Structured Products

EUR 12 Years 3MNC-Principal Protected Bond

Linked to EUR CMS 20 Vs EUR CMS 2

DEXIA Private Banking

US$ 5,000,000,000
Program for the issue of Euro Medium Term Notes and Warrants

Series No: XXXX, Tranche No.: 1,
Private Placement

Terms and Conditions:
25th June 2005

Issuer	Dexia Banque Internationale à Luxembourg (Aa2/AA)		
Status	Senior Note		
Trade date	24th June 2005		
Issue date	29th July 2005		
Maturity date	29th July 2017 (dependent on early termination)		
Notional amount	EUR 2,000,000.00		
Denomination	EUR 1,000		
No. of denominations	2,000.00 i.e. Notional amount divided by Denomination		
Issue Price	100%		
Underlying	"Spread" = EUR CMS 20 – EUR CMS 2		
Underlying Fixing	In arrears 2 business days (Target settlement days) preceding coupon payment date		
Coupons (Quarterly, 30/360) Modified Following Non Adjusted		Coupon Rate (p.a.)	
	Q1	**10.00%**	
	Q2	**10.00%**	
	From Q3 to Q48	Max (0.00%; 4.00 x Spread)	
Definition & Fixing	CMS20: EURO Swap Rate expressed as a percentage for a period of 20 years which appears on the Reuters page ISDAFIX2 as at 11:00 am Frankfurt Time (with an Euribor basis) on the day that is 2 Settlement Days prior to the end of the relevant Coupon Period CMS2: EURO Swap Rate expressed as a percentage for a period of 2 years which appears on the Reuters page ISDAFIX2 as at 11:00 am Frankfurt Time (with an Euribor basis) on the day that is 2 Settlement Days prior to the end of the relevant Coupon Period		
Calculation Agent	Dexia Banque Internationale à Luxembourg		
Business Days	TARGET		
Business Day Convention	Modified Following		
Period End Dates	Unadjusted		

Basis	30/360
Listing	Not Listed
Call Option	The Issuer has the right but not the obligation to Call the Note on each coupon payment date beginning 3 month after start date at 100% with at least 5 Business Days notification
Isin Code	XS
Redemption Price	100%
Governing Law	UK
Sell. Restrictions	UK, USA and US Residents
Form	Bearer Non Deliverable
Credit Risks	There is no risk on the principal as long as the Issuer can meet its obligation. The investor takes the risk to lose its revenue from year 2 to maturity as the coupon rate could be 0.00% This will be the case each time the Spread is at or below zero. Prior to maturity the value of the product can fluctuate due to changes in the Underlying Price, Volatility, and Interest Rates. An Investor who sells the product before maturity may receive back less than his original investment.