Press release

Paris, 9 November 2009, 8am

PAREF
VOTRE CAPITAL PIERRE

Cumulative 9-month revenue up 7.5%
(recurring activities: up 10%)

SIIC PAREF, a real estate investment company specialising in property investments and management for third parties, announces quarterly revenue of € 6.4 million (compared to € 6.0 million for the 3rd quarter 2008) and cumulative 9-month revenue of € 19.2 million, up 7.5% compared to the first 9 months of 2008.

Revenue (€ thousands)	Q3 2009	30 Sept. 2009 (9 months)	30 Sept. 2008 (9 months)	% change
Rent and costs recovered	5,678	16,925	15,226	11.2%
commercial	4,907	14,634	12,969	12.8%
residential	771	2,291	2,257	1.5%
Management fees	756	2,277	2,253	1.1%
Total recurring activities	**6,434**	**19,202**	**17,479**	**9.9%**
Property dealing	0	0	380	na
IFRS consolidated revenue	**6,434**	**19,202**	**17,859**	**7.5%**

3rd quarter rental income increased by 9.4% to € 5.7 million, compared to € 5.2 million in 2008. Over the first 9 months of the year, the growth was 11.2% compared to the same period of the previous year, primarily as a result of higher commercial rent and due in particular to rent indexing and the assets leased in December 2008 (La Courneuve) and May 2009 (Gentilly and Clichy). The occupancy rate remained stable at about 95% over the quarter, in spite of an economic situation that remained difficult and put SME tenants under pressure.

The Group's property assets were stable as no acquisition or disposal occurred since 1 January. The increase in commercial rent over 9 months on a comparable group structure basis was 11.4%.

Management fees from the management on behalf of third parties business totalled € 0.76 million, compared to € 0.85 million in the 3rd quarter 2008. These fees grew moderately over the first 9 months of the financial year, compared to 2008. Fees from SCPI subscriptions were at a low level but market conditions for raising capital seem to have slightly improved since September. The decline in subscription fees were notably offset by management fees received from the Vivapierre and Naos OPCIs. Naos made its first acquisition over the quarter by purchasing a building used as a Castorama store in Marseille for € 26 million.

In total, recurring activities recorded growth of 9.9% compared to 2008.

More detailed information on Group operations and financial position over the period is provided in the quarterly financial report attached to this press release.

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Shareholders' agenda
Week of 25 January 2010: 2009 full-year revenue

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 September 2009, PAREF Group owned more than € 206 million in property assets and managed assets worth close to € 390 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

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PAREF
VOTRE CAPITAL PIERRE

Quarterly business report
3rd quarter 2009
(unaudited data)
9 November 2009

Over the quarter, Foncière PAREF continued to focus its efforts on deriving value from its property assets and developing its management on behalf of third parties business. The quarter was thus marked by OPCI Naos' first investment in Marseille and an active search for investments for OPCI Polypierre, which has entered into exclusive negotiations on a number of acquisition projects.

1 – Property portfolio and Group debt

1.1 Property portfolio stable

PAREF neither acquired nor disposed of any building over the quarter.

The only property transaction was the Vitry development, where a 2,600 m^2 office and business premises building is under construction on behalf of La Poste on land bordering the Rue Julian Grimau property complex, which has been owned by Paref since 2001. Delivery is planned for end January, in line with the original schedule. Note that a firm 6-year lease was signed with Locaposte and rent set at € 350 thousand.

The Group's property portfolio was valued at € 206 million at end September 2009, virtually unchanged compared to 30 June 2009. This includes the SCPI shares held by the Group (€ 5.3 million at end September), recognised as financial assets in the IFRS balance sheet and the shares held in the Vivapierre OPCI (€ 6.0 million), of which PAREF holds 27% of the share capital and which are equity accounted.

1.2 Financial debt

The Company did not take out any new loans over the quarter, except for a € 2 million loan to finance work in Vitry, of which € 0.8 million had been drawn down at 30 September.

Consolidated financial debt thus totalled € 135.5 million at 30 September 2009, down € 0.5 million compared to 30 June. The ratio between debt and the value of property assets (LTV ratio), taking account of property assets held as SCPI, OPCI and treasury shares remained stable compared to the end of June at 66%.

The Group's bank borrowings were either contracted at a fixed rate or at a capped variable rate. At 30 September 2009, all outstanding debt was at a fixed rate or hedged by a cap or swap.

As part of the steps taken by the Company to strengthen its financial position, the Company signed € 3 million loan contract early in October to refinance the Gentilly property, which had been acquired from the Company's own resources. This loan was taken out as a mortgage credit facility, which can be drawn down in the short term and complements the CIC bank's € 2 million short-term credit line set up in the 1st half-year.

2. – 7.5% revenue growth to 30 September

The quarterly consolidated IFRS revenue amounted to € 6.4 million, an increase of 6.5% compared to that of the 3rd quarter 2008. Revenue for the first 9 months totalled € 19.2 million, up 7.5% compared to the corresponding period of 2008.

Revenue (€ thousands)	Q3 2009	Q3 2008	30 Sept. 2009 (9 months)	30 Sept. 2008 (9 months)	% change
Rent and costs recovered	5,678	5,191	16,925	15,226	11.2%
commercial	4,907	4,348	14,634	12,969	12.8%
residential	771	843	2,291	2,257	1.5%
Management fees	756	854	2,277	2,253	1.1%
Total recurring activities	**6,434**	**6,045**	**19,202**	**17,479**	**9.9%**
Property dealing	0	0	0	380	na
IFRS consolidated revenue	**6,434**	**6,045**	**19,202**	**17,859**	**7.5%**

2.1 – 11% increase in rental income

3rd quarter rent and costs recovered increased by 9.4% to € 5.7 million, compared to € 5.2 million in 2008. Over the first 9 months of the year, rent and costs recovered grew by 11.2% to € 16.9 million. Commercial rent, which represented 86% of the total, grew by 12.8% due to rent indexing and the vacant assets leased in particular in December 2008 (La Courneuve) and May 2009 (Gentilly and Clichy). The increase in rent over 9 months on a comparable group structure basis was 11.1% (up 11.4% for commercial rent).

The occupancy rate was unchanged compared to the end of June at 95% (93% in December 2008). The main vacant properties were the Clichy and Fontenay-le Fleury buildings. The La Courneuve and Gentilly buildings are now fully rented out. Note that the Gentilly site was rented out at the end of May through a 36 month civil lease; the lessee benefits from a purchase option for the first 24 months at the seller's indexed net price of € 5 million.

The Trappes tenant (Rue Blaise Pascal) was put into liquidation at the end of July (a provision for ad debt was recognised at 30 June); a 3-6-9 year lease is being negotiated with the acquiring company. Two tenants experiencing financial difficulties requested an extension of the maturity of their liability, but these events have had no significant impact on net profit to date due to the guaranties received. No other significant new items affecting the rental position occurred since the end of June.

2.2 – Stable fees from management on behalf of third parties

Fees from the management on behalf of third parties business totalled € 0.76 million, compared to € 0.85 million in the 3rd quarter 2008. These fees were relatively stable over the first 9 months of the financial year, compared to 2008. Fees from SCPI subscriptions were at a low level but market conditions for raising capital seem to have slightly improved since September. The decline in SCPI subscription fees were offset by the balance of an overperformance fee of € 0.23 million received in the 1st half-year in respect of transactions carried out on behalf of Westbrook Partners and management fees received from the Vivapierre and Naos OPCIs. Naos made its first acquisition in the quarter by purchasing the building used as a Castorama store in Marseille for € 26 million.

At 30 September, the assets managed by PAREF GESTION totalled € 585 million (compared to € 608 million at 31 December 2008). Non-group assets under management represented € 390 million of this total. The capitalisation of SCPI Novapierre was stable since 1 January; however those of Pierre 48 and Interpierre declined by 9% and 8%, respectively, due to the reduction in the issue price (Pierre 48) and redemption requests recorded in the wake of the financial crisis. Such requests are rapidly disappearing, due to a number of asset sales on very good terms and conditions.

The assets managed by PAREF GESTION at 30 September 2009 (including those managed on behalf of the Group) may be analysed as follows:

ASSETS MANAGED BY PAREF GROUP

Capital under management	30 Sept. 2009		31 Dec. 2008		% change	
	m^2	€ thousands	m^2	€ thousands	m^2	€ thousands
Paref Group (1)	**232,645**	**194,432**	**232,349**	**201,152**	**0.1%**	**(3.3%**
Interpierre	**11,184**	**5,177**	**11,617**	**5,630**	**(3.7%**	**(8.0%**
Novapierre 1	**22,176**	**51,681**	**22,572**	**51,382**	**(1.8%)**	**0.6%**
Pierre 48	**52,980**	**212,791**	**53,809**	**232,800**	**(1.5%)**	**(8.6%)**
Total SCPI (2)	**86,340**	**269,649**	**87,998**	**289,811**	**(1.9%)**	**(7.0%)**
Vivapierre (1)	**53,833**	**93,750**	**53,833**	**90,430**	**ns**	**ns**
Third parties	**13,524**	**26,888**	**13,524**	**26,701**	**0.0%**	**0.7%**
Usufructs counted twice (3)	(16,661)		(16,661)			
Grand total	**369,681**	**584,719**	**371,043**	**608,094**	**(0.4%)**	**(3.8%)**

(1) appraised value of assets at 30 June 2009

(2) capitalisation at 30 September based on share issue prices at that date

(3) floor areas counted both by Pierre 48 (bare owner) and Paref or party under management (usufructuary)

3 – Share buyback programme

The Group held 78,800 treasury shares at 30 September 2009 (unchanged compared to 30 June, except for a few movements in the liquidity contract). Shares held as part of the buyback programme are classified as follows: 59,061 shares held for cancellation during 2010, 18,250 held to service free share or stock option allocation plans and 1,489 shares in respect of the liquidity contract.

4 – Outlook

Today, the Group's main development area is the creation of OPCI designed for institutional investors, similar to Vivapierre (VVF-Belambra holiday villages), Polypierre, directed at investors who wish to benefit from current market opportunities and Naos, a retail OPCI created for a club of selected qualified institutional investors. Paref Gestion will continue to actively search for investments and investors for Polypierre, the OPCI governed by simplified rules, while at the same time preparing the launch of dedicated or theme-based OPCIs.

Long-term savings are currently becoming attractive again to individual investors. As a result, Paref Gestion's SCPI collection should gradually recover.

Lastly, the Group will continue to focus its efforts on optimising its property portfolio, as demonstrated by the Vitry transaction, and on rental management.