

Final Terms dated 18 July 2007



Municipal Agency

**DEXIA MUNICIPAL AGENCY
(the "Issuer")**

Euro 75,000,000,000
Euro Medium Term Note Programme
for the issue of *Obligations Foncières*

**SERIES NO: 342
TRANCHE NO: 1**

Euro 200,000,000 5 per cent. *Obligations Foncières* due 20 July 2022

Issue Price: 100 per cent.

FINAL TERMS

DEALER

SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING

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 21 July 2006 and its supplements dated 4 October 2006, 12 December 2006, 20 April 2007, 21 May 2007 and 18 June 2007 which constitute together 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 *Obligations Foncières* 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 *Obligations Foncières* is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus and its supplements are available for viewing at the office of the Fiscal Agent or each of the Paying Agents and was published in accordance with the provisions of Article 14 of the Prospectus Directive, admitting the validity of disclosure carried out, *inter alia* and always at the choice of the Issuer, though release on the website of the Issuer (www.dexia-ma.com) or on the website of the Luxembourg Stock Exchange (www.bourse.lu), and copies may be obtained from Dexia Municipal Agency, 1, Passerelle des Reflets, Tour Dexia La Défense 2, TSA 92202, 92919 La Défense Cedex, France.

1	Issuer:	Dexia Municipal Agency
2	(i) Series Number:	342
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	Euro (“ EUR ”)
4	Aggregate Nominal Amount:	
	(i) Series:	EUR 200,000,000
	(ii) Tranche:	EUR 200,000,000
5	Issue Price:	100 per cent. of the Aggregate Nominal Amount
6	Specified Denominations:	EUR 1,000
7	(i) Issue Date:	20 July 2007
	(ii) Interest Commencement Date:	20 July 2007
8	Maturity Date:	20 July 2022
9	Interest Basis:	5 per cent. per annum 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:	None
13	(i) Status of the <i>Obligations Foncières</i> :	<i>Obligations Foncières</i>

- (ii) Dates of the corporate authorisations for issuance of the *Obligations Foncières*: Decision of the *Directoire* of Dexia Municipal Agency dated 13 July 2007 deciding the issue of the *Obligations Foncières* and authorising Mr François LAUGIER, President or any of its *Directeurs Généraux* to sign and execute all documents in relation to the issue of the *Obligations Foncières*

14 Method of distribution: Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 15** Fixed Rate *Obligation Foncière* Provisions Applicable
- (i) Rate of Interest: 5 per cent. per annum payable annually in arrear
- (ii) Interest Payment Date(s): 20 July in each year, commencing on and including 20 July 2008 to and including the Maturity Date
- (iii) Fixed Coupon Amount: EUR 50 per *Obligation Foncière* of EUR 1,000 in nominal amount in respect of each Interest Payment Date
- (iv) Broken Amount(s): Not Applicable
- (v) Day Count Fraction (Condition 5(a)): Actual/Actual ICMA (unadjusted)
- (vi) Determination Date(s) (Condition 5(a)): 20 July in each year
- (vii) Other terms relating to the method of calculating interest for Fixed Rate *Obligations Foncières*: Not Applicable
- 16** Floating Rate Provisions Not Applicable
- 17** Zero Coupon *Obligation Foncière* Provisions Not Applicable
- 18** Index Linked Interest *Obligation Foncière* / other variable-linked interest *Obligations Foncières* Provisions Not Applicable
- 19** Dual Currency *Obligation Foncière* Provisions Not Applicable

PROVISIONS RELATING TO REDEMPTION

- 20** Call Option Not Applicable
- 21** Other Option Not Applicable
- 22** Final Redemption Amount of each *Obligation Foncière*: EUR 1,000 per *Obligation Foncière* of EUR 1,000 Specified Denomination

- 23** Early Redemption Amount
 Early Redemption Amount(s) of each *Obligation Foncière* 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 *OBLIGATIONS FONCIÈRES*

- 24** Form of *Obligations Foncières*: Dematerialised *Obligations Foncières*
- (i) Form of Dematerialised *Obligations Foncières*: Bearer dematerialised form (*au porteur*)
- (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
- (i) Adjusted Payment Date (Condition 7(h)): The following business day
- 26** Talons for future Coupons or Receipts to be attached to definitive Materialised *Obligations Foncières* (and dates on which such Talons mature): Not Applicable
- 27** Details relating to Partly Paid *Obligations Foncières*: 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 *Obligations Foncières*: 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 *Obligations Foncières - Masse* (Condition 10): Applicable
- The initial Representative will be:
 Antoine de Chauveron
 23, avenue Foch
 75016 Paris
- The alternate Representative will be:
 Laurent Valery Radot
 23, avenue Foch
 75016 Paris
- The Representative will not be remunerated.

32	Other final terms:	Not Applicable
DISTRIBUTION		
33	(i) If syndicated, names and addresses of Managers and underwriting commitments:	Not Applicable
	(ii) Date of Subscription Agreement:	Not Applicable
	(iii) Stabilising Manager(s) (if any):	Not Applicable
34	If non-syndicated, name and address of Dealer:	Société Générale 17 Cours Valmy 92987 Paris La Défense
35	Total commission and concession:	Not Applicable
36	Additional selling restrictions:	<p>France:</p> <p>Each of the Dealer and the Issuer has represented and agreed that:</p> <p>(i) it has not offered or sold and will not offer or sell, directly or indirectly, any <i>Obligations Foncières</i> to the public in France;</p> <p>(ii) 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, its supplements, the Final Terms or any other offering material relating to the <i>Obligations Foncières</i>; and</p> <p>(iii) such offers, sales and distributions have been and will be made in France only to qualified investors (<i>investisseurs qualifiés</i>), as defined in, and in accordance with, Articles L. 411-1, L. 411-2, D. 411-1 to D. 411-3 of the French Monetary and Financial Code but excluding individuals referred to in Article D.411-1 II 2° of the French Monetary and Financial Code.</p>

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the Final Terms required to list the issue of *Obligations Foncières* described herein pursuant to the Euro 75,000,000,000 Euro Medium Term Note Programme of Dexia Municipal Agency.

RESPONSIBILITY

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

Signed on behalf of the Issuer:

Duly represented by:

A handwritten signature in black ink, appearing to read "J. Adams", is written below the text "Duly represented by:". The signature is cursive and includes a long horizontal stroke at the end.

PART B – OTHER INFORMATION

1. RISK FACTORS

Not Applicable

2. LISTING AND ADMISSION TO TRADING

- (i) Listing: *Bourse de Luxembourg* (regulated market of the Luxembourg Stock Exchange)
- (ii) Admission to trading: Application has been made for the *Obligations Foncières* to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from 20 July 2007.

3. RATINGS

Ratings: Applicable

The *Obligations Foncières* to be issued under the Programme are expected to be rated AAA by Standard & Poor's Rating Services, AAA by Fitch Ratings and Aaa by Moody's Investors Service, Inc.

4. SPECIFIC CONTROLLER

The specific controller (*contrôleur spécifique*) of the Issuer has certified that the value of the assets of the Issuer will be greater than the value of its liabilities benefiting from the privilege defined in Article L.515-19 of the French Financial and Monetary Code, after settlement of this issue and of the issues which have been the subject of previous attestations.

5. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE OFFER

So far as the Issuer is aware, no person involved in the offer of the *Obligations Foncières* has an interest material to the offer.

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

- (i) Reasons for the offer: The net proceeds of the issue of the *Obligations Foncières* will be used for the Issuer's general corporate purposes.
- (ii) Estimated net proceeds: EUR 200,000,000
- (iii) Estimated total expenses: Not Applicable

7. YIELD

Indication of yield: 5 per cent. per annum

Calculated at the Issue Date in accordance with the ICMA method, which determines the effective interest rate of the *Obligations Foncières* 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.

8. OPERATIONAL INFORMATION

ISIN Code: FR0010501825

Common Code: 031208971

Stabilising Manager (if syndicated): Not Applicable

Depositaries:

Euroclear France to act as Central Depository: Yes

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 against payment

The Agents appointed in respect of the *Obligations Foncières* are:

Fiscal Agent, Principal Paying Agent and Luxembourg Listing Agent:

Dexia Banque Internationale à Luxembourg, société anonyme
69, route d'Esch
L-1470 Luxembourg
Grand-Duchy of Luxembourg

Paying Agents:

Dexia Bank Belgium SA
44, boulevard Pachéco
B-1000 Brussels
Belgium

RBC Dexia Investor Services Bank France S.A.
105, rue Réaumur
75002 Paris
France

Name and address of the
Calculation Agent: Not Applicable

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

The aggregate principal amount
of *Obligations Foncières* issued
has been translated into Euro at
the rate of [currency] per euro
1.00, producing a sum of: Not Applicable