

Final Terms dated 28 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: 404

TRANCHE NO: 1

EUR 20,000,000 5.11 per cent. Callable *Obligations Foncières* due July 2037 (the "Notes")

Issue Price: 100.00 per cent.

HSBC Bank plc

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 supplement to the Base Prospectus are available for viewing on the website of the *Autorité des marchés financiers*, 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:	404
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	Euro (“ EUR ”)
4	Aggregate Nominal Amount of Notes listed and admitted to trading:	
	(i) Series:	EUR 20,000,000
	(ii) Tranche:	EUR 20,000,000
5	Issue Price:	100.00 per cent. of the Aggregate Nominal Amount
6	Specified Denominations:	EUR 50,000
7	(i) Issue Date:	2 July 2007
	(ii) Interest Commencement Date:	2 July 2007
8	Maturity Date:	2 July 2037
9	Interest Basis:	5.11 per cent. Fixed Rate
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption /Payment Basis:	Not Applicable
12	Call Options:	Issuer Call (further particulars specified below)
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 <i>privilège</i> referred to in Article L.515-19 of the Code of up to and including EUR 8 billion for the second quarter of 2007.
14	Method of distribution:	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15	Fixed Rate Note Provisions	Applicable
(i)	Rate of Interest:	5.11 per cent. per annum payable annually in arrear.
(ii)	Interest Payment Date(s):	2 July in each year from and including 2 July 2008 to and including the Maturity Date.
(iii)	Fixed Coupon Amount(s):	EUR 2,555.00 per EUR 50,000 in nominal amount
(iv)	Broken Amount(s):	Not Applicable
(v)	Day Count Fraction (Condition 5(a)):	Actual/Actual - ICMA (unadjusted)
(vi)	Determination Date(s) (Condition 5(a)):	2 July in each year
(vii)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
16	Floating Rate Provisions	Not Applicable
17	Zero Coupon Note Provisions	Not Applicable
18	Index Linked Interest Note/other variable-linked interest Note Provisions	Not Applicable
19	Dual Currency Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

20	Call Option	Applicable
(i)	Option Exercise Date(s) / Optional Redemption Date(s):	2 July in each year, from and including 2 July 2017 to and excluding the Maturity Date
(ii)	Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	EUR 50,000 per Note of EUR 50,000 Specified Denomination
(iii)	If redeemable in part:	Not Applicable
(iv)	Minimum Nominal Amount to be redeemed:	Not Applicable
(v)	Maximum Nominal Amount to be redeemed:	Not Applicable
(vi)	Notice period:	Five TARGET Business Days prior notice
21	Other Option	Not Applicable
22	Final Redemption Amount of each Note	EUR 50,000 per Note of EUR 50,000 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:	TARGET
	Adjusted Payment Date (Condition 7(h)):	The first 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, renominalisation and reconventioning provisions:	Not Applicable
30	Consolidation provisions:	Not Applicable
31	Representation of holders of Notes <i>Masse</i> (Condition 10):	<p>Applicable</p> <p>The initial Representative will be:</p> <p>MURACEF 5, rue Masseran 75007 Paris France</p> <p>The alternate Representative will be:</p> <p>M. Hervé Bernard VALLEE 1, Hameau de Suscy 77390 Crisenoy France</p> <p>The Representative will not receive any remuneration</p>
32	Other final terms:	Not Applicable
DISTRIBUTION		
33	(i) If syndicated, names of Managers:	Not Applicable
	(ii) Stabilising Manager(s) (if any):	Not Applicable
34	If non-syndicated, name and address of Dealer:	HSBC Bank plc 8 Canada Square London E14 5HQ
35	Additional selling restrictions:	FRANCE:

The Dealer and the Issuer represent and agree, and each further Dealer appointed under the Programme will be required to represent and agree, that, in connection with their initial distribution, it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to qualified investors (*investisseurs qualifiés*) as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 to D.411-3 of the French Code monétaire et financier, but excluding individuals referred to in Article D.411-1 II 2° of the French Code monétaire et financier.

In addition, the Dealer and the Issuer have represented and agreed that in connection with their initial distribution they have not distributed or caused to be distributed and will not distribute or cause to be distributed in the Republic of France, the Base Prospectus, these Final Terms or any other offering material relating to the Notes other than to those investors 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 comprises 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:

PART B – OTHER INFORMATION

1. LISTING

- | | |
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| (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 Luxembourg Stock Exchange with effect from 2 July 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) Estimate of total expenses related to listing and admission to trading: | EUR 6,700 |

2. RATINGS

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| 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 Services and by Fitch Ratings. |
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3. 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 the supplement to the Base Prospectus have been drawn up in accordance with the Prospectus Directive.

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

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.

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

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|---------------------------------|--|
| (i) Reasons for the offer: | The net proceeds of the issue of the Notes will be used for the Issuer's general corporate purposes. |
| (ii) Estimated net proceeds: | EUR 20,000,000 |
| (iii) Estimated total expenses: | Not Applicable |

6. OPERATIONAL INFORMATION

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| ISIN Code: | FR0010484006 |
| Common Code: | 030498364 |
| Depositories: | |
| (i) Euroclear France to act | Yes |

as Central Depository:

- (ii) Common Depository for
Euroclear and
Clearstream
Luxembourg:

No

Any clearing system(s) other
than Euroclear Bank S.A./N.V.
and Clearstream, Luxembourg
and the relevant identification
number(s):

Not Applicable

Delivery:

Delivery against payment

The Agents appointed in
respect of the Notes are:

Calculation Agent, Fiscal and Principal Paying Agent:

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
EC2N 2DB London
United Kingdom

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

Paris Paying Agent:

Crédit Foncier de France
4 Quai de Bercy
94224 Charenton Cedex
France

Luxembourg Listing Agent and Luxembourg Paying Agent:

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