

Final Terms dated 15 June 2007



COMPAGNIE DE FINANCEMENT FONCIER

Euro 75,000,000,000

Euro Medium Term Note Programme
for the issue of *Obligations Foncières*

due from one month from the date of original issue

SERIES NO: 405

TRANCHE NO: 1

COMPAGNIE DE FINANCEMENT FONCIER (the "Issuer")

USD 1,000,000,000 5.625 per cent. *Obligations Foncières* due June 2017 (the "Notes")

Issue Price: 99.685 per cent.

Joint Lead Managers

JPMORGAN

NOMURA INTERNATIONAL

Co-Lead Managers

BARCLAYS CAPITAL

DRESDNER KLEINWORT

MERRILL LYNCH INTERNATIONAL

UBS INVESTMENT BANK

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 1 August 2006 which received visa n°06-279 from the *Autorité des marchés financiers* (the “AMF”) on 1 August 2006 and the supplements to the Base Prospectus dated 4 October 2006 and 16 April 2007 which respectively received from the AMF visa n°06-339 on 4 October 2006 and visa n°07-116 on 16 April 2007 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”).

This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus and the supplements to the Base Prospectus are available for viewing on the website of the AMF, and copies may be obtained from Compagnie de Financement Foncier, 4, Quai de Bercy, 94224 Charenton Cedex, France.

1	Issuer:	Compagnie de Financement Foncier
2	(i) Series Number:	405
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	United States Dollars (“USD”)
4	Aggregate Nominal Amount:	
	(i) Series:	USD 1, 000,000,000
	(ii) Tranche:	USD 1,000,000,000
5	Issue Price:	99.685 per cent. of the Aggregate Nominal Amount
6	Specified Denominations:	USD 2,000
7	(i) Issue Date:	19 June 2007
	(ii) Interest Commencement Date:	19 June 2007
8	Maturity Date:	19 June 2017
9	Interest Basis:	5.625 per cent. Fixed Rate
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption/Payment Basis:	Not Applicable
12	Call Options:	Not Applicable
13	(i) Status of the 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 Compagnie de Financement Foncier dated 21 December 2006 authorising the issue of the Notes and decision of the <i>Conseil d’administration</i> dated 23 March 2007 (i) authorising, <i>inter alios</i> , its <i>Président du Conseil d’administration</i> and its <i>directeur général délégué</i> to sign and execute all

documents in relation to the issue of Notes, and (ii) authorising the quarterly programme of borrowings which benefit from the *privilège* referred to in Article L.515-19 of the French *Code monétaire et financier* up to and including Euro 8 billion for the second quarter of 2007.

14 Method of distribution: Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15	Fixed Rate Note Provisions	Applicable
	(i) Rate of Interest:	5.625 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	19 June in each year commencing on 19 June 2008
	(iii) Fixed Coupon Amount(s):	USD 112.5 per USD 2,000 in nominal amount.
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction (Condition 5(a)):	30/360 (unadjusted)
	(vi) Determination Date(s) (Condition 5(a)):	Not Applicable
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
16	Floating Rate Provisions	Not Applicable
17	Zero Coupon Note Provisions	Not Applicable
18	Index Linked Interest Note/other variable-linked interest Note Provisions	Not Applicable
19	Dual Currency Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

20	Call Option	Not Applicable
21	Other Option	Not Applicable
22	Final Redemption Amount of each Note	USD 2,000 per Note of USD 2,000 Specified Denomination
23	Early Redemption Amount	
	Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on any early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24	Form of Notes:	Dematerialised Notes
	(i) Form of Dematerialised Notes:	Bearer dematerialised form (<i>au porteur</i>)

- | | | |
|-----------|--|--|
| (ii) | Registration Agent: | Not Applicable |
| (iii) | Temporary Global Certificate: | Not Applicable |
| (iv) | Applicable TEFRA exemption: | Not Applicable |
| 25 | Financial Centre(s) (Condition 7(h)) or other special provisions relating to Payment Dates:
Adjusted Payment Date (Condition 7(h)): | London, New York City, TARGET
The next following day that is a business day |
| 26 | Talons for future Coupons or Receipts to be attached to Definitive Materialised Notes (and dates on which such Talons mature): | Not Applicable |
| 27 | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made [and consequences (if any) of failure to pay]: | Not Applicable |
| 28 | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: | Not Applicable |
| 29 | Redenomination, renominatisation and reconventioning provisions: | Not Applicable |
| 30 | Consolidation provisions: | Not Applicable |
| 31 | Representation of holders of Notes <i>Masse</i> (Condition 10): | Applicable

The initial Representative will be:

MURACEF
5, rue Masseran
75007 Paris
France

The alternate Representative will be:

M. Hervé Bernard VALLEE
1, Hameau de Suscy
77390 Crisenoy
France

The Representative will not receive any remuneration |
| 32 | Other final terms: | Not Applicable |

DISTRIBUTION

- | | | |
|-----------|--|--|
| 33 | (i) If syndicated, names and addresses of Managers and underwriting commitments: | Joint Lead Managers:

J.P. Morgan Securities Ltd.
125 London Wall
London EC2Y 5AJ
United Kingdom
Underwriting commitment of
USD 490,000,000 |
|-----------|--|--|

Nomura International plc

Nomura House
1 St Martin's-le-Grand
London EC1A 4NP
United Kingdom
Underwriting commitment of
USD 490,000,000

Co-Lead Managers:

Barclays Bank PLC

5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom
Underwriting commitment of USD 5,000,000

Dresdner Bank AG London Branch

30 Gresham Street
London EC2P 2XY
United Kingdom
Underwriting commitment of USD 5,000,000

Merrill Lynch International

Merrill Lynch Financial Centre
2 King Edward Street
London EC1A 1HQ
United Kingdom
Underwriting commitment of USD 5,000,000

UBS Limited

100 Liverpool Street
London EC2M 2RH
United Kingdom
Underwriting commitment of USD 5,000,000

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|-----------|--|---|
| (ii) | Date of Subscription Agreement: | 15 June 2007 |
| (iii) | Stabilising Manager(s) (if any): | Not Applicable |
| 34 | If non-syndicated, name and address of Dealer: | Not Applicable |
| 35 | Total commission and concession: | 0.15 per cent. of the Aggregate Nominal Amount. |
| 36 | Additional selling restrictions: | FRANCE: |

Each of the Managers and the Issuer has acknowledged that the Notes are deemed to be issued outside the Republic of France and, accordingly each of the Managers and the Issuer has represented and agreed that, (i) it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public (*appel public à l'épargne*) in the

Republic of France and (ii) offers and sales of Notes in the Republic of France will be made to qualified investors (*investisseurs qualifiés*) as defined in, and in accordance with, Articles L. 411-1, L. 411-2 and D. 411-1 to D. 411-3 of the French *Code monétaire et financier*.

In addition, each of the Managers and the Issuer has represented and agreed that in connection with their initial distribution, it has not distributed or caused to be distributed and will not distribute or cause to be distributed in the Republic of France, the Base Prospectus, its supplements, these Final Terms or any other offering material relating to the Notes other than to those investors (if any) to whom offers and sales of the Notes in the Republic of France may be made as described above.

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 75,000,000,000 Euro Medium Term Note Programme of Compagnie de Financement Foncier.

RESPONSIBILITY

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

Signed on behalf of the Issuer:

Duly represented by: François VEVERKA

PART B – OTHER INFORMATION

1. RISK FACTORS

Not Applicable

2. LISTING

(i) Listing: *Bourse de Luxembourg* (regulated market of the Luxembourg Stock Exchange).

(ii) Admission to trading: Application has been made for the Notes to be listed and admitted to trading on the *Bourse de Luxembourg* with effect from 19 June 2007.

(iii) Additional publication of Base Prospectus and Final Terms: Yes
The Base Prospectus and the Final Terms will be published on the website of the *Bourse de Luxembourg* (www.bourse.lu).

(iv) Regulated markets or equivalent markets on which, to the knowledge of the issuer, securities of the same class of the securities to be offered or admitted to trading are already admitted to trading: Not Applicable

3. PUBLIC OFFER(S)

Not Applicable

4. RATINGS

Ratings: The Programme has been rated Aaa by Moody's Investors Service and AAA by Standard & Poor's Ratings Services.

For Moody's Investors Service, Notes issued under the Programme are deemed to have the same rating as the Programme, investors are invited to check on a regular basis the rating assigned to the Programme which is publicly disclosed via Moody's rating desk or moodys.com.

The Notes issued under the Programme will be rated AAA by Standard & Poor's Ratings Services¹ and by Fitch Ratings².

¹ An obligation rated "AAA" has the highest rating assigned by Standard & Poors. 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.

5. NOTIFICATION

The *Autorité des marchés financiers* in France has provided the *Commission de Surveillance du Secteur Financier* in Luxembourg with certificates of approval attesting that the Base Prospectus and its supplements dated 4 October 2006 and 16 April 2007 have been drawn up in accordance with the Prospectus Directive.

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

Save as discussed in “Subscription and Sale” so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

7. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: The net proceeds of the issue of the Notes will be used for the Issuer’s general corporate purposes.
- (ii) Estimated net proceeds: USD 995,350,000
- (iii) Estimated total expenses: Estimated listing fees (Luxembourg): Euro 6,100

8. OFFER STATISTICS AND EXPECTED TIMETABLE

Not Applicable

9. YIELD

Indication of yield: 5.667 per cent. per annum.

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

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

10. HISTORIC INTEREST RATES

Not Applicable

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

Not Applicable

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

Not Applicable

13. OPERATIONAL INFORMATION

ISIN Code: FR0010485185

Common Code: 030550234

Depositories:

- (i) Euroclear France to act as Central Depository: Yes
- (ii) Common Depository for Euroclear Bank S.A./N.V. and Clearstream Luxembourg: No

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

Delivery: Delivery free of payment

The Agents appointed in respect of the Notes are: **Fiscal and Principal Paying Agent:**
Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
EC2N 2DB London
United Kingdom

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

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

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

The aggregate principal amount of Notes issued has been translated into Euro at the rate of USD 1.3471 per Euro 1.00, producing a sum of: Euro 742, 335,388

TRANSLATED FROM FRENCH

COMPAGNIE DE FINANCEMENT FONCIER
SPECIFIC CONTROLLER' S CERTIFICATE RELATING TO THE NOTES

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

To the Directors of Compagnie de Financement Foncier,

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

In a decision dated March 23, 2007, the Board of Directors of Compagnie de Financement Foncier set the maximum ceiling for the programme for issuing funding that qualify for the privileged right laid down by Article L.515-19 of the French Monetary and Financial Code at EUR 8 billion, for the period from April 1st to June 30, 2007.

Within the scope of this quarterly issue programme, in a decision dated June 7, 2007, 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 USD 1 billion.

Article L.515-20 of the French Monetary and Financial Code states that the total amount of assets held by *sociétés de crédit foncier* (special-purpose real estate credit institutions) must be greater than the amount of liabilities which qualify for the privileged right mentioned in

Article L.515-19 of said code. Our responsibility is to certify the compliance of the current transaction with this rule.

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

We performed our review in accordance with the 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 n° 99-10 of the French Banking and Financial Regulations Committee.

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

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

Paris, June 14, 2007

The Specific Controller

CAILLIAU DEDOUIT ET ASSOCIES

Laurent BRUN



APPENDIX

Figures after taking into account the debentures issues for the period from April 1st to June 11, 2007 including the present issue of USD 1 billion (value date June 19, 2007).

In million of EUR	Estimated figures	Forecasted Figures
	As of March 31, 2007	As of June 30, 2007
Total application of funds	76,227	78,856
Total sources of funds that qualify for the privileged right mentioned in Article L. 515-19 of the French Monetary and Financial Code	69,869	72,302

The original certificate in French reads :

Messieurs les Administrateurs de la Compagnie de Financement Foncier,

En notre qualité de contrôleur spécifique de votre société et en exécution des dispositions prévues par les articles R.515-13 et L.515-30 du Code monétaire et financier, nous devons établir une attestation 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 23 mars 2007, 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 8 milliards, pour la période allant du 1^{er} avril au 30 juin 2007.

Dans le cadre de ce programme trimestriel d'émissions, par décision en date du 7 juin 2007, 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 1 milliard de dollars.

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 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 14 juin 2007

Le Contrôleur Spécifique

CAILLIAU DEDOUIT ET ASSOCIES

Laurent BRUN



**COMPAGNIE DE
FINANCEMENT
FONCIER**
FILIALE DU CRÉDIT FONCIER

ANNEXE

Montants après prise en compte des émissions obligataires réalisées du 1^{er} avril au 11 juin 2007, y compris la présente émission de 1 milliard de dollars (date de règlement 19 juin 2007).

En millions d'euros	Estimé	Prévisionnel
	Au 31 mars 2007	Au 30 juin 2007
Total des emplois	76.227	78.856
Total des ressources bénéficiant du privilège mentionné à l'article L.515-19 du code monétaire et financier	69.869	72.302