

FIRST HALF-YEAR 2010 REVENUE UP 6.5%

SIIC PAREF, a real estate company operating both in property investment and management for third parties, announces revenue of € 13.6 million for the first 6 months of its 2010 financial year, a 6.5% increase compared to the 1st half year 2009.

Revenues (€ thousands)	HY1 2010	HY1 2009	% change	FY 2009
Rent and costs recovered	11,126	11,247	(1.08%)	22,741
residential	1,538	1,520	1.18%	3,034
commercial	9,588	9,727	(1.43%)	19,707
Management fees	1,566	1,521	2.96%	3,028
Total recurring activities	12,692	12,768	(0.60%)	25,769
Property dealings	900		ns	0
Consolidated IFRS revenue	13,592	12,768	6.45%	25,769

1% decline in rental income

Rent (and costs recovered) posted a slight decline of 1.1% over the 1st half-year, due to the increase in the vacancy rate, partly offset by rental income from the new Vitry building (rented out to La Poste since the end of January 2010) and the Gentilly building (rented out in the 2nd quarter 2009). The occupancy rate stood at 90% at end June, compared to 89% at 1 January and 95% a year earlier. This development was due to the departure of the La Houssaye and Créteil tenants. These buildings are being actively marketed and a number of serious prospects have manifested themselves.

The Group's property portfolio remained stable, since no acquisitions or disposals were made in the 1st half-year, except for the disposal of the Lisieux building for a consideration of € 900 thousand, which generated a € 200 thousand capital gain. On a like-for-like basis, rental income (excluding costs recovered) declined by 3%.

Satisfactory resilience of management activities: up 3% (up 21% excluding non-recurring items)

Management fees from third parties increased by 3% to € 1.57 million, it being specified that the 1st half-year 2009 had benefited from an exceptional over-performance fee of € 228 thousand. Excluding this non-recurring 2009 item, the growth in management fees would have been 21% over the period.

The subscription of SCPI shares are gradually recovering. Additional selling resources (a stepped up sales team under new management) were put into place to add impetus to fundraising. The contribution by PAREF of 8 buildings to Interpierre (office and business premises SCPI) on 1 July will enable this SCPI to reach its critical size and thus become more attractive. PAREF Gestion will now benefit from a diversified range of products with Pierre 48 (residential), Novapierre (stores) and Interpierre (offices and business premises).

The growth in recurring OPCI management fees, primarily due to Vivapierre (holiday villages), which finalised a major work programme early in 2010, and Naos (shopping centres), also contributed to the growth in operating revenue.

In total, recurring operations were virtually stable and total revenue recorded growth of 6.5% compared to the 1st half-year 2009.

Shareholders' agenda:

Tuesday 7 September 2010: Publication of half-year results and presentation meeting at 11.30am

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 2010, PAREF Group owned more than € 200 million in property assets and managed assets worth more than € 400 million on behalf of third parties.

PAREF shares have been listed on Eurolist Compartment C of the Euronext Paris Stock Exchange since December 2005

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