

Final Terms dated 26 April 2007



**COMPAGNIE DE
FINANCEMENT
FONCIER**

CREDIT FONCIER GROUP

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: 394

TRANCHE NO: 1

COMPAGNIE DE FINANCEMENT FONCIER (the "Issuer")

CAD 500,000,000 4.550 per cent. *Obligations Foncières* due April 2017 (the "Notes")

Issue Price: 99.929 per cent.

**MERRILL LYNCH CANADA
RBC CAPITAL MARKETS**

**BMO CAPITAL MARKETS
CIBC WORLD MARKETS**

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:	394
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	Canadian Dollars (“CAD”)
4	Aggregate Nominal Amount:	
	(i) Series:	CAD 500,000,000
	(ii) Tranche:	CAD 500,000,000
5	Issue Price:	99.929 per cent. of the Aggregate Nominal Amount.
6	Specified Denominations:	CAD 2,000
7	(i) Issue Date:	30 April 2007
	(ii) Interest Commencement Date:	30 April 2007
8	Maturity Date:	28 April 2017
9	Interest Basis:	4.550 per cent. Fixed Rate (further particulars specified below).
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</i>

Conseil d'Administration and its *directeur général délégué* the power 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 *privilege* 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:

Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15 Fixed Rate Note Provisions

Applicable

(i) Rate of Interest:

4.550 per cent. per annum payable semi-annually in arrear.

(ii) Interest Payment Date(s):

28 April and 28 October in each year commencing on 28 October 2007 up to and including the Maturity Date.

There will be a short first coupon in respect of the period commencing on, and including the Interest Commencement Date to, but excluding, the first Interest Payment Date.

(iii) Fixed Coupon Amount(s):

CAD 45.50 per CAD 2,000 in nominal amount subject to "Broken Amount(s)" referred to in sub-paragraph (iv) below.

(iv) Broken Amount(s):

In respect of the period commencing on, and including, the Interest Commencement Date to, but excluding, the first Interest Payment Date: CAD 45.126 per CAD 2,000 in nominal amount.

(v) Day Count Fraction (Condition 5(a)):

Whenever it is necessary to compute any amount of accrued interest in respect of the Notes for a period of less than one full year, other than with respect to regular semi-annual interest payments, such interest shall be calculated on the basis of the actual number of days in the period and a year of 365 days (or 366 days in a leap year) ("**Actual/Actual Canadian Compound Method**"), (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	CAD 2,000 per Note of CAD 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)):	Toronto, London, New York, 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, renominalisation and reconventioning provisions:	Not Applicable
30	Consolidation provisions:	Not Applicable
31	Representation of holders of Notes <i>Masse</i> (Condition 10):	Applicable The initial Representative will be: MURACEF 5, rue Masseran 75007 Paris France

The alternate Representative will be:

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

The Representative will not receive any remuneration.

Not Applicable

32 Other final terms:

DISTRIBUTION

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

Merrill Lynch Canada Inc.

BCE Place
Wellington Tower
181 Bay Street
4th Floor
Toronto, Ontario
M5J 2V8
Canada

Underwriting commitment of
CAD 237,500,000

Royal Bank of Canada Europe Limited

71 Queen Victoria Street
London EC4V 4DE
United Kingdom

Underwriting commitment of
CAD 237,500,000

Bank of Montreal, London Branch

95 Queen Victoria Street
London EC4V 4HG
United Kingdom

Underwriting commitment of
CAD 12,500,000

**Canadian Imperial Bank of Commerce,
London Branch**

Cottons Centre
Cottons Lane
London 5E1 2QL
United Kingdom

Underwriting commitment of
CAD 12,500,000

(ii) Date of Subscription Agreement:

26 April 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: 0.30 per cent. of the Aggregate Nominal Amount.
- 36 Additional selling restrictions: See Annex 1

LISTING AND ADMISSION TO TRADING APPLICATION

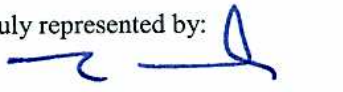
These Final Terms comprises the final terms required to list and have listed and admitted to trading the issue of Notes described herein pursuant to the Euro 75,000,000,000 Euro Medium Term Note Programme of Compagnie de Financement Foncier.

RESPONSIBILITY

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

Signed on behalf of the Issuer:

Duly represented by:



François VEVERKA

Directeur Général

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 will be made for the Notes to be listed and admitted to trading on the *Bourse de Luxembourg* as soon as practicable after the Issue Date.

(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: CAD 498,145,000
- (iii) Estimated total expenses: Estimated total listing fees: CAD 5,750

8. OFFER STATISTICS AND EXPECTED TIMETABLE

Not Applicable

9. YIELD

Indication of yield: 4.559 per cent. semi-annually

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: FR0010465567

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):

CDS Clearing and Depository Services Inc. (“CDS”)
See additional information regarding CDS set out in Annex 2 to these Final Terms.

CUSIP: F2003Y LD2

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):

Royal Bank of Canada
71 Queen Victoria Street
London EC4V 4DE
United Kingdom

The aggregate principal amount of Notes issued has been translated into Euro at the rate of CAD 1.5335 per Euro 1.00, producing a sum of:

EUR 326,051,516.14

Annex 1

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.

Canada:

Each Manager has represented and warranted to, and agreed with the Issuer that:

- (a) the sale and delivery of any Notes to any purchaser who is a resident of Canada or otherwise subject to the laws of Canada or who is purchasing for a principal who is a resident of Canada or otherwise subject to the laws of Canada (each such purchaser and principal a “**Canadian Purchaser**”) by such Manager shall be made so as to be exempt from the prospectus filing requirements and exempt from or in compliance with the dealer registration requirements of all applicable securities laws, regulations, rules, instruments, rulings and orders, including those applicable in each of the provinces and territories of Canada and the applicable policy statements issued by any securities regulator having jurisdiction (the “**Securities Laws**”);
- (b) in respect of any sale and delivery of any Notes to a Canadian Purchaser that is a resident of, or otherwise subject to the Securities Laws of, the Province of Ontario, the Manager is exempt from the dealer registration requirements or is a fully registered dealer within the meaning of section 204 of Regulation 1015 to the *Securities Act* (Ontario) or is registered as an international dealer within the meaning of section 98 of Regulation 1015 to the *Securities Act* (Ontario) or is selling such Notes through an affiliate that is a fully registered dealer or is registered as an international dealer;
- (c) each Canadian Purchaser or any ultimate investor for which such investor is acting as agent is entitled under Securities Laws to acquire the Notes without the benefit of a prospectus qualified under the Securities Laws, and without limiting the generality of the foregoing: (a) in the case of a purchaser resident in a province other than Ontario, without the Manager having to be registered, (b) in the case of a purchaser resident in the Alberta, British Columbia, Manitoba, Québec or Saskatchewan, such purchaser is an “accredited investor” as defined in section 1.1 of National Instrument 45-106-*Prospectus and Registration Exemptions* (“**NI 45-106**”), (c) in the case of a purchaser resident in the Province of Ontario, such purchaser, or any ultimate purchaser for which such purchaser is acting as agent, (i) is an “accredited investor”, other than an individual, as defined in NI 45-106 and is a person to which a dealer registered in the Province of Ontario as an international dealer within the meaning of section 98 of Regulation 1015 to the *Securities Act* (Ontario) may sell the Notes or (ii) is an “accredited investor”, including an individual, as defined in NI 45-106 who is purchasing the Notes from a fully registered dealer within the meaning of section 204 of Regulation 1015 to the *Securities Act* (Ontario);

- (d) it will comply with all relevant Securities Laws concerning any resale of the Notes and will together with the Issuer prepare, execute, deliver and file all documentation required by the applicable Securities Laws to permit each resale by the Manager of Notes to a Canadian Purchaser;
- (e) it will ensure that each Canadian Purchaser purchasing from it (a) has represented to it that such Canadian Purchaser is a resident in and subject to the Securities Laws of a province or territory of Canada or is a corporation, partnership or other entity resident and created in or organised under the laws of Canada or any province or territory thereof, (b) has represented to it which categories set forth in the relevant definition of “accredited investor” correctly and in all respects describe such Canadian Purchaser, and (c) consents to disclosure of all required information about the purchase to the relevant Canadian securities regulators or securities regulatory authorities, as the case may be;
- (f) it has not provided and will not provide to any Canadian Purchaser any document or other material that would constitute an offering memorandum (other than the Canadian Offering Memorandum dated 26 April 2007 with respect to the private placement of the Notes in Canada (the “**Canadian Offering Memorandum**”)) or future oriented financial information within the meaning of Securities Laws;
- (g) the offer and sale of the Notes was not made through or accompanied by any advertisement of the Notes, including, without limitation, in printed media of general and regular paid circulation, radio, television or telecommunications, including electronic display, or any other form of advertising or as part of a general solicitation in Canada;
- (h) it will ensure that each Canadian Purchaser is advised that no securities commission, stock exchange or other similar regulatory authority in Canada has reviewed or in any way passed upon the Canadian Offering Memorandum or the merits of the Notes described therein, nor has any such securities commission, stock exchange or other similar regulatory authority in Canada made any recommendation or endorsement with respect to the Notes;
- (i) it has not made and it will not make any written or oral representations to any Canadian Purchaser (a) that any person will resell or repurchase the Notes purchased by such Canadian Purchaser, (b) that the Notes will be freely tradeable by the Canadian Purchaser without any restrictions or hold periods, (c) that any person will refund the purchase price of the Notes or (d) as to the future price or value of the Notes; and
- (j) it will inform each Canadian Purchaser (a) that the Issuer is not a “reporting issuer” (as such term is defined under applicable Securities Laws) and is not, and may never be, a reporting issuer in any province, or territory of Canada and there currently is no public market in Canada for any of the Notes, and one may never develop, (b) that the Notes will be subject to resale restrictions under applicable Securities Laws and (c) such Canadian Purchaser’s name and other specified information will be disclosed to the relevant Canadian securities regulators or regulatory authorities and may become available to the public in accordance with applicable laws.

Annex 2

Additional Information Regarding Clearing and Settlement

Links have been established among CDS and Euroclear France to facilitate the initial issuance of the Notes and cross-market transfers of the Notes associated with secondary market trading. Euroclear France will be directly linked to CDS.

The Clearing Systems

CDS. CDS was formed in November 2006 pursuant to the restructuring of The Canadian Depository for Securities Limited (“CDS Ltd.”). After the restructuring, CDS Ltd., founded in 1970, remains the holding company for CDS and two other operating subsidiaries and is Canada’s national securities clearing and depository services organisation. Functioning as a service utility for the Canadian financial community, CDS provides a variety of computer automated services for financial institutions and investment dealers active in domestic and international capital markets. CDS participants (“CDS Participants”) include banks (including the Canadian Subcustodians), investment dealers and trust companies and may include certain of the Managers. Indirect access to CDS is available to other organisations that clear through or maintain a custodial relationship with a CDS Participant. Transfers of ownership and other interests, including cash distributions, in Notes in CDS may only be processed through CDS Participants and will be completed in accordance with existing CDS rules and procedures. CDS operates in Montreal, Toronto, Calgary, Vancouver and Halifax to centralise securities clearing functions through a central securities depository.

CDS is wholly owned by CDS Ltd., a private corporation, owned one-third by investment dealers, one-third by banks and one-third by trust companies through their respective industry associations. CDS is the exclusive clearing house for equity trading on the Toronto Stock Exchange and also clears a substantial volume of over the counter trading in equities and bonds.

Euroclear France. Euroclear France is the central securities depository for France. Euroclear France operates the RGV and Relit+ settlement systems and offers the following services:

1 Securities settlement: a comprehensive offering for equities and equity-related instruments, debt securities, stock exchange trade for Euronext Paris, over-the-counter transactions. Settlement and collateral management services take place against payment in central bank money.

2 Custody: as the national securities depository, Euroclear France is the custodian of all types of securities in any currency or form - dematerialised securities, physical securities and global notes. Their services also include the custody of international issues such as EMTNs and ETFs.

3 Securities Administration: Euroclear France, in its role as National Numbering Agency, allocates international identification codes according to the ISIN standard. They inform clients about the issue structure, calculation and payment methods as chosen by the issuer. They ensure efficient and secure processing of corporate actions, notwithstanding their level of complexity and an automatic income payment to accountholders. The following instruments are covered by these services: government bonds, treasury bills, negotiable debt securities, newly admitted bonds and international government debt securities processed in Euroclear France.

4 Issuer Services: Euroclear France offers day-to-day management of holder information for registered securities and shareholder identification service, permitting companies who have issued bearer securities to identify their shareholders at any time.

Global Clearance and Settlement Procedures

Initial settlement for the Notes will be made in immediately available Canadian Dollar funds.

Secondary market trading between Euroclear France participants will occur in the ordinary way in accordance with Euroclear France rules. Secondary market trading between CDS Participants will be in accordance with market conventions applicable to transactions in book-based Canadian domestic bonds.

Transfer between Euroclear France and CDS

Cross-market transfers between persons holding directly or indirectly through Euroclear France participants, on the one hand, and directly or indirectly through CDS Participants, on the other, will be effected in Euroclear France in accordance with Euroclear France rules: however, such cross-market transactions will require delivery of instructions to the relevant clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines. The relevant clearing system will, if the transaction meets its settlement requirements, deliver instructions to the other clearing system to take action to effect final settlement on its behalf by delivering or receiving Notes in the other clearing system. CDS Participants may not deliver instructions directly to Euroclear France.

Because of time-zone differences, payments initiated in CDS may not be received by Euroclear France until the following business day.