

**Pricing Supplement**

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

**SERIES NO: 139**  
**TRANCHE NO: 1**  
**€ 230,000,000 TEC10 Indexed Linked *Obligations Foncières* due 10 February 2025**

Issue Price: 94.35 per cent.

**IXIS Corporate & Investment Bank**

The date of this Pricing Supplement is 8 February, 2005.

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This Pricing Supplement, 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 September 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 *Autorités des Marchés Financiers*.

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1	Issuer:	Dexia Municipal Agency
2	(i) Series Number:	139
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	Euro (“ EUR”)
4	Aggregate Nominal Amount:	
	(iii) Series:	EUR 230,000,000
	(iv) Tranche:	EUR 230,000,000
5	(v) Issue Price:	94.35 per cent. of the Aggregate Nominal Amount.
	(vi) Net proceeds:	EUR 217,005,000
6	Specified Denominations:	EUR 1,000
7	(vii) Issue Date:	10 February 2005
	(viii) Interest Commencement Date:	Issue Date
8	Maturity Date:	10 February 2025
9	Interest Basis:	Index Linked Interest
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:	Luxembourg
15	Method of distribution:	Non-syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY)  
PAYABLE**

16	<b>Fixed Rate <i>Obligation Foncière</i> Provisions</b>	Not Applicable
17	<b>Floating Rate Provisions</b>	Not Applicable
18	<b>Zero Coupon <i>Obligation Foncière</i> Provisions</b>	Not Applicable
19	<b>Index Linked Interest <i>Obligation Foncière</i> Provisions</b>	Applicable

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(i) Index/Formula:

The Rate of Interest in respect of each Interest Accrual Period shall be determined by the Calculation Agent in accordance with the following formula:

**Max [0%; [(1+ EUR-TEC10-CNO - 1.00 per cent.)<sup>1/4</sup>-1]]**

rounded up to the fifth decimal place.

For each *Obligation Foncière*, the amount of interest is calculated by multiplying by 1,000 the rate determined in accordance with the first paragraph above.

The Calculation Agent will determine the Rate of Interest on the fifth TARGET Business Day prior to the first day of each Interest Period (the "Interest Determination Date").

Where:

"EUR-TEC10-CNO" (*Taux de l'Échéance Constante à 10 ans*) means the rate calculated on a daily basis by the French *Comité de Normalisation Obligataire* ("CNO") as published by the *Agence France Trésor* on the Reuters Screen TRESORTEC10 Page at 10 a.m. (Paris time) and on the AFT website ([www.aft.gouv.fr](http://www.aft.gouv.fr)) on each Interest Determination Date.

In case of inconsistency between the quotations published on the Reuters Screen TRESORTEC10 and the AFT website, the quotation published on the Reuters Screen TRESORTEC10 shall prevail.

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**First coupon**

In respect of the first Specified Interest Payment Date the Calculation Agent has determined the EUR-TEC10-CNO rate as being 3.58 per cent. (published by the *Agence France Trésor* on 3 February 2005) and the Interest Amount payable on the Specified Interest Payment Date falling on or nearest to 10 May 2005 shall be € 6.40 per € 1,000 in principal amount.

$$\begin{aligned} & [(1+3.58\%-1.00\%)^{1/4}-1]*€1 \\ & = €1*0.006388 \\ & = € 0.006388 \end{aligned}$$

This figure is then rounded up to the fifth decimal, i.e. € 0.00640, and multiplied by 1,000 in order to calculate the amount of interest for each Specified Denomination, i.e. € 6.40 (expressed as a percentage the first amount of interest is 0.640 per cent)

- (ii) Calculation Agent responsible for calculating the interest due: IXIS Corporate & Investment Bank
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(iii)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	<p>If, on any Interest Determination Date, the EUR-TEC10-CNO rate does not appear on Reuters Screen TRESORTEC10 Page or on the AFT website (or on any successor or replacement page or website), such rate shall be determined by the Calculation Agent on the basis of the mid-market prices for each of the two references OATs (<i>Obligation Assimilable du Trésor</i>) which would have been used by the CNO for the calculation of the EUR-TEC10-CNO rate quoted by five <i>Spécialistes en Valeurs du Trésor</i> (primary dealers in government securities) at approximately 10.00 a.m. (Paris time) on the relevant Interest Determination Date. The Calculation Agent will request each <i>Spécialistes en Valeurs du Trésor</i> to provide a quotation of its price.</p> <p>The EUR-TEC10-CNO rate will be the redemption yield of the arithmetic mean of such quotations as determined by the Calculation Agent after disregarding the highest and lowest such quotations. Such redemption yield shall be determined by the Calculation Agent in accordance with the formula that would have been used by the CNO for the determination of the EUR-TEC10-CNO rate.</p>
(iv)	Interest Period(s):	From and including the Interest Commencement Date to, but excluding, the first Specified Interest Payment Dates 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:	10 February, 10 May , 10 August and 10 November in each year commencing on 10 May 2005
(vi)	Business Day Convention:	Not Applicable
(vii)	Business Centre(s) (Condition 5(a)):	Not Applicable
(viii)	Minimum Rate of Interest:	Zero per cent. per annum

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(ix)	Maximum Rate of Interest:	Not Applicable
(x)	Day Count Fraction (Condition 5(a)):	For the purpose of determining any accrued interest only : Actual/Actual-ISMA
<b>20</b>	<b>Dual Currency <i>Obligation Foncière</i> Provisions</b>	Not Applicable
<b>PROVISIONS RELATING TO REDEMPTION</b>		
<b>21</b>	<b>Call Option</b>	Not Applicable
<b>22</b>	<b>Other Option</b>	Not Applicable
<b>23</b>	Final Redemption Amount	EUR 1,000 per <i>Obligation Foncière</i> of EUR 1,000 Specified Denomination
<b>24</b>	Early Redemption Amount	Not Applicable
<b>GENERAL PROVISIONS APPLICABLE TO THE <i>OBLIGATIONS FONCIÈRES</i></b>		
<b>25</b>	<b>Form of <i>Obligations Foncières</i> (*):</b>	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
<b>26</b>	Financial Centre(s) (Condition 7(h)) or other special provisions relating to payment dates:	TARGET
	(v) 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.
<b>27</b>	Talons for future Coupons or Receipts to be attached to definitive Materialised <i>Obligations Foncières</i> (and dates on which such Talons mature):	Not Applicable
<b>28</b>	Details relating to Partly Paid <i>Obligations Foncières</i> : 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
<b>29</b>	Details relating to Instalment <i>Obligations Foncières</i> :	Not Applicable
<b>30</b>	Redenomination, renominatisation and reconventioning provisions:	Not Applicable

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<b>31</b>	Consolidation provisions:	Not Applicable
<b>32</b>	<i>Masse</i> (Condition 10)	<p>Applicable</p> <p>The initial Representative will be:  Mr. Antoine de Chauveron  23 avenue Foch  75016 PARIS  France</p> <p>The alternative Representative will be:  Mr. Laurent Vallery Radot  23 avenue Foch  75016 PARIS  France</p> <p>The Representative will not be remunerated</p>
<b>33</b>	Other terms or special conditions:	Not Applicable
<b>DISTRIBUTION</b>		
<b>34</b>	(i) If syndicated, names of Managers:	Not Applicable
	(ii) Stabilising Manager (if any):	Not Applicable
	(iii) Dealer's Commission:	Not Applicable
<b>35</b>	If non-syndicated, name of Dealer:	IXIS Corporate & Investment Bank

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**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

<b>37</b>	ISIN Code :	FR0010163394
<b>38</b>	Common Code:	021181021
<b>39</b>	Depository(ies) (*)	
	(i) Euroclear France to act as Central Depository	Yes
	(ii) Common Depository for Euroclear and Clearstream, Luxembourg	No
<b>40</b>	Any clearing system(s) other than Euroclear France, Euroclear Clearstream, Luxembourg and the relevant identification number(s):	Not Applicable
<b>41</b>	Delivery :	Delivery against payment

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**42** 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.

**43** In the case of *Obligations Foncières* listed on Euronext Paris S.A.:

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(a)	the number of <i>Obligations Foncières</i> to be issued in each Denomination:	Not Applicable
(b)	Paying Agent in France	
	(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 <i>Obligations Foncières</i> which are to be listed on Euronext Paris S.A. and of the Issuer to be inserted:	Not Applicable
<b>44</b>	OTHER INFORMATION	Not Applicable
	<b>GENERAL</b>	
<b>45</b>	The aggregate principal amount of <i>Obligations Foncières</i> issued has been translated into Euro at the rate of [•], producing a sum of:	Not Applicable
<b>46</b>	Rating	<p>AAA by Standard &amp; Poors Rating Services and Fitch Ratings</p> <p>Aaa by Moody's Investors Services, Inc.</p> <p>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</p>

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## DESCRIPTION OF THE ASSETS

**Assets as at 30 September 2004<sup>1</sup>:**

### **LOANS TO LOCAL GOVERNMENTS:**

	<b>Capital due in millions of Euros</b>
<b>Loans to French local authorities</b>	
Regions .....	1,181.10
Departments .....	3,798.10
Municipalities .....	15,850.40
Groups of municipalities .....	6,376.80
Public sector entities .....	5,673
Loans wholly guaranteed by local governments .....	274.80
<b>TOTAL</b> .....	<b>33,154.2</b>
<b>Austria</b>	
Länder .....	217.3
<b>TOTAL</b> .....	<b>217.3</b>
<b>Italy</b>	
Municipalities .....	18.9
<b>TOTAL</b> .....	<b>18.9</b>
<b>Portugal</b>	
Regions .....	56.60
Municipalities .....	163.20
<b>TOTAL</b> .....	<b>219.8</b>
<b>Belgium</b>	
Regions .....	361
Loans wholly guaranteed by local governments .....	144.20
<b>TOTAL</b> .....	<b>505.20</b>
<b>Switzerland</b>	
Regions .....	79.70

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<sup>1</sup> latest description of the Issuer's assets publicly disclosed.

Municipalities.....	49.00
Loans wholly guaranteed by local governments.....	869.60
<b>TOTAL.....</b>	<b>998.3</b>
<b>Finland</b>	
Municipalities	51.90
Public sector entities	32.7
<b>TOTAL.....</b>	<b>84.6</b>
<b>Monaco</b>	
Public sector entities	0.40
<b>TOTAL.....</b>	<b>0.40</b>
<b>Sweden</b>	
Municipalities.....	113.3
Loans wholly guaranteed by local governments.....	68
<b>TOTAL.....</b>	<b>181.3</b>
<b>DEBT SECURITIES:</b>	
<b>France</b>	
State.....	0
Regions.....	55
Departments.....	3
Municipalities.....	239.80
Groups of municipalities.....	0
<b>TOTAL.....</b>	<b>297.8</b>
<b>Italy</b>	
State.....	599.20
Regions.....	407.70
Provinces.....	214.20
Municipalities.....	799.20
Asset Backed Securities.....	1,181.30
<b>TOTAL.....</b>	<b>3,201.6</b>
<b>Greece</b>	
State.....	31.2
Regions.....	0

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Departments.....	0
Towns .....	0
Asset Backed Securities .....	0
Others Public Authorities.....	0
<b>TOTAL.....</b>	<b>31.2</b>
<b>Portugal</b>	
State .....	0
Regions .....	8.5
Departments.....	0
Towns .....	0
Other Public Authorities .....	0
Debt securities guaranteed by state or by local governments	47.50
<b>TOTAL.....</b>	<b>56</b>
<b>Austria</b>	
State .....	0
Regions .....	0
Departments.....	0
Towns .....	0
Asset Backed Securities .....	93.7
Other Public Authorities .....	0
<b>TOTAL.....</b>	<b>93.7</b>
<b>Iceland</b>	
State .....	0
Regions .....	0
Departments.....	0
Towns .....	0
Asset Backed Securities .....	0
Debt securities guaranteed by state or by local governments.....	50.4
<b>TOTAL.....</b>	<b>50.4</b>
<b>Spain</b>	
State .....	0
Cedulas Territoriales .....	1,300
Regions.....	0

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Departments .....	0
Towns .....	0
Asset Backed Securities .....	0
Debt securities guaranteed by state or by local governments .....	50.00
<b>TOTAL.....</b>	<b>1,350</b>
<b>Belgium</b>	
State .....	0
Regions .....	108.30
Communities .....	189.6
Towns .....	0
Asset Backed Securities .....	0
Debt securities guaranteed by state or by local governments .....	111.60
<b>TOTAL.....</b>	<b>409.50</b>
<b>Switzerland</b>	
Cantons .....	16.50
<b>TOTAL.....</b>	<b>16.50</b>
<b>USA</b>	
Member States .....	145.00
<b>TOTAL.....</b>	<b>145.00</b>
<b>Germany</b>	
Länder .....	70.00
<b>TOTAL.....</b>	<b>70.00</b>
<b>Canada</b>	
Provinces .....	22.4
Municipalities .....	0
<b>TOTAL.....</b>	<b>22.4</b>

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## 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
- AUD 200,000,000 due February 2012
- under the EMTN Programme a total of approximately EUR 8,477,302,679.65.

The General Meeting of Dexia Municipal Agency held on 3 December 2004 has decided to increase the share capital from EUR 500,000,000 to EUR 620,000,000.

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