued at more than €350,000.

(c) S1 periodic review method

This revaluation method entails applying to the real property:

- The revaluation ratios of one year to the next, according to price changes on the property market from January 1, 2004 – December 31, 2004;
- an annual natural obsolescence ratio equal to 0.65%.

The S1 revaluation method includes two sub-periods:

- From year-end 2002 to year-end 2003: replacement of the provisional revaluation indices by final indices.
- From year-end 2003 to year-end 2004: definition of the provisional revaluation indices, including the obsolescence effect.

1) From year-end 2002 to year-end 2003

The provisional indices of price changes in 2003, applied in the previous year, have been replaced by final price-change indices obtained from the “2003 Real Estate Market” expert appraisal.

These final indices are therefore based on the opinion of real estate experts conducted each year by Foncier Expertise.

The results of this survey are restated in an econometric model which includes the average indices of the annual price change by cities, for apartments and houses.

The following adjustments were carried out on these indices:

1. Even if the locations of the assets on which Crédit Foncier loans are secured are precisely known, some variables (area, neighbourhood, and building quality in particular) are not included in the survey carried out by Foncier Expertise. Consequently, we limited the use of the econometric model to just the average variation in prices for each city.
2. Assets which were subject to sharp price changes (decrease greater than 10% or increase greater than 30%) were excluded as it was considered that the variations probably revealed the expert’s difficulty in determining the price of genuinely comparable properties.
3. The final model uses the annual price change in the French départements, based on the values observed in each city. The method used to calculate these indices is as follows:
 - a. The average index of cities in the *département* was extrapolated to the whole département.
 - b. When a *département* has no surveyed city, the change used is the average change for the cities in the region.

The final ratios are appended herewith.

2) From year-end 2003 to year-end 2004

Considering the early date of the statistical revaluation processing, the exact change in the price of assets during the last year was provisionally estimated by Foncier Expertise.

The indices selected for 2004 take into account a rise in real estate property prices for apartments and houses, and are determined as follows:

- For the first half of the year, the information is extracted from the “CD-Biens” database, which contains indices of prices statistically determined by notaries, for Ile de France (Greater Paris area), Paris and other French cities;
- The July indices for Paris and Ile de France are taken from the same database and determine the trend used for the entire third quarter;
- Since no statistical information was available for the fourth quarter, zero change was recorded for this period, in a real estate bull market.

As a result, an extrapolation of the indices from the first half of 2004 can be used to establish the provisional change indices for 2004.

These indices are presented in the table below:

Changes 2004	Paris	Ile de France	Rest of France
Apartments	11.5%	11%	13.5%
Houses	11.5%	10%	9%

These provisional changes will be replaced next year by the final changes obtained from the next survey conducted by Foncier Expertise.

Accordingly, at each annual revaluation, we systematically correct the provisional changes of the real estate market estimated the previous year (2003) by using a model based on the actual changes observed. Furthermore, the process includes new provisions for 2004.

(a) S2 periodic review method

For 2004, the S2 revaluation method entailed applying the annual change in the rent index for residential property to 2003 values, i.e. + 3.2% (source INSEE).

This change was then adjusted to reflect annual obsolescence, at a rate of 0.65%.

III. Methods for periodic review of business property

(a) Revaluation of business property valued at more than €350,000

This segment is revalued each year by an expert, on an asset-by-asset basis.

The expert determines a prudential mortgage value, based on an in-depth analysis of the nature of the asset and its specific characteristics, and on a forward and prudent vision of the market.

254 such expert appraisals were conducted in 2004.

For loans in this category where the ratio of outstanding principal to authorised amount has fallen to under 30%, pursuant to CRBF Regulation 2002-02, the S1 revaluation method is applied based on the last known expert appraisal.

(b) Revaluation of business property valued at less than €350,000

Pursuant to the provisions of CRBF 2002-02, this collateral is revalued individually, every three years, through an expert appraisal, then statistically in the interval, according to the S1 method.

IV. Summary table:

Type of asset	Healthy cases			Cases in dispute
	Ratio of outstanding principal to initial amount > 30%		Ratio of outstanding principal to initial amount ≤ 30%	
	Amounts lower than €350,000	Amounts greater than €350,000	All amounts	All amounts
RESIDENTIAL PROPERTY	S1 With 2 sub-periods: S1 ₂₀₀₂₋₂₀₀₃ S1 ₂₀₀₃₋₂₀₀₄	If private client: S1 method If business client: S2 method	S1 (< €350,000) or S2 (> €350,000)	Specific individual review
BUSINESS PROPERTY	Individual quarterly review S1 in the intervening period	Annual individual review	S1	

Appendix

Changes in housing prices in French <i>départements</i> between 2002 and 2003

Final ratios for sales in France regions (excluding Paris and Ile de France)

Département	House ratio	Apart. ratio
Ain	1.1036	1.0934
Aisne	1.0278	1.0269
Allier	1.0005	1.0008
Alpes-de-Haute-Provence	1.0843	1.0820
Alpes-Maritimes	1.1012	1.0869
Ardèche	1.1036	1.0934
Ardennes	1.0238	1.0352
Ariège	1.0820	1.0853
Aube	1.0896	1.0929
Aude	1.0369	1.0360
Aveyron	1.0820	1.0853
Bas-Rhin	1.0518	1.0290
Bouches-du-rhône	1.0728	1.0888
Calvados	1.0897	1.1241
Cantal	1.0244	1.0341
Charente	1.0011	1.0114
Charente-Maritime	1.0164	1.0730
Cher	1.1130	1.0899
Corrèze	1.0715	1.0295
Côte d'or	1.0592	1.0203
Côtes d'Armor	1.0293	1.0209
Creuse	1.0663	1.0363
Deux-Sèvres	1.0099	1.0033
Dordogne	1.0785	1.1061
Doubs	1.0558	1.0301
Drôme	1.1256	1.0272
Eure	1.0285	1.0430
Eure-et-Loire	1.1011	1.1423
Finistère	1.0174	1.0150

Département	House ratio	Apart. ratio
Gard	1.0422	1.0347
Gers	1.0820	1.0853
Gironde	1.0741	1.1307
Haute-Garonne	1.1343	1.0897
Haute-Loire	1.0244	1.0341
Haute-Marne	1.0371	1.0512
Hautes-Alpes	1.0843	1.0820
Haute-Saône	1.0506	1.0160
Haute-Savoie	1.1022	1.1306
Hautes-Pyrénées	1.0676	1.0965
Haute-Vienne	1.0610	1.0431
Haut-Rhin	1.0456	1.0488
Hérault	1.0713	1.0511
Jura	1.0506	1.0160
Ille-et-Vilaine	1.0611	1.0810
Indre	1.1041	1.0978
Indre-et-Loire	1.1313	1.1088
Isère	1.1762	1.1493
Landes	1.0785	1.1061
Loire	1.0000	1.0489
Loire-Atlantique	1.0533	1.0532
Loiret	1.0717	1.0520
Loir-et-Cher	1.1041	1.0978
Lot	1.0820	1.0853
Lot-et-Garonne	1.0785	1.1061
Lozère	1.0855	1.0624
Maine-et-Loire	1.0481	1.0574
Manche	1.1336	1.1245
Marne	1.0000	1.0267
Mayenne	1.0380	1.0395
Meurthe-et-Moselle	1.0363	1.0246
Meuse	1.0369	1.0280
Morbihan	1.0358	1.0385
Moselle	1.0375	1.0314
Nièvre	1.0434	1.0144
Nord	1.0307	1.0618

Département	House ratio	Apart. ratio
Oise	1.0564	1.0375
Orne	1.1114	1.1243
Pas-de-Calais	1.0479	1.0588
Puy-de-dôme	1.0488	1.0686
Pyrénées-Atlantiques	1.0829	1.0820
Pyrénées-Orientales	1.1992	1.1308
Rhône	1.1120	1.1132
Saône-et-Loire	1.0439	1.0649
Sarthe	1.0130	1.0087
Savoie	1.1134	1.0965
Seine-Maritime	1.0285	1.0430
Somme	1.0000	1.0163
Tarn	1.0820	1.0853
Tarn-et-Garonne	1.0459	1.0698
Territoire-de-Belfort	1.0454	1.0021
Var	1.0790	1.0596
Vaucluse	1.0845	1.0930
Vendée	1.0380	1.0395
Vienne	1.0478	1.0185
Vosges	1.0369	1.0280
Yonne	1.0589	1.0173

Final ratios for sales in Paris and Ile de France

Département	House ratio	Apart. ratio
Essonne	1.0056	1.0838
Hauts-de-Seine	1.0507	1.0655
Seine-et-Marne	1.1042	1.0931
Seine-Saint-denis	1.1441	1.0937
Val-de-Marne	1.0314	1,0793
Val-d'Oise	1.0671	1.0746
Yvelines	1.0665	1.0853
Average	1.0671	1.0822
Paris	1.1	1.1

SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated 25 August 2005 (the “**Amended and Restated Dealer Agreement**”) between the Issuer, the Permanent Dealers and the Arranger, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Amended and Restated Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for its expenses incurred in connection with the of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Final Terms.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Amended and Restated Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling Restrictions

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Directive 2003/71/EC (the “**Prospectus Directive**”) (each, a “**Relevant Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”), unless as otherwise specified in the Final Terms, it has not made and will not make an offer of Notes to the public in that Relevant Member State and may, with effect from and including the Relevant Implementation Date, only offer at any time:

- (i) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (ii) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities; or
- (iii) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (iv) in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 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 and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

France

As long as the Prospectus Directive is not implemented in France, each of the Dealers and the Issuer has represented and agreed that, it has not offered or sold and will not offer or sell, directly or indirectly, any Notes by way of a public offering in France (an *appel public à l'épargne*, as defined in Article L.411-1 of the Code).

As from the date of the implementation in France of the Prospectus Directive, the French selling restrictions will be set out in the relevant Final Terms.

United States

The Notes have not been and will not be registered under the U.S. Securities Act and include Materialised Notes having a maturity of more than one year that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or, in the case of Materialised Notes, delivered within the United States or to U.S. persons. Each Dealer has agreed that it will not offer, sell or deliver the Notes except as permitted by the Amended and Restated Dealer Agreement.

In addition, until 40 days after the commencement of the offering, an offer or sale of any identifiable Tranche of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

United Kingdom

Each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree that:

- (i) in relation to any Notes which have a maturity of less than one year from the date of their issue, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan (the “**Securities and Exchange Law**”). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Securities and Exchange Law and other relevant laws and regulations of Japan. As used in this paragraph, “resident of Japan” means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a Supplement to the Prospectus.

Unless otherwise specified in the Final Terms, no action has been taken in any jurisdiction that would permit an offer to the public of any of the Notes, or possession or distribution of the Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Prospectus, any other offering material or any Final Terms and neither the Issuer nor any other Dealer shall have responsibility therefore.

Each of the Dealers and the Issuer has represented and agreed that Materialised Notes may only be issued outside France.

FORM OF FINAL TERMS 1

FORM OF FINAL TERMS FOR USE IN CONNECTION WITH ISSUES OF NOTES WITH A DENOMINATION OF LESS THAN €50,000 TO BE LISTED AND ADMITTED TO TRADING ON A REGULATED MARKET OR REGULATED MARKETS AND/OR OFFERED TO THE PUBLIC IN THE EUROPEAN ECONOMIC AREA

Final Terms dated [●]

[LOGO, if document is printed]

COMPAGNIE DE FINANCEMENT FONCIER

Euro 50,000,000,000

Euro Medium Term Note Programme

for the issue of *Obligations Foncières*

Due from one month from the date of original issue

SERIES NO: [●]

TRANCHE NO: [●]

[Brief Description and Amount of *Obligations Foncières*]

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

Issue Price: [●] per cent.

[Name(s) of Dealer(s)]

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 [●] [and the supplement to the Base Prospectus dated [●] which [together] constitute[s] 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 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. The Base Prospectus [and the supplemental to the Base Prospectus] [is] [are] available for viewing at the office of the Fiscal Agent or each of the Paying Agents and, if relevant, on the

website of the Luxembourg Stock Exchange, and copies may be obtained from [Compagnie de Financement Foncier, 4, Quai de Bercy, 94224 Charenton Cedex, France].

The following alternative language applies if the first tranche of an issue which is being increased was issued under a [Prospectus and/or an Offering Circular] with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the [Prospectus/Offering Circular] dated [original date] [and the supplement to the Base Prospectus] dated [•] This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”) and must be read in conjunction with the Base Prospectus dated [current date] [and the supplement to the Base Prospectus dated [•], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the [Prospectus/Offering Circular] dated [original date] [and the supplement to the Base Prospectus] dated [•] and are attached hereto. 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 [Prospectus/Offering Circular] dated [original date] and the Base Prospectus dated [current date] [and the supplement to the Base Prospectus dated [•]. The Base Prospectus/Offering Circular [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, if relevant, on the website of the Luxembourg Stock Exchange, and copies may be obtained from [Compagnie de Financement Foncier 4, Quai de Bercy, 94224 Charenton, France].

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]

[When adding any other final terms or information in these Final Terms consideration should be given as to whether such terms or information constitute a "significant new factor" and consequently triggers the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

1	Issuer:	Compagnie de Financement Foncier
2	(i) Series Number:	[•]
	(ii) [Tranche Number:	[•]
	<i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)</i>	
3	Specified Currency or Currencies:	[•]
4	Aggregate Nominal Amount:	
	(i) Series:	[•]
	(ii) [Tranche:	[•]]
5	Issue Price:	[•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date],(if applicable)]
6	Specified Denominations:	[•] <i>(one denomination only for Dematerialised Notes)¹</i>

¹ Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA and having a maturity of less than one year must have a minimum denomination of £100,000 (or its equivalent in other currencies).

7	(i) Issue Date:	[•]
	(ii) [Interest Commencement Date:	[•]]
8	Maturity Date:	[specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]
9	Interest Basis:	[[•] per cent. Fixed Rate] [[specify reference rate] +/- [•] per cent. Floating Rate] [Zero Coupon] [Index Linked Interest] [Other (specify)] [(further particulars specified below)]
10	Redemption/Payment Basis ¹ :	[Redemption at par] [Index Linked Redemption] [Dual Currency] [Partly Paid] [Instalment] [Other (specify)]
11	Change of Interest or Redemption/Payment Basis:	[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]
12	Call Options:	[Issuer Call] [(further particulars specified below)]
13	(i) Status of the Notes:	[Obligations Foncières]
	(ii) Dates of the corporate authorisations for issuance of the Notes:	Decision of the <i>Conseil d'administration</i> of Compagnie de Financement Foncier dated [•] authorising the issue of the Notes and authorising its <i>directeur général</i> the power 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 [•] authorising the quarterly programme of borrowings which benefit from the <i>privilège</i> referred to in Article L.515-19 of the Code of up to and including Euro [•] billion for the [•] quarter of 200[•].
14	Method of distribution:	[Syndicated/Non-syndicated]

¹ If the Final Redemption Amount is less than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15	Fixed Rate Note Provisions	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining subparagraphs of this paragraph</i>)
(i)	Rate [(s)] of Interest:	[•] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
(ii)	Interest Payment Date(s):	[•] in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"/not adjusted] (<i>Note that this item relates to interest period end dates and not to the date and place of payment, to which item 25 relates</i>)
(iii)	Fixed Coupon Amount [(s)]:	[•] per [•] in nominal amount
(iv)	Broken Amount(s):	[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount [(s)] and the Interest Payment Date(s) to which they relate]
(v)	Day Count Fraction (Condition 5(a)):	[30/360/Actual/Actual[ISMA ¹]/ISDA/ FBF/Other] Adjusted/Unadjusted
(vi)	Determination Date(s) (Condition 5(a)):	[•] in each year (<i>insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last Coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ISMA¹)</i>)
(vii)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/give details]
16	Floating Rate Provisions	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining subparagraphs of this paragraph</i>)
(i)	Interest Period(s):	[•]
(ii)	Specified Interest Payment Dates:	[•]

¹ As announced on 3 February 2005 ISMA and IPMA have agreed the terms of a proposed merger. The merger is expected to be completed by July 2005 and the merged association will be called ICMA (the International Capital Markets Association).

- (iii) Business Day Convention: [Following Business Day Convention/ Following Business Day Except the Following Month Convention/Preceding Business Day Convention/other (give details)]. (Note that this item relates to interest period end dates and not to the date and place of payment, to which item 25 relates)
- (iv) Business Centre(s) (Condition 5(a)): [•]
- (v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/FBF Determination/ISDA/other (give details)]
- (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): [•]
- (vii) Screen Rate Determination (Condition 5(c)(iii)(B)):
- Relevant Time: [•]
 - Interest Determination Date: [•] [TARGET] Business Days in [specify city] for [specify currency] prior to [the first day in each Interest Accrual Period/each Interest Payment Date][, subject to adjustment in accordance with [Following Business Day Convention/ Following Business Day Except the Following Month Convention/Preceding Business Day Convention/other (give details)].]
 - Primary Source for Floating Rate: [Specify relevant screen page or “Reference Banks”]
 - Reference Banks (if primary source is “Reference Banks”): [Specify four]
 - Relevant Financial Centre: [The financial centre most closely connected to the benchmark - specify if not Paris]
 - Benchmark: [LIBOR, LIBID, LIMEAN, EURIBOR or other benchmark]
 - Representative Amount: [Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount]
 - Effective Date: [Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period]
 - Specified Duration: [Specify period for quotation if not duration of Interest Accrual Period]
- (viii) FBF Determination (Condition 5(c)(iii)(A)):

	• Floating Rate:	[•]
	• Floating Rate Determination Date (<i>Date de Détermination du Taux Variable</i>):	[•]
	• FBF Definitions: (if different from those set out in the Conditions):	[•]
	(ix) Margin(s):	[+/-] [•] per cent. per annum
	(x) Minimum Rate of Interest:	[Not Applicable] / [•] per cent. per annum
	(xi) Maximum Rate of Interest:	[Not Applicable] / [•] per cent. per annum
	(xii) Day Count Fraction (Condition 5(a)):	[•]
	(xiii) Rate Multiplier:	[•]
	(xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[•]
17	Zero Coupon Note Provisions	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining subparagraphs of this paragraph</i>)
	(i) Amortisation Yield (Condition 6(d)):	[•] per cent. per annum
	(ii) Day Count Fraction (Condition 5(a)):	[•]
	(iii) Any other formula/basis of determining amount payable:	[•]
18	Index Linked Interest Note/other variable-linked interest Note Provisions	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining subparagraphs of this paragraph</i>)
	(i) Index/Formula/other variable:	[Give or annex details]
	(ii) Calculation Agent responsible for calculating the interest due:	[•]
	(iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable:	[•]
	(iv) Interest Period(s):	[•][•][subject to adjustment in accordance with [Following Business Day Convention/ Following Business Day Except the Following Month Convention/Preceding Business Day Convention/other (<i>give details</i>)]]
	(v) Provisions for determining Coupon where calculation by reference to Index and/or Formula an/or other variable is impossible or impracticable or other wise disrupted:	[•]

- (vi) Calculation of Interest period(s): [•]
- (vii) Specified Interest Payment Dates: [•]
- (viii) Business Day Convention: [Following Business Day Convention/ Following Business Day Except the Following Month Convention/Preceding Business Day Convention/other (give details)]. (Note that this item relates to interest period end dates and not to the place of payment, to which item 25 relates)
- (ix) Business Centre(s) (Condition 5(a)): [•]
- (x) Minimum Rate /Amount of Interest: [Not Applicable]/[•] per cent. per annum
- (xi) Maximum Rate /Amount of Interest: [Not Applicable]/[•] per cent. per annum
- (xii) Day Count Fraction (Condition 5(a)): [•]

19 Dual Currency Note Provisions¹

[Applicable/Not Applicable] (If not applicable, delete the remaining subparagraphs of this paragraph)

- (i) Rate of Exchange/Method of calculating Rate of Exchange: [Give details]
- (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due: [•]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [•]
- (iv) Person at whose option Specified Currency(-ies) is/are payable: [•]

PROVISIONS RELATING TO REDEMPTION

20 Call Option

[Applicable/Not Applicable] (If not applicable, delete the remaining subparagraphs of this paragraph)

- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Note [of [•] Specified Denomination]
- (iii) If redeemable in part: [•]
- (iv) Minimum Nominal Amount to be redeemed: [•]
- (v) Maximum Nominal Amount to be redeemed: [•]
- (vi) Notice period¹: [•]

¹ If the Final Redemption Amount is less than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

21 **Other Option** [Put/Not Applicable] (*If applicable, specify details*)

22 **Final Redemption Amount of each Note²** [[•] per Note of [[•] specified denomination/]Nominal amount/Other/See Appendix]

In cases where the Final Redemption Amount is Index-Linked or other variable-linked:

(i) Index/Formula/variable: [*give or annex details*]

(ii) Calculation Agent responsible for calculating the Final Redemption Amount: [•]

(iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [•]

(iv) Determination Date(s): [•]

(v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [•]

(vi) Payment Date: [•]

(vii) Minimum Final Redemption Amount : [•]

(viii) Maximum Final Redemption Amount : [•]

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/ Materialised Notes] (*Materialised Notes are only in bearer form*)

(i) Form of Dematerialised Notes: [*Delete as appropriate*]
[Not Applicable/*specify whether* Bearer dematerialised form (*au porteur*) / Administered Registered dematerialised form (*au nominatif administré*) / Fully Registered dematerialised form (*au nominatif pur*)]

¹ if setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems, as well as any other notice requirements which may apply, for example, as between the Issuer and its Fiscal Agent.

² If the Final Redemption Amount is less than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

(ii)	Registration Agent:	[Not Applicable/Applicable] <i>if applicable give name and details</i> (note that a registration agent must be appointed in relation to Fully Registered Dematerialised Notes only)
(iii)	Temporary Global Certificate:	[Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on [•] (the “ Exchange Date ”), being 40 days after the Issue Date subject to postponement as specified in the Temporary Global Certificate]
(iv)	Applicable TEFRA exemption:	[C Rules/D Rules/Not Applicable] (Only applicable to Materialised Notes)
25	Financial Centre(s) (Condition 7(h)) or other special provisions relating to Payment Dates:	[Not Applicable/Give details]. (Note that this item relates to the date and place of payment, and not interest period end dates, to which items 15(vi), 16(iv) and 18(ix) relate)
	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.] [The immediately preceding business day]/[Other*]
26	Talons for future Coupons or Receipts to be attached to Definitive Materialised Notes (and dates on which such Talons mature):	[Yes/No/Not Applicable. <i>If yes, give details</i>] (Only applicable to Materialised Notes)
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/give details]
28	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	[Not Applicable/give details]
29	Redenomination, renominalisation and reconventioning provisions:	[Not Applicable/The provisions [in Condition 1(d)] [annexed to this Final Terms] apply]
30	Consolidation provisions:	[Not Applicable/The provisions [in Condition 15(b)] [annexed to this Final Terms] apply]

* In the market practice, if any date for payment in respect of Fixed Rate Notes, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day (as defined in Condition 7(h)).

- 31 Representation of holders of Notes¹ *Masse* (Condition 10) [Applicable/Not Applicable/Condition 10 replaced by the full provisions of French Code of Commerce relating to the *Masse*] *(Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 10 may be waived, amended or supplemented, and (ii) in respect of any Tranche of Notes issued inside France, Condition 10 must be waived in its entirety and replaced by the provisions of French Code of Commerce relating to the Masse. If Condition 10 (as it may be amended or supplemented) applies or if the full provisions of French Code of Commerce apply, insert details of Representative and Alternative Representative and remuneration, if any).*
- 32 Other final terms: [Not Applicable/give details] *(When adding any other final terms consideration should be given as to whether such terms constitute a "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)*

DISTRIBUTION

- 33 (i) If syndicated, names and addresses of Managers and underwriting commitments: [Not Applicable/give names, addresses and underwriting commitments] *(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)*
- (ii) Date of [Subscription] Agreement: [•]
- (iii) Stabilising Manager(s) (if any): [Not Applicable/give name]
- 34 If non-syndicated, name and address of Dealer: [Not Applicable/give name]
- 35 Total [underwriting] commission and concession: [•][] per cent. of the Aggregate Nominal Amount.
- 36 Additional selling restrictions: [Not Applicable/give details]

¹ The provisions of the French *Code de Commerce* relating to the *Masse* of holders of Notes are applicable in full to French domestic issues of Notes. Pursuant to Article L.228-90 of the French *Code de Commerce*, the *Masse* provisions contained in the French *Code de Commerce* are NOT applicable to international issues (*emprunt émis à l'étranger*); accordingly international issues may have no *Masse* provisions at all or the *Masse* provisions contained in the French *Code de Commerce* may be varied along the lines of the provisions of Condition 10

[LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprises the final terms required to list and have listed and admitted to trading the issue of Notes described herein pursuant to the Euro 50,000,000,000 Euro Medium Term Note Programme of Compagnie de Financement Foncier.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[•] has been extracted from [•]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [•], no facts have been omitted which would render the reproduced inaccurate or misleading.]

Signed on behalf of the Issuer:

Duly represented by:

PART B – OTHER INFORMATION

1. RISK FACTORS

[[Insert any risk factors that are material to the Notes being offered and/or listed and admitted to trading in order to assess the market risk associated with these Notes and that may affect the Issuer's ability to fulfil its obligations under the Notes which are not covered under "Risk Factors" in the Base Prospectus. If any such additional risk factors need to be included consideration should be given as to whether they constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.] [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]]*

2. LISTING

- (i) Listing: [Luxembourg/other (*specify*)/None]
- (ii) Admission to trading: [Application has been made for the Notes to be listed and admitted to trading on [•]with effect from [•].] [Not Applicable.]

(Where documenting a fungible issue need to indicate that original securities are already listed and admitted to trading.)

3. PUBLIC OFFER(S)

- (i) Public Offer(s): [Yes/Not Applicable]
- (ii) Member State(s): [The Notes will be offered to the public in [•] (*insert any Member State of the European Economic Area where the Notes will be offered to the public*/Not Applicable]
- (iii) Time period, including any possible amendments, during which the offer will be open and description of the applicable process: [[-]/Not Applicable]
- (iv) Description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants: [[-]/Not Applicable]
- (v) Details of the minimum and/or maximum amount of application, (whether in number of securities or aggregate amount to invest): [[-]/Not Applicable]
- (vi) Procedure for the exercise of any right of pre-emption, the: [[-]/Not Applicable]

* Required for derivative securities to which Annex 12 to the Prospectus Directive Regulation applies. See footnote ** below.

** If the Final Redemption Amount is less than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

negotiability of subscription rights
and the treatment of subscription
rights not exercised

(vii) Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made [[-]/Not Applicable]

4. RATINGS

Ratings:

The Programme has been rated Aaa by Moody's Investors Service and AAA by Standard & Poors 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 rating desk or moodys.com. The Notes issued under the Programme will be rated AAA by Standard & Poors Ratings Services¹ and by Fitch Ratings².

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

5. [NOTIFICATION]

The *Commission de surveillance du secteur financier* in Luxembourg [has been requested to provide/has provided - include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the [include names of competent authorities of host Member States] 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/OFFER]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

["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:

[•]

(See "Use of Proceeds" wording in Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)

[(ii)] Estimated net proceeds:

[•]

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds

¹ An obligation rated "AAA" has the highest rating assigned by Standard & Poor's. The obligor capacity to meet its financial commitment on the obligation is extremely strong (source: Standard & Poors Ratings Services).

² 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.

insufficient to fund all proposed uses state amount and sources of other funding.)

[(iii)] Estimated total expenses:

[•] *[Include breakdown of expenses.]*

(If the Notes are derivative securities to which Annex 12 of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)

8. OFFER STATISTICS AND EXPECTED TIMETABLE

(i) Offer statistics

(ii) Expected timetable

9. [Fixed Rate Notes only – YIELD

Indication of yield:

[•]

Calculated as *[include details of method of calculation in summary form]* 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.]

10. [Floating Rate Notes only - HISTORIC INTEREST RATES

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Telerate].]

[Index-Linked or other variable-linked Notes only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING ***

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained, the underlying on which it is based and of the method used to relate the two, a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident. and any settlement disruption events that affect the underlying. Include details of rules with relation to events concerning the underlying.

11. [Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained, the underlying on which it is based and of the method used to relate the two, a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident and any settlement disruption events that affect the underlying. Include details of rules with relation to events concerning the underlying.]

*** For derivative securities to which Annex 12 to the Prospectus Directive Regulation applies, please complete instead paragraph 12 below relating to explanation of effect on value of investment, return on derivatives securities and information concerning the underlying.

12. [Derivatives only – EXPLANATION OF EFFECT ON VALUE OF INVESTMENT, RETURN ON DERIVATIVES SECURITIES AND INFORMATION CONCERNING THE UNDERLYING]*

EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.

INFORMATION CONCERNING THE UNDERLYING

- a statement setting out the type of the underlying and details of where information on the underlying can be obtained: [•]
- an indication where information about the past and the further performance of the underlying and its volatility can be obtained [•]
- where the underlying is an index: [Applicable/Not Applicable]
 - the name of the index and a description of the index if it is composed by the issuer. If the index is not composed by the issuer, where information about the index can be obtained: [•]
- where the underlying is an interest rate: [Applicable/Not Applicable]
 - a description of the interest rate: [•]
- others: [Applicable/Not Applicable]
 - where the underlying does not fall within the categories specified above the securities note shall contain equivalent information: [•]
- where the underlying is a basket of underlyings: [Applicable/Not Applicable]
 - disclosure of the relevant weightings of each underlying in the basket: [•]
- A description of any market disruption or settlement disruption events that affect the underlying: [•]
- Adjustment rules with relation to events concerning the underlying:]* [•]

* Required for derivative securities to which Annex 12 to the Prospectus Directive Regulation applies. See footnote ** below.

** If the Final Redemption Amount is less than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

* Required for derivative securities to which Annex 12 to the Prospectus Directive Regulation applies. See footnote ** below.

** If the Final Redemption Amount is less than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

- an indication of the intent of the Issuer regarding the providing of post-issuance information and where the intent of the Issuer is to report such information, an indication of the type of information reported and where it can be obtained: [•]

13. OPERATIONAL INFORMATION

ISIN Code: [•]

Common Code: [•]

Depositories:

(i) Euroclear France to act as Central Depository [Yes/No]

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

Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]

Delivery: Delivery [against/free of] payment

The Agents appointed in respect of the Notes are: [•]

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

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/Euro [•]] (Only applicable for Notes not denominated in Euro)

SPECIFIC CONTROLLER'S CERTIFICATE RELATING TO THE NOTES

CERTIFICATE OF THE SPECIFIC CONTROLLER RELATING TO THE DEBENTURE ISSUE AMOUNTING TO [•] PURSUANT TO ARTICLE L. 515-30 OF THE FRENCH MONETARY AND FINANCIAL CODE AND ARTICLE 9 – IV OF THE DECREE OF AUGUST 3, 1999

[Only applicable if the amount of Notes issued equals or exceeds Euro 500,000,000 or its equivalent in any other currency]

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 Article L. 515-30 of the French Monetary and Financial Code and Article 9 – IV of Decree no. 99-710 of August 3, 1999, 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 [•] [•], 2005, 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 [•], for the period from [•] [•], 2005 to [•][•], 2005.

Within the scope of this quarterly issue programme, in a decision dated [•] [•], 2005, the chief executive officer 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 [•].

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 standards of the profession that are applicable to this type of assignment. These standards require that we perform procedures, based on such financial information, 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 no. 99-10 of July 9, 1999 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, [•] [•], 2005

The Specific Controller

CAILLIAU DEDOUIT ET ASSOCIES

Laurent BRUN

CAILLIAU DEDOUIT ET ASSOCIES

19, rue Clément Marot, 75008 Paris

APPENDIX

Figures after taking into account the debentures issues for the period from [•] [•], 2005 to [•] [•], 2005 including the present issue of [•] (value date [•] [•], 2005)

In million of EUR	Estimated figures	Forecasted Figures
	As of [•] [•], 2005	As of [•] [•], 2005
Total application of funds	[•]	[•]
Total sources of funds that qualify for the privileged right mentioned in Article L. 515-19 of the French Monetary and Financial Code	[•]	[•]

**ATTESTATION DU CONTROLEUR SPECIFIQUE RELATIVE A UNE EMISSION
OBLIGATAIRE D'UN MONTANT DE [•] EN APPLICATION DE L'ARTICLE L. 515-30
DU CODE MONETAIRE ET FINANCIER ET DE L'ARTICLE 9 – IV DU DECRET DU
3 AOUT 1999**

[Only applicable if the amount of Notes issued equals or exceeds Euro 500,000,000 or its equivalent in any other currency]

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 L.515-30 du Code monétaire et financier et 9-IV du décret n°99-710 du 3 août 1999, nous devons établir une attestation du 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 [•] [•]2005, 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 [•], pour la période allant du [•] [•] au [•] [•]2005.

Dans le cadre de ce programme trimestriel d'émissions, par décision en date du [•] [•]2005, le directeur général 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 [•] [•].

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 selon les normes de la profession applicables à cette intervention. Ces normes requièrent la mise en œuvre de diligences 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 9 juillet 1999 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 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 [•] [•]2005

Le Contrôleur Spécifique

CAILLIAU DEDOUIT ET ASSOCIES

Laurent BRUN

CAILLIAU DEDOUIT ET ASSOCIES
19, rue Clément Marot, 75008 Paris

ANNEXE

Montants après prise en compte des émissions obligataires réalisées du [•] [•] au [•] [•] 2005, y compris la présente émission de [•] (date de règlement [•] [•] 2005)

En million d'euros	Estimé	Prévisionnel
	Au [•] [•] 2005	Au [•] [•] 2005
Total des emplois	[•]	[•]
Total des ressources bénéficiant du privilège mentionné à l'article L.515-19 du Code monétaire et financier	[•]	[•]

FORM OF FINAL TERMS 2

PRO FORMA FINAL TERMS FOR USE IN CONNECTION WITH ISSUES OF NOTES WITH A DENOMINATION OF AT LEAST €50,000 TO BE LISTED AND ADMITTED TO TRADING ON AN E.U. REGULATED MARKET

Final Terms dated [●]

[LOGO, if document is printed]

COMPAGNIE DE FINANCEMENT FONCIER

Euro 50,000,000,000

Euro Medium Term Note Programme

for the issue of *Obligations Foncières*

Due from one month from the date of original issue

SERIES NO: [●]

TRANCHE NO: [●]

[Brief Description and Amount of *Obligations Foncières*]

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

Issue Price: [●] per cent.

[Name(s) of Dealer(s)]

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 [●] [and the supplement to the Base Prospectus dated [●] which [together] constitute[s] 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 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. The Base Prospectus [and the supplemental to the Base Prospectus] [is] [are] available for viewing at the office of the Fiscal Agent or each of the Paying Agents and, if relevant, on the website of the Luxembourg Stock Exchange, and copies may be obtained from [Compagnie de Financement Foncier, 4, Quai de Bercy, 94224 Charenton Cedex, France].

The following alternative language applies if the first tranche of an issue which is being increased was issued under an Prospectus and/or Offering Circular with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the [Prospectus/Offering Circular] dated [original date] [and the supplement to the Base Prospectus] dated [•] This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”) and must be read in conjunction with the Base Prospectus dated [current date] [and the supplement to the Base Prospectus dated [•], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive⁵, save in respect of the Conditions which are extracted from the [Base Prospectus/Offering Circular] dated [original date] [and the supplement to the Base Prospectus] dated [•] and are attached hereto. 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 [Prospectus/Offering Circular] dated [original date] and the Base Prospectus dated [current date] [and the supplement to the Base Prospectus dated [•]. The Base Prospectus/Offering Circular [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, if relevant, on the website of the Luxembourg Stock Exchange, and copies may be obtained from [Compagnie de Financement Foncier, 4, Quai de Bercy, 94224 Charenton, France].

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]

[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

- | | | |
|---|---|--|
| 1 | Issuer: | Compagnie de Financement Foncier |
| 2 | (i) Series Number: | [•] |
| | (ii) [Tranche Number: | [•] |
| | <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)]</i> | |
| 3 | Specified Currency or Currencies: | [•] |
| 4 | Aggregate Nominal Amount of Notes listed and admitted to trading: | |
| | (i) Series: | [•] |
| | (ii) [Tranche: | [•] |
| 5 | (i) Issue Price: | [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)] |
| 6 | Specified Denominations: | [•] <i>(one denomination only for Dematerialised Notes)</i> ¹ |
| 7 | (i) Issue Date: | [•] |
| | (ii) [Interest Commencement Date: | [•] |

¹ Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA and having a maturity of less than one year must have a minimum denomination of £100,000 (or its equivalent in other currencies).

8	Maturity Date:	<i>[specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]</i>
9	Interest Basis:	<p>[[•] per cent. Fixed Rate]</p> <p>[[specify reference rate] +/- [•] per cent. Floating Rate]</p> <p>[Zero Coupon]</p> <p>[Index Linked Interest]</p> <p>[Other (specify)]</p> <p><i>[(further particulars specified below)]</i></p>
10	Redemption/Payment Basis ^{**} :	<p>[Redemption at par]</p> <p>[Index Linked Redemption]</p> <p>[Dual Currency]</p> <p>[Partly Paid]</p> <p>[Instalment]</p> <p>[Other (specify)]</p>
11	Change of Interest or Redemption/Payment Basis:	<i>[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]</i>
12	Call Options:	<p>[Issuer Call]</p> <p><i>[(further particulars specified below)]</i></p>
13	(i) Status of the Notes:	[<i>Obligations Foncières</i>]
	(ii) Dates of the corporate authorisations for issuance of the Notes:	Decision of the <i>Conseil d'administration</i> of <i>Compagnie de Financement Foncier</i> dated [•] authorising the issue of the Notes and authorising its <i>directeur général</i> the power 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 [•] authorising the quarterly programme of borrowings which benefit from the <i>privilège</i> referred to in Article L.515-19 of the Code of up to and including Euro [•] billion for the [•] quarter of 200[•].
14	Method of distribution:	[Syndicated/Non-syndicated]

^{**} If the Final Redemption Amount is less than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

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

15	Fixed Rate Note Provisions	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>)
	(i) Rate [(s)] of Interest:	[•] per cent. per annum [payable [annually/semi-annually/quarterly/ monthly] in arrear]
	(ii) Interest Payment Date(s):	[•] in each year [adjusted in accordance with [<i>specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"</i>]/not adjusted]
		<i>(Note that this item relates to interest period end dates and not to the date and place of payment, to which item 25 relates)</i>
	(iii) Fixed Coupon Amount [(s)]:	[•] per [•] in nominal amount
	(iv) Broken Amount(s):	<i>[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount [(s)] and the Interest Payment Date(s) to which they relate]</i>
	(v) Day Count Fraction (Condition 5(a)):	[30/360/ Actual/Actual [ISMA ¹]/ISDA/ FBF/Other] Adjusted/Unadjusted
	(vi) Determination Date(s) (Condition 5(a)):	[•] in each year (<i>insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last Coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ISMA₁)</i>)
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/ <i>give details</i>]
16	Floating Rate Provisions	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph.</i>)
	(i) Interest Period(s):	[•]
	(ii) Specified Interest Payment Dates:	[•]

¹ As announced on 3 February 2005 ISMA and IPMA have agreed the terms of a proposed merger. The merger is expected to be completed by July 2005 and the merged association will be called ICMA (the International Capital Markets Association).

- (iii) Business Day Convention: [Following Business Day Convention/
Following Business Day Except the
Following Month
Convention/Preceding Business Day
Convention/other (give details)]. (Note
that this item relates to interest period
end dates and not to the date and place
of payment, to which item 25 relates)
- (iv) Business Centre(s) (Condition 5(a)): [•]
- (v) Manner in which the Rate(s) of Interest is/are to be
determined: [Screen Rate Determination/FBF
Determination/ISDA/other (give
details)]
- (vi) Party responsible for calculating the Rate(s) of
Interest and Interest Amount(s) (if not the
Calculation Agent): [•]
- (vii) Screen Rate Determination (Condition
5(c)(iii)(B)):
- Relevant Time: [•]
 - Interest Determination Date: [•] [TARGET] Business Days in [specify
city] for [specify currency] prior to [the
first day in each Interest Accrual
Period/each Interest Payment Date][,
subject to adjustment in accordance with
[Following Business Day Convention/
Following Business Day Except the
Following Month Convention/Preceding
Business Day Convention/other (give
details)].]
 - Primary Source for Floating Rate: [Specify relevant screen page or
“Reference Banks”]
 - Reference Banks (if primary source is “Reference
Banks”): [Specify four]
 - Relevant Financial Centre: [The financial centre most closely
connected to the benchmark - specify if
not Paris]
 - Benchmark: [LIBOR, LIBID, LIMEAN, EURIBOR or
other benchmark]
 - Representative Amount: [Specify if screen or Reference Bank
quotations are to be given in respect of a
transaction of a specified notional
amount]
 - Effective Date: [Specify if quotations are not to be
obtained with effect from commencement
of Interest Accrual Period]

•	Specified Duration:	<i>[Specify period for quotation if not duration of Interest Accrual Period]</i>
(viii) FBF Determination (Condition 5(c)(iii)(A)):		
•	Floating Rate:	[•]
•	Floating Rate Determination Date (<i>Date de Détermination du Taux Variable</i>):	[•]
•	FBF Definitions: (if different from those set out in the Conditions):	[•]
(ix)	Margin(s):	[+/-] [•] per cent. per annum
(x)	Minimum Rate of Interest:	[Not Applicable] / [•] per cent. per annum
(xi)	Maximum Rate of Interest:	[Not Applicable] / [•] per cent. per annum
(xii)	Day Count Fraction (Condition 5(a)):	[•]
(xiii)	Rate Multiplier:	[•]
(xiv)	[Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:]	[•]
17	Zero Coupon Note Provisions	<i>[Applicable/Not Applicable] (If not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i)	Amortisation Yield (Condition 6(d)):	[•] per cent. per annum
(ii)	Day Count Fraction (Condition 5(a)):	[•]
(iii)	Any other formula/basis of determining amount payable:	[•]
18	Index Linked Interest Note/other variable-linked interest Note Provisions	<i>[Applicable/Not Applicable] (If not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i)	Index/Formula/other variable:	<i>[Give or annex details]</i>
(ii)	Calculation Agent responsible for calculating the interest due:	[•]
(iii)	Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable:	[•]
(iv)	Interest Period(s):	[•]
(v)	Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or other wise disrupted:	[•]

- (vi) Interest or calculation period(s) [•]
- (vii) Specified Interest Payment Dates: [•]
- (viii) Business Day Convention: [Following Business Day Convention/
Following Business Day Except the
Following Month
Convention/Preceding Business Day
Convention/other (give details)]. (Note
that this item relates to interest period
end dates and not to the date and place
of payment, to which item 25 relates)
- (ix) Business Centre(s) (Condition 5(a)): [•]
- (x) Minimum Rate/Amount of Interest: [Not Applicable]/[•] per cent. per
annum
- (xi) Maximum Rate/Amount of Interest: [Not Applicable]/[•] per cent. per
annum
- (xii) Day Count Fraction (Condition 5(a)): [•]

19 Dual Currency Note Provisions**

- [Applicable/Not Applicable] (If not
applicable, delete the remaining sub-
paragraphs of this paragraph)
- (i) Rate of Exchange/Method of calculating Rate of Exchange: [Give details]
- (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due: [•]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [•](Need to include a description of market disruption or settlement disruption events and adjustment provisions.)
- (iv) Person at whose option Specified Currency(-ies) is/are payable: [•]

PROVISIONS RELATING TO REDEMPTION

20 Call Option

- [Applicable/Not Applicable] (If not
applicable, delete the remaining sub-
paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Note [of [•] Specified Denomination]

** If the Final Redemption Amount is less than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

	(iii) If redeemable in part:	[•]
	(iv) Minimum Nominal Amount to be redeemed:	[•]
	(v) Maximum Nominal Amount to be redeemed:	[•]
	(vi) Notice period:	[•]
21	Other Option	[Put/Not Applicable] (<i>If applicable, specify details</i>)
22	Final Redemption Amount of each Note ** In cases where the Final Redemption Amount is Index-Linked or other variable-linked:	[[•] per Note of [[•] specified denomination/]Nominal amount/Other/See Appendix]
	(i) Index/Formula/variable:	
	(ii) Calculation Agent responsible for calculating the Final Redemption Amount:	
	(iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable:	
	(iv) Determination Date(s)	
	(v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	
	(vi) Payment Date	
	(vii) Minimum Final Redemption Amount :	
	(viii) Maximum Final Redemption Amount :	
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/ Materialised Notes] (Materialised Notes are only in bearer form) [Delete as appropriate]

** If the Final Redemption Amount is less than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

(i)	Form of Dematerialised Notes:	[Not Applicable/ <i>specify whether</i> Bearer dematerialised form (<i>au porteur</i>) / Administered Registered dematerialised form (<i>au nominatif administré</i>) / Fully Registered dematerialised form (<i>au nominatif pur</i>)]
(ii)	Registration Agent:	[Not Applicable/Applicable] <i>if applicable give name and details</i> (note that a registration agent must be appointed in relation to Fully Registered Dematerialised Notes only)
(iii)	Temporary Global Certificate:	[Not Applicable/Temporary Global Certificate exchangeable for Definitive Materialised Notes on [•] (the “ Exchange Date ”), being 40 days after the Issue Date subject to postponement as specified in the Temporary Global Certificate]
(iv)	Applicable TEFRA exemption:	[C Rules/D Rules/Not Applicable] (<i>Only applicable to Materialised Notes</i>)
25	Financial Centre(s) (Condition 7(h)) or other special provisions relating to Payment Dates:	[Not Applicable/ <i>Give details</i>]. (<i>Note that this item relates to the date and place of payment, and not interest period end dates, to which items 15(ii), 16(iv) and 18(ix) relate</i>)
26	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.] [The immediately preceding business day]/[Other*]
27	Talons for future Coupons or Receipts to be attached to Definitive Materialised Notes (and dates on which such Talons mature):	[Yes/No/Not Applicable. <i>If yes, give details</i>] (<i>Only applicable to Materialised Notes</i>)
28	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/ <i>give details</i>]
29	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	[Not Applicable/ <i>give details</i>]
30	Redenomination, renominatisation and reconventioning provisions:	[Not Applicable/The provisions [in Condition 1(d)] [annexed to this Final Terms] apply]

* In the market practice, if any date for payment in respect of Fixed Rate Notes, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day (as defined in Condition 7(h)).

- 31 Consolidation provisions: [Not Applicable/The provisions [in Condition 15(b)] [annexed to this Final Terms] apply]
- 32 Representation of holders of Notes -Masse (Condition 10) [Applicable/Not Applicable/Condition 10 replaced by the full provisions of French Code of Commerce relating to the Masse] *(Note that: (i) in respect of any Tranche of Notes issued outside France, Condition 10 may be waived, amended or supplemented, and (ii) in respect of any Tranche of Notes issued inside France, Condition 10 must be waived in its entirety and replaced by the provisions of French Code of Commerce relating to the Masse. If Condition 10 (as it may be amended or supplemented) applies or if the full provisions of French Code of Commerce apply, insert details of Representative and Alternative Representative and remuneration, if any).*
- 33 Other final terms: [Not Applicable/give details]
(When adding any other final terms consideration should be given as to whether such terms constitute a "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)

DISTRIBUTION

- 34 (i) If syndicated, names of Managers: [Not Applicable/give names]
- (ii) Stabilising Manager(s) (if any): [Not Applicable/give name]
- 35 If non-syndicated, name of Dealer: [Not Applicable/give name]
- 35 Additional selling restrictions: [Not Applicable/give details]

[LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have listed and admitted to trading the issue of Notes described herein pursuant to the Euro 50,000,000,000 Euro Medium Term Note Programme of Compagnie de Financement Foncier.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[•] has been extracted from [•]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [•], no facts have been omitted which would render the reproduced inaccurate or misleading.]

Signed on behalf of the Issuer:

Duly represented by:

PART B – OTHER INFORMATION

1. RISK FACTORS

[[Insert any risk factors that are material to the Notes being offered and/or listed and admitted to trading in order to assess the market risk associated with these Notes and that may affect the Issuer's ability to fulfil its obligations under the Notes which are not covered under "Risk Factors" in the Base Prospectus. If any such additional risk factors need to be included consideration should be given as to whether they constitute a "significant new factor" and consequently triggers the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.] |Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]]*

2. LISTING

- (i) Listing: [Luxembourg/other (*specify*)/None]
- (ii) Admission to trading: [Application has been made for the Notes to be listed and admitted to trading on [●]with effect from [●].] [Not Applicable.]
- (iii) Estimate of total expenses related to listing and admission to trading: [●]

3. RATINGS

Ratings: The Programme has been rated Aaa by Moody's Investors Service and AAA by Standard & Poors 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 rating desk or moodys.com. The Notes issued under the Programme will be rated AAA by Standard & Poors Ratings Services¹ and by Fitch Ratings².

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

* Required for derivative securities to which Annex 12 to the Prospectus Directive Regulation applies. See footnote ** below.

** If the Final Redemption Amount is less than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

¹ An obligation rated "AAA" has the highest rating assigned by Standard & Poor's. The obligor capacity to meet its financial commitment on the obligation is extremely strong (source: Standard & Poors Ratings Services).

² 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.

4. [NOTIFICATION]

The *Commission de surveillance du secteur financier* in Luxembourg [has been requested to provide/has provided - include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the [*include names of competent authorities of host Member States*] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.]

5. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"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: [•]
(See "Use of Proceeds" wording in Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)

[ii] Estimated net proceeds: [•]
(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

[iii] Estimated total expenses: [•] [*Include breakdown of expenses.*]

(If the Notes are derivative securities to which Annex 12 of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)

7. [Fixed Rate Notes only – YIELD]

Indication of yield: [•]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

8. [Index-Linked or other variable-linked Notes only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING]

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained and, the underlying on which it is based and of the method used to relate the two

and any settlement disruption events that affect the underlying. Include details of rules with relation to the events concerning the underlying

9. [Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE ***

Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained, the underlying on which it is based and of the method used to relate the two and any settlement disruption events that affect the underlying. Include details of rules with relation to events concerning the underlying.]

10. [Derivatives only – EXPLANATION OF EFFECT ON VALUE OF INVESTMENT, RETURN ON DERIVATIVES SECURITIES AND INFORMATION CONCERNING THE UNDERLYING *

EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.

INFORMATION CONCERNING THE UNDERLYING

- a statement setting out the type of the underlying and details of where information on the underlying can be obtained: [•]
- an indication where information about the past and the further performance of the underlying and its volatility can be obtained [•]
- where the underlying is an index: [Applicable/Not Applicable]
 - the name of the index and a description of the index if it is composed by the issuer. If the index is not composed by the issuer, where information about the index can be obtained: [•]
- where the underlying is an interest rate: [Applicable/Not Applicable]
 - a description of the interest rate: [•]
- others: [Applicable/Not Applicable]
 - where the underlying does not fall within the categories specified above the securities note shall contain equivalent information: [•]
- where the underlying is a basket of underlyings: [Applicable/Not Applicable]

* Required for derivative securities to which Annex 12 to the Prospectus Directive Regulation applies. See footnote ** below.

** If the Final Redemption Amount is less than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

- disclosure of the relevant weightings of each underlying in the basket: [•]

A description of any market disruption or settlement disruption events that affect the underlying: [•]

Adjustment rules with relation to events concerning the underlying:] * [•]

- an indication of the intent of the Issuer regarding the providing of post-issuance information and where the intent of the Issuer is to report such information, an indication of the type of information reported and where it can be obtained: [•]

11. OPERATIONAL INFORMATION

ISIN Code: [•]

Common Code: [•]

Depositories:

(i) Euroclear France to act as Central Depository [Yes/No]

(ii) Common Depository for Euroclear and Clearstream Luxembourg [Yes/No]

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]

Delivery: Delivery [against/free of] payment

The Agents appointed in respect of the Notes are: [•]

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

* Required for derivative securities to which Annex 12 to the Prospectus Directive Regulation applies. See footnote ** below.

** If the Final Redemption Amount is less than 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex 12 to the Prospectus Directive Regulation will apply. This pro forma has been annotated to indicate where the key additional requirements of Annex 12 are dealt with.

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/Euro [•]] (Only applicable for Notes not denominated in Euro)

**SPECIFIC CONTROLLER’S CERTIFICATE RELATING TO THE NOTES
CERTIFICATE OF THE SPECIFIC CONTROLLER RELATING TO THE DEBENTURE
ISSUE AMOUNTING TO [•] PURSUANT TO ARTICLE L. 515-30 OF THE FRENCH
MONETARY AND FINANCIAL CODE AND ARTICLE 9 – IV OF THE DECREE OF
AUGUST 3, 1999**

[Only applicable if the amount of Notes issued equals or exceeds Euro 500,000,000 or its equivalent in any other currency]

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 Article L. 515-30 of the French Monetary and Financial Code and Article 9 – IV of Decree no. 99-710 of August 3, 1999, 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 [•] [•], 2005, 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 [•], for the period from [•] [•], 2005 to [•] [•], 2005.

Within the scope of this quarterly issue programme, in a decision dated [•] [•], 2005, the chief executive officer 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 [•].

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 standards of the profession that are applicable to this type of assignment. These standards require that we perform procedures, based on such financial information, 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 no. 99-10 of July 9, 1999 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, [•] [•], 2005

The Specific Controller

CAILLIAU DEDOUIT ET ASSOCIES

Laurent BRUN

CAILLIAU DEDOUIT ET ASSOCIES
19, rue Clément Marot, 75008 Paris

APPENDIX

Figures after taking into account the debentures issues for the period from [•] [•], 2005 to [•] [•], 2005 including the present issue of [•] (value date [•][•], 2005)

In million of EUR	Estimated figures	Forecasted Figures
	As of [•] [•], 2005	As of [•] [•], 2005
Total application of funds	[•]	[•]
Total sources of funds that qualify for the privileged right mentioned in Article L. 515-19 of the French Monetary and Financial Code	[•]	[•]

**ATTESTATION DU CONTROLEUR SPECIFIQUE RELATIVE A UNE EMISSION
OBLIGATAIRE D'UN MONTANT DE [•] EN APPLICATION DE L'ARTICLE L.515-30
DU CODE MONETAIRE ET FINANCIER ET DE L'ARTICLE 9 – IV DU DECRET DU 3
AOÛT 1999**

[Only applicable if the amount of Notes issued equals or exceeds Euro 500,000,000 or its equivalent in any other currency]

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 L.515-30 du Code monétaire et financier et 9-IV du décret n°99-710 du 3 août 1999, nous devons établir une attestation du 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 [•] [•] 2005, 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 [•], pour la période allant du [•] [•] au [•] [•] 2005.

Dans le cadre de ce programme trimestriel d'émissions, par décision en date du [•] [•] 2005, le directeur général 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 [•].

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 selon les normes de la profession applicables à cette intervention. Ces normes requièrent la mise en œuvre de diligences 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 9 juillet 1999 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 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 [•] [•]2005

Le Contrôleur Spécifique

CAILLIAU DEDOUIT ET ASSOCIES

Laurent BRUN

CAILLIAU DEDOUIT ET ASSOCIES
19, rue Clément Marot, 75008 Paris

ANNEXE

Montants après prise en compte des émissions obligataires réalisées du [•] [•] au [•] [•] 2005, y compris la présente émission de [•] (date de règlement [•] [•] 2005)

En million d'euros	Estimé	Prévisionnel
	Au [•] [•] 2005	Au [•] [•] 2005
Total des emplois	[•]	[•]
Total des ressources bénéficiant du privilège mentionné à l'article L.515-19 du Code monétaire et financier	[•]	[•]

GENERAL INFORMATION

- (1.) Application has been made to list and admit the Notes to trading on the Luxembourg Stock Exchange and/or on any other regulated market in a Member State of the European Economic Area (“EEA”) or to be offered to the public in Luxembourg and/or in any Member State of the EEA. The Luxembourg Stock Exchange has assigned the number 12394 to this programme. At the same time, application has been made for the notification of a certificate of approval released to the French competent authority, both of approval and notification being made in its capacity as competent authority under the *loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005 which implements the Prospectus Directive. In compliance with Article 18 of the Prospectus Directive, such notification may also be made at the Issuer’s request to any other competent authority of any other Member State of the EEA.
- (2.) The Issuer has obtained all necessary consents, approvals and authorisations in the Republic of France in connection with the establishment of the Programme.

The establishment of the Programme was authorised by a decision of the Board of Directors (“*Conseil d’Administration*”) of the Issuer passed on 21 March 2000.

In 2004, the Issuer has increased its Programme Limit from Euro 30,000,000,000 to Euro 50,000,000,000. For the year 2005, the Programme Limit has not been modified and is still Euro 50,000,000,000.

As from 26 June 2004 (date of the publication of the *Ordonnance* n°2004-604 dated 24 June 2004), any drawdown of Notes under the Programme, to the extent that such Notes constitute *obligations*, requires the prior authorisation of (i) the Board of Directors (*Conseil d’Administration*) of the Issuer or (ii) the Ordinary General Meeting of the Issuer’s shareholders if (a) the *statuts* of the Issuer so require or (b) such Ordinary General Meeting decides itself to exercise such authority.

Any drawdown of Notes, to the extent that such Notes do not constitute *obligations*, fall within the general powers of the *directeur général* or a *directeur général délégué* of the Issuer.

- (3.) It should be noted that the Program Limit (Euro 50,000,000,000) defined in section “Overview of the Programme” is subject to quarterly certification of the specific controller. Except as disclosed in this Base Prospectus, there has been no significant change in the financial or trading position of the Issuer since 31 December 2004 and no material adverse change in the financial position or prospects of the Issuer since 31 December 2004.
- (4.) The Issuer neither is nor has been involved in any governmental, legal or arbitration proceedings (including any such proceeding which are pending or threatened of which the Issuer is aware) during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer.
- (5.) Each definitive Materialised Note, Receipt, Coupon and Talon will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.
- (6.) Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg which are entities in charge of keeping the records. The Common Code, the International Securities Identification Number (ISIN) and the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.

The address of Euroclear is 1 boulevard du Roi Albert II, 1210 Bruxelles, Belgium and the address of Clearstream, Luxembourg is 42 avenue John Fitzgerald Kennedy, L- 1855 Luxembourg, Grand-Duchy of Luxembourg.

- (7.) Dematerialised Notes will be inscribed in the books of Euroclear France (acting as central depository). Dematerialised Notes which are in registered form (*au nominatif*) are also inscribed either with the Issuer or with the registration agent.

The address of Euroclear France is 115 rue Réaumur, 75081 Paris Cedex 02, France

- (8.) For so long as Notes may be admitted to trading on the Luxembourg Stock Exchange, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), at the office of the Fiscal Agent, the Paying Agents and the Arranger or, if relevant, on the website of the Luxembourg Stock Exchange:

- (i) the Amended and Restated Agency Agreement
- (ii) the *statuts* of the Issuer in both French and English
- (iii) the annual accounts of the Issuer for the financial year ended 31 December 2003 and for the financial year ended 31 December 2004.
- (iv) the latest quarterly borrowing programme of the Issuer and the Specific Controller's certificate relating thereto
- (v) a copy of this Base Prospectus together with any Supplement to this Base Prospectus or further Prospectus
- (vi) each Final Terms for Notes that are listed and admitted to trading on the Luxembourg Stock Exchange or any other regulated market in the EEA and are offered to the public in Luxembourg and/or in any Member State of the EEA.
- (vii) all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Base Prospectus including the certificate of the *contrôleur spécifique* in respect of each issue of Notes in a principal amount equal to or exceeding Euro 500,000,000 or its equivalent in any other currency and

- (9.) The non-consolidated accounts of the Issuer are audited and are published on an annual basis. The Issuer also produces unaudited interim financial information.

- (10.) Copies of the latest annual report and accounts of the Issuer (including any published interim accounts), (in each case as soon as they are published) may be obtained, and copies of the Amended and Restated Agency Agreement will be available, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes is outstanding.

A copy of the information in relation with the cash flow statements dated 19 August 2005 is incorporated herein by reference .

For so long as Notes may be admitted to trading on the Luxembourg Stock Exchange, the following documents will be available, on the website of the Luxembourg Stock Exchange:

- (i) the Final Terms for Notes that are listed and admitted to trading on the Luxembourg Stock Exchange;
 - (ii) this Base Prospectus together with any supplement to this Base Prospectus or further Base Prospectus, and
 - (iii) the documents incorporated by reference in this Base Prospectus.
- (11.) Pursuant to Article 9-IV of the Decree no.99-710 dated 3 August 1999 the Specific Controller certifies that the rule providing that the amount of eligible assets of the Issuer is greater than the amount of

liabilities benefiting from the Privilège is satisfied on the basis of a quarterly borrowing programme and for any issue of Obligations Foncières in a principal amount equal to or above Euro 500 million or its equivalent in the currency of issue.

- (12.) On 3 June 2003, the EU has adopted a directive 2003/48/EC regarding the taxation of savings income received in the form of interest payments (the “**Directive**”). The Directive requires Member States to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person to an individual in another Member State, except that Austria, Belgium and Luxembourg will instead impose a withholding system for a transitional period unless during such period they elect otherwise.

The rate of such withholding tax will equal 15 per cent. as from 1 January 2005, 20 per cent. as from 1 January 2008 and 35 per cent. as from 1 January 2011.

Such transitional period will end if and when the European Community enters into agreements on exchange of information upon request with several jurisdictions (the United States, Switzerland, Liechtenstein, San Marino, Monaco and Andorra).

Subject to certain conditions being met, Member States are required, from a date not earlier than 1 January 2005, to provide the tax authorities of another member State with, *inter alia*, details of payments of interest within the meaning of the Directive (interest, products, premiums or other debt income) made by a paying agent located within its jurisdiction to or for the benefit of an individual resident in that other member State.

For these purposes, the term “paying agent” is defined widely and includes in particular any economic operator who is responsible for making interest payments, within the meaning of the Directive, for the immediate benefit of individuals.

- (13.) PricewaterhouseCoopers Audit, 32, rue Guersant 75017 Paris, France and Mazars & Guérard, 125, rue de Montreuil 75011 Paris, France (both entities regulated by the *Haut Conseil du Commissariat aux Comptes* and duly authorised as *Commissaires aux comptes*) have audited and rendered unqualified audit reports on the financial statements of the Issuer for the years ended 31 December 2003 and 2004.

Registered Office of the Issuer

Compagnie de Financement Foncier

19, rue des Capucines
75001 Paris
France

Principal Place of Business of the Issuer

4, Quai de Bercy
94224 Charenton Cedex
Telephone : 33 (0) 1 57 44 92 20

Arranger

Deutsche Bank AG Paris

3, avenue de Friedland
75008 Paris
France

Dealers

ABN AMRO Bank N.V.

250 Bishopsgate
London EC2M 4AA
United Kingdom

BNP PARIBAS

10 Harewood Avenue
London NW1 6AA
United Kingdom

IXIS Corporate & Investment Bank

47, quai d'Austerlitz
75648 Paris Cedex 13
France

Credit Suisse First Boston (Europe) Limited

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United Kingdom

Deutsche Bank AG, London Branch

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

Merrill Lynch International

Merrill Lynch Financial Centre
2 King Edward Street
London EC1A 1HQ
United Kingdom

Barclays Bank PLC

5 The North Colonnade
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France

Crédit Foncier de France

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France

CCF

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75008 Paris
France

Dresdner Bank Aktiengesellschaft

Juergen-Ponto-Platz 1
D-60 301 Frankfurt
Germany

Morgan Stanley & Co. International Limited

25 Cabot Square
Canary Wharf
London E14 4QA
United Kingdom

Nomura International plc
Nomura House
1 St Martin's-le-Grand
London EC1A 4NP
United Kingdom

Société Générale
29, boulevard Haussmann
75009 Paris
France

**Fiscal Agent, Principal Paying Agent, Redenomination Agent,
Consolidation Agent and Calculation Agent**

Deutsche Bank AG, London Branch

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

Paying Agents

Luxembourg Paying Agent
Deutsche Bank Luxembourg S.A.
2, boulevard Konrad Adenauer
L-1115 Luxembourg
Luxembourg

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

Frankfurt Paying Agent
Deutsche Bank Aktiengesellschaft
Grosse Gallustrasse 10-14
60272 Frankfurt am Main
Germany

Listing Agent

Luxembourg Listing Agent
Deutsche Bank Luxembourg S.A.
2, boulevard Konrad Adenauer
L-1115 Luxembourg
Luxembourg

Auditors to the Issuer

PricewaterhouseCoopers Audit
32, rue Guersant
75017 Paris
France

KPMG Audit
1, Cours VALMY
92923 La Défense Cedex
France

Legal Advisers

To the Issuer
Freshfields Bruckhaus Deringer
2-4, rue Paul Cezanne
75008 Paris
France

To the Dealers
Linklaters
25, rue de Marignan
75008 Paris
France