

Final Terms dated 28 June, 2006



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: 316

TRANCHE NO: 2

**CHF 125,000,000 2.50 per cent. *Obligations Foncières* June 30, 2006 – February 24, 2031
(the “Notes”),**

**to be assimilated (*assimilées*) and form a single series with the
CHF 250,000,000 2.50 per cent. *Obligations Foncières*
February 24, 2006 – February 24, 2031 as Tranche 1 of Series 316
(the “Existing Notes”)**

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

Issue Price:

90.45 per cent. (minus commissions) plus an amount corresponding to accrued interest at a rate of 0.8750 per cent. per annum of the Aggregate Nominal Amount of the Tranche for the period from and including February 24, 2006 to, but excluding, June 30, 2006 (corresponding to 126 days)

UBS INVESTMENT BANK

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated August 25, 2005.

PART A - CONTRACTUAL TERMS

1	Issuer:	Compagnie de Financement Foncier
2	(i) Series Number:	316
	(ii) Tranche Number:	2
		The Notes will be assimilated (<i>assimilées</i>) and form a single series one day after the Issue Date with the CHF 250,000,000 2.50 per cent. <i>Obligations Foncières</i> February 24, 2006 – February 24, 2031 as Tranche 1 of Series 316 (ISIN: CH0024141100).
3	Specified Currency or Currencies:	Swiss francs ("CHF")
4	Aggregate Nominal Amount of Notes:	
	(i) Series:	CHF 375,000,000
	(ii) Tranche:	CHF 125,000,000
5	Issue Price:	90.45 per cent. of the Aggregate Nominal Amount of the Tranche (minus commissions) plus accrued interest at a rate of 0.8750 per cent. per annum of such Aggregate Nominal Amount for the period from and including February 24, 2006 to, but excluding, June 30, 2006 (corresponding to 126 days)
6	Specified Denominations:	CHF 5,000, CHF 100,000 and CHF 1,000,000
7	(i) Issue Date:	June 30, 2006
	(ii) Interest Commencement Date:	February 24, 2006
8	Maturity Date:	February 24, 2031
9	Interest Basis:	2.50 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	1. Status of the Notes:	<i>Obligations Foncières</i>
	2. Dates of the corporate authorisations for issuance of the Notes:	Decision of the <i>Conseil d'administration</i> of Compagnie de

Financement Foncier dated 14 December 2005 authorising the issue of the Notes and authorising its *directeur général* the power to sign and execute all documents in relation to the issue of Notes, and decision of the *Conseil d'administration* of the Issuer dated 31 March 2006 authorising the quarterly programme of borrowings which benefit from the *privilège* referred to in Article L.515-19 of the Code of up to and including Euro 10 billion for the second quarter of 2006.

14 Method of distribution: Non-Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15	Fixed Rate Note Provisions	Applicable
	(i) Rate of Interest:	2.50 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	February 24 in each year from and including February 24, 2006 to and including the Maturity Date/not adjusted
	(iii) Fixed Coupon Amount (s):	CHF 125.00 per CHF 5,000 in nominal amount, CHF 2,500.00 per CHF 100,000 in nominal amount and CHF 25,000.00 per CHF 1,000,000 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	CHF 5,000, CHF 100,000 and CHF 1,000,000 per Note of CHF 5,000, CHF 100,000 and CHF 1,000,000 Specified Denomination
23	Early Redemption Amount Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on any early redemption end/or the method of calculating the same (if required or if different from that set out in the Conditions).	Not Applicable
GENERAL PROVISIONS APPLICABLE TO THE NOTES		
24	Form of Notes: (i) Form of Dematerialised Notes: (ii) Registration Agent: (iii) Temporary Global Certificate: (iv) Applicable TEFRA exemption:	Materialised Notes (Materialised Notes are only in bearer form) Not Applicable Not Applicable Temporary Global Certificate exchangeable for Definitive Materialised Notes on or after August 9, 2006 (the “ Exchange Date ”), being 40 days after the Issue Date subject to postponement as specified in the Temporary Global Certificate D Rules
25	Financial Centre(s) (Condition 7(h)) or other special provisions relating to Payment Dates: Adjusted Payment Date (Condition 7(h)):	Zurich, Switzerland The next following business day that is a business day
26	Talons for future Coupons or Receipts to be attached to Definitive Materialised Notes (and dates on which such Talons mature):	Not Applicable
27	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made:	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 -Masse
(Condition 10)

Applicable

The initial Representative will be
MURACEF
5, rue Masseran
75007 Paris
France

and the alternate Representative will
be:

Monsieur Hervé-Bernard VALLÉE
1, Hameau de Suscy
77390 Crisenoy
France

The Representative will not receive
any remuneration.

32 Other final terms:

**The following paragraphs shall be
added to Condition 7:**

“Payments on the Notes will be
made irrespective of any present or
future transfer restrictions and
without regard to any bilateral or
multilateral payment or clearing
agreement which may be applicable
at the time of such payments.

The receipt by the Swiss Principal
Paying Agent of the due and
punctual payment of funds in Swiss
Francs in Zurich, in the manner
provided by the Conditions and this
Final Terms, shall release the Issuer
from its obligations under the Notes
and Coupons for the payment of
interest and principal due on the
respective Interest Payment Dates
and Maturity Date to the extent of
such payment.

Payment of principal and/or interest
under the Notes and Coupons shall
be payable only at the specified
offices located in Switzerland of the
Swiss Paying Agents upon their
surrender in freely transferable
Swiss Francs without collection
costs in Switzerland without any
restrictions and whatever the
circumstances may be, irrespective
of nationality, domicile or residence
of the holders of Notes or Coupons
and without requiring any

certification, affidavit or the fulfilment of any other formality.”

The following shall be added to Condition 14:

“All notices concerning the Obligations Foncières will be validly given through Credit Suisse, Zurich by means of electronic publication on the internet website of the SWX Swiss Exchange (www.swx.com). In addition, Credit Suisse, Zurich may also publish such notices by other means.”

The following paragraph shall be added to Condition 16 (b):

“In addition to the submission to the jurisdiction of the courts within the jurisdiction of Paris, the Issuer agrees to submit to the alternative jurisdiction of the Courts of the Canton of Zurich, the place of jurisdiction being Zurich 1, with the right of appeal to the Swiss Federal Court of Justice in Lausanne where the law permits. In connection with the Notes, the Issuer elects legal and special domicile at Credit Suisse, Zurich (Switzerland) in respect of any legal proceedings in Switzerland and agrees that the holders of the Notes will have the option to be collectively represented by the Representative of the Masse (in accordance with all applicable laws and customary practice in Switzerland). The holders of all Notes (whether or not collectively represented) shall have equal status irrespective of their domicile.”)

DISTRIBUTION

33	(i) If syndicated, names of Managers:	Not Applicable
	(ii) Stabilising Manager(s) (if any):	Not Applicable
34	If non-syndicated, name of Dealer:	UBS Investment Bank Bahnhofstrasse 45 CH-8001 Zurich
35	Total underwriting commission and concession:	1.25 per cent. of the Aggregate Nominal Amount

36 Additional selling restrictions:

FRANCE:

Each of the Managers and the Issuer have acknowledged that the Notes are being issued outside the Republic of France.

Each of the Managers and the Issuer have represented and agreed that in connection with their initial distribution (i) it has not offered or sold or cause to be offered or sold and will not offer or sell or cause to be offered or sold, directly or indirectly, any Notes to the public in the Republic of France and (ii) offers and sales of Notes in the Republic of France will be made only to qualified investors (*investisseurs qualifiés*) in accordance with Article L.411-2 of the French *Code monétaire et financier* and Article D.411-1 of the French *Code monétaire et financier*.

In addition, each of the Managers and the Issuer has represented and agreed that in connection with its 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, these Final Terms or any other offering material relating to the Notes other than to qualified investors to whom offers and sales of the Notes may be made as described above.

GENERAL

The aggregate principal amount of Notes issued has been translated into Euro at the rate of CHF 1.5585 per Euro 1. 00 producing a sum of:

Euro 80,205,325.63

RESPONSIBILITY

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

Signed on behalf of the Issuer:

Duly represented by:

Thierry DUFOUR
Directeur Général / C.E.O.

PART B – OTHER INFORMATION

1. 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 Ratings.

2. OPERATIONAL INFORMATION

ISIN Code: CH0024141100 (after Issue Date)
CH0025915858 (before Issue Date)

Common Code: 024195147 (after Issue Date)
025816200 (before Issue Date)

Depositories:

(i) Euroclear France to act as
Central Depository No

(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): SIS SegalInterSettle AG ("SIS"), the Swiss Securities Services Corporation in Olten, Switzerland:

Swiss Securities Number:
2414110 (after Issue Date)
2591585 (before Issue Date)

Delivery: Delivery against payment

The Agents appointed in respect of the Notes are: **Principal Paying Agent and Fiscal Agent:** Credit Suisse shall act as Substitute Fiscal and Swiss Principal Paying Agent. All references in the Conditions to the Fiscal Agent and/or the Principal Paying Agent shall, where applicable, for the purposes of the Notes only, be construed as references to Credit Suisse. The Issuer will, so long as the Notes are listed at the SWX Swiss Exchange,

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).

maintain a principal paying agent for the Notes having a specified office in Switzerland.

Swiss Paying Agents: UBS AG and Zürcher Kantonalbank (together with the Swiss Principal Paying Agent, the “Swiss Paying Agents”). All references in the Conditions to the Paying Agents shall, where applicable, for the purpose of the Notes only, be construed as references to the Swiss Paying Agents and will at no time include a Paying Agent having a specified office outside Switzerland, unless permitted by applicable law.

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

Not Applicable