



Cumulative 9-month revenue up 46%

Strong growth in property assets value since 1 January: up 92%

SIIC PAREF, a real estate investment company specialising in property investments and management for third parties, announced cumulative 9-month revenues of € 11.7 million, up nearly 46% compared to the first 9 months of 2006.

Revenue (€ thousands)*	Q3 2007	30 Sept. 2007 (9 months)	30 Sept. 2006 (9 months **)	% change
Rent and costs recovered	3,233	7,862	4,366	80.1%
residential	548	1,649	1,557	5.9%
commercial	2,685	6,213	2,809	121.2%
Management fees	896	2,888	2,446	18.1%
Total recurring activities	4,129	10,750	6,812	57.8%
Property dealings	0	979	1,243	ns
IFRS consolidated revenue	4,129	11,729	8,055	45.6%

(*) Unaudited 3rd quarter and cumulative revenue at 30 September 2007

(**) Restated 2006 sales (rent from the property dealings business reclassified as residential and commercial rent)

The very strong growth in *Rent and costs recovered*, mostly generated by commercial buildings, was primarily due to the sharp increase in the value of property assets owned by the Company, which carried out numerous acquisitions over the period.

Management fees from the management on behalf of third parties business increased 18% due to the sustained level of business of SCPI funds managed by Paref Gestion (Pierre 48, Novapierre 1, Interpierre).

Overall, recurring activities were up 58%. As for the non-strategic property dealing business, the completion of the sale of the Boulevard Beaumarchais building explains the lack of revenue over the period.

The value of the Company's property assets was € 146 million at 30 September 2007. The Group also held SCPI shares valued at € 5.5 million, presented under Financial Assets in the IFRS balance sheet.

The value of property assets held by the Group was valued at € 76 million at end December 2006, and thus increased 92% since the beginning of the financial year, which reflects the growth dynamics driven by Paref's Management.

Hubert Levy-Lambert, Chairman of the Management Board, declared: *"This quarter again illustrated good performance by Paref Group in all its activities. This confirms our confidence in the quality and soundness of our business model, combining secure investments and management on behalf of third parties."*

Detailed information on 3rd quarter operations are presented in the quarterly financial report attached to this press release.

Shareholders' agenda
Week of 11 February 2008: full-year sales

PAREF is listed on Eurolist C of Euronext Paris and has opted for SIIC status (listed real estate company)
PAREF operates in two complementary areas: commercial investment and management for third parties.

A liquidity contract on the company's securities was signed with the company Invest Securities

Eurolist C by Euronext Paris ISIN code: FR00110263202 - **Ticker:** PAR

For further information, please visit the PAREF Group website: <http://www.paref.com>

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2007 3rd quarter financial report*

Over the quarter, PAREF continued to implement its investment programme (set for 2007 at € 150 million in investment commitments) and to develop management on behalf of third parties: this business was marked by the preparation of the OPCI launch and the appointment of Alexandre Puzner as Chief Executive Officer of PAREF GESTION.

1 – Group property assets and debt

1.1 Property asset value up 92% since 1 January

The Company's property assets were valued at € 146 million at end September 2007, compared to € 111 million at end June 2007 and € 76 million at end December 2006. The Group also holds € 5.5 million in SCPI shares, reported on the IFRS balance sheet under financial assets. The value of property assets held by the group thus increased 92% since the beginning of the financial year.

PAREF acquired 3 properties during the 3rd quarter, for a total acquisition price of € 33.5 million, stamp duty included, and an appraised value of € 34.7 million. The following properties were acquired:

Post code	City	Street	Purchase date	Nature (1)	Lessor or property name	Floor area or number	Revenue € thousand per year (2)	Appraised value (3)	Gross yield in % (4)
78410	AUBERGENVILLE	Clos Reine	July-07	BA	Van Hecke	7,636	454	4,370	10.4%
93120	LA COURNEUVE	Paul Vaillant Coutur	Sept-07	BA	Vacant	15,986	1,064	12,300	8.7%
40100	DAX	La Source	Jul-07	H	Thermadour	31,410	1,194	18,000	6.6%
Total						55,032	2,712	34,670	7.8%

(1) A = business, B = office, C = retail, G = management, P = car park, R = residential, H = hotel or private hospital, T = shares, U = usufruct, 48 = law of 1948

(2) Annualised gross revenue 30 September 2007, except La Courneuve, (potential rental income)

(3) Independently appraised, except figures in *italic*, excluding stamp duty and acquisition costs

(4) Gross revenue divided by appraised value

The spa facilities acquired in Dax (and Saint-Paul les Dax) are subject to a 12-year fixed lease. Business offices and premises located in Courneuve were vacant when acquired (except for a 340 m² commercial floor area rented out) due to its planned restructuring.

In addition, undertakings to buy, totalling € 26.4 million, excluding stamp duty, were signed during the quarter with a view to acquire:

- A business premises portfolio spread over 4 sites in the Paris region (Lisses, Bondoufle, Egly, Lognes), with overall rent of € 1.56 million and an acquisition price of € 17 million excluding stamp duty, yielding a gross 9.2%.
- An SCI (property investment company), which owns a warehouse located in La Houssaye (77): the asset is to be acquired on the basis of a € 6.5 million acquisition price and rent of € 0.64 million, being a 9.8% gross yield,
- Business premises located in Trappes (78), with overall rent of € 0.26 million and an acquisition price of € 2.95 million excluding stamp duty, being an 8.8% gross yield.

*Unaudited 3rd quarter and cumulative revenue at 30 September 2007

1.2 Financial debt

The new loans taken in the 3rd quarter 2007 related to the financing of new investments, namely La Courneuve (€ 7,500 thousand loan), Aubergenville (€2,900 thousand loan), and the Dax spa facilities (€ 12,500 thousand loan), as well as the refinancing of SCPI shares for € 1,500 thousand.

Financial debt was € 92.5 million at 30 September 2007, that is an LTV ratio of 61% (taking account of property assets held in the form of SCPI shares).

Group bank borrowings were contracted either at a fixed rate or at a capped variable rate. At 30 September 2007, all outstanding variable rate borrowings were hedged by a cap or a swap, except for a € 2,648 thousand amount.

2. –Cumulative 9-month revenue at 30 September up 46%*

3rd quarter revenue was € 4,129 thousand, following revenue of € 4,266 thousand in the previous quarter, which included items related to the property dealing business, and € 3,537 thousand revenue from ordinary activities (up 16.7%). Sales for the first 9 months totalled € 11.7 million, a 46% increase over the corresponding period of 2006.

Revenue (€ thousand)*	Q1 2007	Q2 2007	Q3 2007	Total 30 Sept 2007	Total 30 Sept 2006 (1)	% change
Rent and costs recovered	2,081	2,548	3,233	7,862	4,366	80.1%
residential	560	542	548	1,649	1,557	5.9%
commercial	1,522	2,006	2,685	6,213	2,809	121.2%
Management fees	1,003	989	896	2,888	2,446	18.1%
Total recurring activities	3,084	3,537	4,129	10,750	6,812	57.8%
Property dealings	250	729	0	979	1,243	(21.2%)
IFRS consolidated revenue	3,335	4,266	4,129	11,729	8,055	45.6%

(1) Restated 2006 sales (rent from the property dealings business reclassified as residential and commercial rent)

2.1 80% increase in rental income

Rental income for the first 9 months amounted to € 7.9 million, markedly higher than the € 4.4 million achieved in the corresponding period of 2006. This growth was due to the increase in assets owned by the Company and to rent indexing, which benefited from strong growth in the INSEE index (French Public Statistics Agency).

The occupancy rate was 86% (compared to 93% at the end of June), due to the acquisition of the La Courneuve building; this mainly vacant property was acquired as part of a restructuring plan. PAREF decided to dedicate part of its investment budget to value enhancing property development or significant renovation operations (Gentilly, La Courneuve).

2.2 Management fees on behalf of third parties up 18%

Due to the high level of collection from SCPIs managed by PAREF Gestion, a fully-owned Group subsidiary, management fees considerably increased (+18%), in spite of the sale at the end of 2006 of assets managed on behalf of Westbrook.

Overall, the value of assets managed by PAREF Gestion amounted to € 439 million (compared to € 395 million at 30 June 2007 and € 331 million at 31 December 2006). The capitalisation of SCPI Pierre 48 (€ 216 million at 30 September), Novapierre (€ 48 million) and Interpierre (€ 4 million) registered a 16% increase since 1 January.

Other assets managed by PAREF Gestion at 30 September 2007 (including those managed on behalf of the Group) may be analysed as follows:

*Unaudited 3rd quarter and cumulative revenue at 30 September 2007

Managed funds	30 Sept. 2007		31 Dec. 2006		% change	
	m ²	€ thousands	m ²	€ thousands	m ²	€ thousands
Paref Group	160,776	146,083	58,601	76,780	174.4%	90.3%
Interpierre	12,697	4,350	8,712	2,918	45.7%	49.1%
Novapierre 1	16,704	46,559	9,852	37,971	69.5%	22.6%
Pierre 48	44,456	216,256	40,082	189,877	10.9%	13.9%
Total SCPI (1)	73,857	267,165	58,646	230,766	25.9%	15.8%
Third parties	13,631	26,342	13,631	23,900	0.0%	10.2%
Usufructs counted twice (2)	(12,512)		(12,512)			
Total	235,752	439,590	118,366	331,446	99.2%	32.6%

(1) Capitalisation at 30 September calculated at share issue price at that date

(2) Floor areas counted both by Pierre 48 (bare owner) and Paref or a third party under management (beneficial owner).

3 – Continuing development

The Company made offers as part of its normal investment activities, in particular regarding a portfolio of 3 office and commercial buildings located in the Paris Region, a portfolio of tourist accommodation, a residential building in Paris and the usufruct of apartments located in the Paris Region.

The Company is preparing expansion or development operations for the Vitry (business premises and related offices), Gentilly (student or tourist accommodation) and La Courneuve sites.

Paref Gestion, a Paref subsidiary, plans to launch OPCIs, especially with lighter operational rules and aimed at institutional investors, in the course of 2008. The Company's file for registration as a portfolio management company is being examined by the AMF.

**Unaudited 3rd quarter and cumulative revenue at 30 September 2007*