PAREF
VOTRE CAPITAL PIERRE

Press release

Paris, 7 September 2009, 5.45 pm

HALF-YEAR RESULTS TO 30 JUNE 2009

GROSS OPERATING PROFIT: € 8.3 MILLION, UP 30%

- *Replacement NAV: € 95 adjusted, per share*
- *Launch of a third OPCI*

The PAREF Management Board meeting of 7 September 2009, chaired by Hubert Lévy-Lambert, approved the Group's first half-year consolidated financial statements at 30 June 2009 and submitted them to the Supervisory Board.

PROPERTY ASSETS

- **Group properties:** (appraised value excluding stamp duty and acquisition costs): € 206 million, down 3.3% compared to 31 December. No acquisition or disposal was carried out over the first half-year. The € 7 million decline resulted from the variance noted in fair values appraised by experts in June.
- **Return on property assets**: 9.4% overall gross yield (9.6% on property assets excluding SCPI/OPCI).
- **Occupancy rate:** 95%, up 2 percentage points compared to end December and 6 points in one year.

REVENUES

- **Rental income:** € 8.9 million, compared to € 7.8 million to 30 June 2008, which is an increase of 14%, due to new rentals and rent indexing.
- **Launch of NAOS,** a third OPCI, reserved for qualified investors and specialised in retail (AMF certified in June, first investment made in August).
- **Management on behalf of third parties** (excluding PAREF): € 395 million in assets under management, up 2% in one year
- **Management fees**: €1.3 million, compared to € 1.4 million a year earlier, due to the decline in SCPI subscriptions, partly offset by OPCI fees. Management fees continue to grow due to the increase in average assets under management over the period.

RESULTS

Main consolidated income statement items (IFRS)

(€ millions)	30.06.09	30.06.08
Rental income	8.94	7.81
Management & subscription fees	1.29	1.40
Other revenue	0.25	0.05
Profit margin on property transactions	0.00	0.08
Gross operating profit	**8.28**	**6.36**
Proceeds from property disposals	0	1.21
Net movement in investment property fair value	(7.21)	(2.78)
Profit/(loss) before tax	**(2.48)**	**1.16**
Net profit/(loss) – Group share	**(2.21)**	**1.00**
Earnings/(loss) per share, adjusted, weighted and diluted (€)	*(2.47)*	*1.07*

- **Gross operating profit**: € 8.3 million, up 30% (€ 6.4 million to 30 June 2008). This significant increase was due to the combined effect of the rise in the occupancy rate of property assets (and consequently rental income, which grew by 14%) and the proactive steps taken on general expenses, which are down 29%.
- **Fair value movement:** a € 7.21 million negative movement, compared to a negative € 2.78 million to 30 June 2008, showing a € 4.4 million deterioration. It comprises a € 6.9 million decline in the book value of buildings and € 0.3 million amortisation in residential usufruct.
- **Profit/(loss) before tax:** a € 2.48 million loss, compared to a profit of € 1.16 million to 30 June 2008; profit before tax and movement in fair value amounted to € 4.73 million, compared to € 3.94 million to 30 June 2008, which is an increase of 20%.
- **Net profit/(loss) – Group share:** a net loss of € 2.21 million, compared to a profit of € 1.0 million to 30 June 2008, resulting in a net loss per share, adjusted, weighted and diluted, of € 2.47

IFRS consolidated financial statements

(€ millions)	**30.06.09**	**31.12.08**
Total assets*	221.2	228.3
Total liabilities*	151.6	154.0
Equity	69.6	74.3
Replacement NAV / share *(€ per outstanding share at end of period, excluding treasury shares)*	**95.5**	**100.9**

* restated 2008 data

NET ASSET VALUE

- **Replacement NAV, per share:** € 95.5 per share, compared to € 100.9 at end 2008, a 5% decline.

FINANCIAL POSITION

- **Consolidated group equity**: € 70 million, compared to € 74 million at end December 2008.

  In addition to the impact of the net loss, including the movement in fair value, the decline was primarily due to the distribution of the € 1.8 million dividend, paid out last May.
- **Consolidated financial debt** of € 136.0 million to 30 June, down € 5.7 million since 31 December 2008.
- **Net financial debt / asset value**: 66% at 30 June 2009.
- **All bank borrowings bear a fixed interest rate or are hedged by a swap or cap.**

OUTLOOK

Over the coming months, PAREF Group will continue to implement its growth strategy, which is based on:

- The selective and cautious development of its asset portfolio through transfers, depending on the opportunities that will present themselves,
- Continuing selective disposals policy, featuring one or two disposals a year,
- The accelerated development of management on behalf of third parties, with the planned creation of new dedicated theme-based OPCIs, following the launch of Vivapierre, Polypierre and Naos
- The implementation of existing synergies between the two businesses of investments and management on behalf of third parties.

The 2009 half-year financial report will be available on the PAREF website on 10 September

Shareholders' agenda
3rd quarter sales: 9 November 2009

About PAREF

PAREF Group operates in two major complementary areas:

- ***Commercial and residential investments:*** *PAREF owns various commercial buildings in and out of the Paris region. The Group also owns the temporary usufruct of residential property in Paris.*
- ***Management on behalf of third parties:*** *PAREF Gestion, an AMF-certified subsidiary of PAREF manages 3 SCPIs and 3 OPCIs.*

At 30 June 2009, PAREF Group owned more than € 200 million in property assets and managed assets worth close to € 400 million on behalf of third parties.

PAREF shares have been listed on Eurolist Compartment C of the European Paris Stock Exchange since December 2005
ISIN Code: FR00110263202 - Ticker: PAR

PAREF
Hubert LEVY-LAMBERT
Chairman of the Management Board

Alain PERROLLAZ
Chief Executive Officer

Tel: +33 (0)1 40 29 86 86

Citigate Dewe Rogerson
Agnès VILLERET
Analyst – Investor Relations

Lucie LARGUIER
Financial Press Relations

Tel: +33 (0)1 53 32 78 89 / 95
agnes.villeret@citigate.fr / lucie.larguier@citigate.fr

For further information, please visit the PAREF Group website: *www.paref.com*