

Pricing Supplement



Municipal Agency

DEXIA MUNICIPAL AGENCY

Euro 45,000,000,000
Euro Medium Term Note Programme
for the issue of *Obligations Foncières*

SERIES NO: 131

TRANCHE NO: 1

EUR 120,000,000 CMS Linked *Obligations Foncières* due December 2024

Issue Price: 100.00 per cent.

PRICING SUPPLEMENT

IXIS Corporate & Investment Bank

Holders and prospective purchasers of *Obligations Foncières* should ensure that they understand the nature of the *Obligations Foncières* and the extent of their exposure to risk and that they consider the suitability of the *Obligations Foncières* as an investment in the light of their own circumstances and financial condition. Holders and prospective purchasers of the *Obligations Foncières* should conduct their own investigations and, in deciding whether or not to purchase the *Obligations Foncières*.

Given the highly specialised nature of the *Obligations Foncières*, the Issuer and the Dealer consider that they are only suitable for highly sophisticated investors who are able to determine for themselves the risk of an investment on which the return is determined in this way.

Consequently, if you are not an investor who falls within the description above you should not consider purchasing these *Obligations Foncières* without taking detailed advice from a specialised professional adviser.

The date of this Pricing Supplement is 01 December 2004

This Pricing Supplement and the Annex attached hereto, under which the *obligations foncières* described herein (the "**Obligations Foncières**") are issued, contains the final terms of the Notes, and is supplemental to, and should be read in conjunction with, the original offering circular (the "**Offering Circular**") dated 9 July 2004 issued in relation to the Euro 45,000,000,000 Euro Medium Term Note Programme of Dexia Municipal Agency for the issue of *Obligations Foncières*. Terms defined in the Offering Circular have the same meaning in this Pricing Supplement. The *Obligations Foncières* will be issued on the terms of this Pricing Supplement read together with the Offering Circular. The Issuer accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Offering Circular, contains all information that is material in the context of the issue of the *Obligations Foncières*.

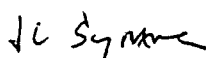
This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer of, or an invitation by or on behalf of anyone to subscribe or purchase any of the *Obligations Foncières*.

Except as disclosed in this document, (i) there has been no significant change in the financial or trading position of the Issuer since 30 June 2004 and no material adverse change in the financial position or prospects of the Issuer since 31 December 2003 and (ii) there has been no significant change in the financial or trading position of Dexia Crédit Local or the Dexia Crédit Local Group since 30 June 2004 and no material adverse change in the financial position or prospects of Dexia Crédit Local or the Dexia Crédit Local Group since 31 December 2003.

The Offering Circular, together with this Pricing Supplement, contains all information relating to the assets and liabilities, financial position, profits and losses of the Issuer or Dexia Crédit Local which is material in the context of the issue and offering of the *Obligations Foncières* and nothing has happened which would require the Offering Circular to be further supplemented or to be updated in the context of the issue and offering of the *Obligations Foncières*.

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 *Code monétaire et financier*, after settlement of this issue and of the issues which have been the subject of previous attestations.

Signed:



Authorised Officer

This Pricing Supplement has not been submitted to the clearance procedures of the *Autorité des Marchés Financiers*.

1	Issuer:	Dexia Municipal Agency
2	(i) Series Number:	131
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	Euro ("EUR")
4	Aggregate Nominal Amount:	
	(i) Series:	EUR 120,000,000
	(ii) Tranche:	EUR 120,000,000
5	(i) Issue Price:	100.00 per cent. of the Aggregate Nominal Amount
	(ii) Net proceeds:	EUR 120,000,000
6	Specified Denominations:	EUR 10,000
7	(i) Issue Date:	3 December 2004
	(ii) Interest Commencement Date:	Issue Date
8	Maturity Date:	3 December 2024
9	Interest Basis:	Index Linked Interest (further particulars specified below)
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption/Payment Basis:	Not Applicable
12	Options:	Not Applicable
13	Status:	<i>Obligations Foncières</i>
14	Listing:	Application has been made to list the Notes on the Luxembourg Stock Exchange
15	Method of distribution :	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16	Fixed Rate <i>Obligation Foncière</i> Provisions	Not Applicable
17	Floating Rate Provisions	Not Applicable
18	Zero Coupon <i>Obligation Foncière</i> Provisions	Not Applicable
19	Index Linked Interest <i>Obligation Foncière</i> Provisions	Applicable
	(i) Index/Formula:	See the Annex attached hereto
	(ii) Calculation Agent responsible for calculating the interest due:	IXIS Corporate & Investment Bank

(iii)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	See the Annex attached hereto
(iv)	Interest Period(s):	The Interest Period means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Specified Interest Payment Date falling on 3 December 2005 and each successive period beginning on (and including) a Specified Interest Payment Date and ending on (but excluding) the next succeeding Specified Interest Payment Date
(v)	Specified Interest Payment Dates:	The Interest Amount will be payable annually in arrear every 3 December, commencing on and including 3 December 2005, up to, and including the Maturity Date subject to adjustment in accordance with the Business Day Convention defined in the paragraph (vi) below
(vi)	Business Day Convention:	Modified Following Business Day Convention
(vii)	Business Centre(s) (Condition 5(a)):	Target
(viii)	Minimum Rate of Interest:	Zero per cent. per annum
(ix)	Maximum Rate of Interest:	Not Applicable
(x)	Day Count Fraction (Condition 5(a)):	Not Applicable
20	Dual Currency <i>Obligation Foncière</i> Provisions	Not Applicable
PROVISIONS RELATING TO REDEMPTION		
21	Call Option	Not Applicable
22	Other Option	Not Applicable
23	Final Redemption Amount	Aggregate Nominal Amount
24	Early Redemption Amount	No
GENERAL PROVISIONS APPLICABLE TO THE <i>OBLIGATIONS FONCIÈRES</i>		
25	Form of <i>Obligations Foncières</i>:	Dematerialised <i>Obligations Foncières</i>
(i)	Form of Dematerialised <i>Obligations Foncières</i> :	Bearer dematerialised form (<i>au porteur</i>)
(ii)	Registration Agent	Not Applicable
(iii)	Temporary Global Certificate:	Not Applicable

- (iv) Applicable TEFRA exemption: Not Applicable
- 26 Financial Centre(s) (Condition 7(h)) or other special provisions relating to payment dates: Target
- (i) Adjusted Payment Date (Condition 7(h)): The next following business day unless it would thereby fall into the next calendar month, in which such event such date shall be brought forward to the immediately preceding business day.
- 27 Talons for future Coupons or Receipts to be attached to definitive Materialised *Obligations Foncières* (and dates on which such Talons mature): Not Applicable.
- 28 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, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not Applicable
- 29 Details relating to Instalment *Obligations Foncières*: Not Applicable
- 30 Redenomination, renominatisation and reconventioning provisions: Not Applicable
- 31 Consolidation provisions: Not Applicable
- 32 *Masse* (Condition 10)
- Applicable
- The initial Representative will be:
Mr. Antoine de Chauveron
29, avenue du Roule
92200 Neuilly-sur-Seine
France
- The alternative Representative will be:
Mr. Laurent Vallery Radot
15, rue des Pins
92100 Boulogne
France
- The Representative will not be remunerated.
- 33 Other terms or special conditions: Not Applicable
- DISTRIBUTION**
- 34 (i) If syndicated, names of Managers: Not Applicable
- (ii) Stabilising Manager (if any): Not Applicable
- (iii) Dealer's Commission: None

35 If non-syndicated, name of Dealer:

IXIS Corporate & Investment Bank

36 Additional selling restrictions:

FRANCE:

Each of the Dealer and the Issuer has acknowledged that the *Obligations Foncières* are deemed to be issued outside the Republic of France and has represented and agreed that (i) it has not offered or sold and will not offer or sell, directly or indirectly, any *Obligations Foncières* to the public in the Republic of France and (ii) offers and sales of *Obligations Foncières* will be made in the Republic of France only to qualified investors (*investisseurs qualifiés*) in accordance with Article L.411-1 et seq. of the French *Code monétaire et financier* and Decree No. 98-880 dated 1 October 1998 relating to offers to a limited number of investors and/or qualified investors.

In addition, each of the Dealer and the Issuer has represented and agreed that it has not distributed or caused to be distributed and will not distribute or cause to be distributed in the Republic of France, the Offering Circular or any other offering material relating to the *Obligations Foncières* other than to those investors to whom offers and sales of the *Obligations Foncières* may be made as described above.

OPERATIONAL INFORMATION

37	ISIN Code:	FR0010134577
38	Common Code:	020601957
39	WKN:	Not Applicable
40	Depository(ies)	
	(i) Euroclear France to act as Central Depository	Yes
	(ii) Common Depository for Euroclear and Clearstream, Luxembourg	No
	(iii) Clearstream Banking AG, Frankfurt	No
41	Any clearing system(s) other than Euroclear France, Euroclear Clearstream, Luxembourg and the relevant identification number(s):	Not Applicable
42	Delivery:	Delivery against payment

43 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 Banque S.A./Dexia Bank N.V.
44, boulevard Pachéco
B-1000 Brussels
Belgium

Dexia Banque Privée France
30, rue d'Anjou
75008 Paris
France

Calculation Agent

IXIS Corporate & Investment Bank
47, quai d'Austerlitz
75648 Paris Cedex 13
France

The Calculation Agent shall act as an independent expert and not as an agent for the Issuer or the holders of the *Obligations Foncières*.

All determinations and calculations shall be made by the Calculation Agent at its sole discretion, in good faith, acting reasonably and on an arms length basis. All such calculations so made shall be final and binding (save in the case of manifest error) on the Issuer, the Agents and the holders of the *Obligations Foncières*. The Calculation Agent shall have no liability in relation to the determinations or calculations provided herein, except in the case of wilful default or bad faith.

- 44 In the case of *Obligations Foncières* listed on Euronext Paris S.A.:
- (a) the number of *Obligations Foncières* to be issued in each Denomination: Not Applicable
 - (b) Paying Agent in France Not Applicable
 - (i) address in Paris where documents to be made available for inspection may be inspected: Not Applicable
 - (ii) list of such documents available for inspection: Not Applicable
 - (c) specialist broker: Not Applicable
 - (d) responsibility statement in French and brief summary in French of the main characteristics of any *Obligations Foncières* which are to be listed on Euronext Paris S.A. and of the Issuer to be inserted: Not Applicable
 - (e) remuneration paid or payable by the Issuer to its Statutory Auditors and the members of their network: Not Applicable
- 45 OTHER INFORMATION Not Applicable
- GENERAL**
- 46 The aggregate principal amount of *Obligations Foncières* issued has been translated into Euro at the rate of [*], producing a sum of: Not Applicable
- 47 Rating
- AAA by Standard & Poors Rating Services and Fitch Ratings
- Aaa by Moody's Investors Services, Inc.
- A security 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

ANNEX

The amount of interest to be paid per Specified Denomination ("EUR 10,000") (the "Interest Amount" or "I") for each Interest Period shall be calculated by the Calculation Agent in accordance with the following formula:

$$I = \text{EUR } 10,000 \times (5.80 \text{ per cent.} \times \frac{N_F}{365(\text{Fixed})})$$

where

N_F = The number of calendar days in the relevant Interest Period in respect of which the Reference Rate is greater than or equal to 0.05 per cent.

Reference Rate means: 10 year CMS minus 2 year CMS

Where "10 year CMS" means the annual swap rate for a euro swap transactions with a maturity of 10 years (annual, 30/360) versus EURIBOR 6 month, expressed as a percentage, which appear on the Reuters Screen ISDAFIX2 Page (or any successor page to that page) under the heading "EURIBOR BASIS" as of 11:00 a.m Frankfurt time on the Determination Date.

Where "2 year CMS" means the annual swap rate for a euro swap transactions with a maturity of 2 years (annual, 30/360) versus EURIBOR 6 month, expressed as a percentage, which appear on the Reuters Screen ISDAFIX2 Page (or any successor page to that page) under the heading "EURIBOR BASIS" as of 11:00 a.m Frankfurt time on the Determination Date.

If a Determination Date within the relevant Interest Period is not a Target Business Day, then the Reference Rate for such Determination Date will be the Reference Rate determined on the previous Determination Date which was a Target Business Day.

Determination Date means in relation to the relevant Interest Period:

- > from and including the first day of the Interest Period to but excluding the Rate Cut-Off Date: each calendar day, and
- > from and including the Rate Cut-Off Date to but excluding the next Specified Interest Payment Date: the Rate Cut-Off Date.

Rate Cut-Off Date means the day which is the fifth (5th) Target Business Day prior to any Specified Interest Payment Date.

For the avoidance of doubt the Reference Rate of the relevant Rate Cut-Off Date shall be the applicable Reference Rate from the relevant Rate Cut-Off Date (including) to the next Specified Interest Payment Date (excluding) for that Interest Period.

Target Business Day means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payment in Frankfurt.

If the Calculation Agent determines in its sole and absolute discretion that, on any Determination Date the 10 year CMS or the 2 year CMS as the case may be:

- (i) does not appear on the Reuters Page ISDAFIX2 (or any successor or the other relevant page);
or
- (ii) for any other reason, is unavailable or cannot reasonably be calculated,

the 10 year CMS or the 2 year CMS as the case may be will be the rate determined by the Calculation Agent as the EUR-Annual Swap Rate Reference banks as defined in the 2000 ISDA Definitions.

DESCRIPTION OF THE ASSETS

Assets as at 30 June 2004¹:

LOANS TO LOCAL GOVERNMENTS:

	Capital due in millions of Euros
Loans to French local authorities	
Regions.....	1,180.9
Departments	3,837.7
Municipalities	15,687.9
Groups of municipalities	6,280.9
Public sector entities.....	5,376.5
Loans wholly guaranteed by local governments	255.5
TOTAL	32,619.4
Austria	
Länder.....	217.9
TOTAL	217.9
Italy	
Municipalities	18.9
TOTAL	18.9
Portugal	
Regions.....	56.60
Municipalities	156.6
TOTAL	213.2
Belgium	
Regions.....	361
Loans wholly guaranteed by local governments	144.20
TOTAL	505.20
Switzerland	
Region	81.2

¹ latest description of the Issuer's assets publicly disclosed.

Municipalities	49.9
Loans wholly guaranteed by local governments	931.6
TOTAL	1,062.7
Finland	
Municipalities	53.0
Public sector entities	32.7
TOTAL	85.7
Monaco	
Public sector entities	0.50
TOTAL	0.50
Sweden	
Municipalities	111.3
Loans wholly guaranteed by local governments	67.4
TOTAL	178.7
DEBT SECURITIES:	
France	
State	0
Regions	55
Departments	3
Municipalities	240.40
Groups of municipalities	0
TOTAL	298.40
Italy	
State	599.20
Regions	407.70
Provinces	215.3
Municipalities	809.60
Asset Backed Securities	56.50
Securities issued by DCC – Dexia Crediop per la Cartolarizzazione	1,128.9
TOTAL	3,217.2
Greece	
State	31.2
Regions	0

Departments	0
Towns	0
Asset Backed Securities	0
Others Public Authorities	0
TOTAL	31.2
Portugal	
State	0
Regions	8.5
Departments	0
Towns	0
Other Public Authorities	0
Debt securities guaranteed by state or by local governments	47.50
TOTAL	56
Austria	
State	0
Regions	0
Departments	0
Towns	0
Asset Backed Securities	93.7
Other Public Authorities	0
TOTAL	93.7
Iceland	
State	0
Regions	0
Departments	0
Towns	0
Asset Backed Securities	0
Debt securities guaranteed by state or by local governments	50.4
TOTAL	50.4
Spain	
State	0
Cedulas Territoriales	700
Regions	0

Departments	0
Towns	0
Asset Backed Securities	0
Debt securities guaranteed by state or by local governments.....	50.00
TOTAL	750.00
Belgium	
State	0
Regions	93.3
Communities	189.6
Towns	0
Asset Backed Securities	0
Debt securities guaranteed by state or by local governments.....	126.50
TOTAL	409.40
Switzerland	
Cantons.....	16.50
TOTAL	16.50
USA	
Member States	145.00
TOTAL	145.00
Germany	
Länder	70.00
TOTAL	70.00
Canada	
Provinces	22.4
Municipalities.....	0
TOTAL	22.4

RECENT DEVELOPMENTS

Since 1 January 2004, Dexia Municipal Agency has made the following issues of *Obligations Foncières*:

- AUD 250,000,000 due January 2009
- AUD 200,000,000 due April 2014
- CHF 150,000,000 due October 2011
- under the EMTN Programme a total of approximately EUR 7 825 808 426.78