



2005 consolidated turnover (under IFRS): €10.7m

➤ **Turnover doubles while assets under management experience high growth**

PAREF, a property group diversified in the acquisition of buildings and the management for the account of third parties, has announced a turnover of €10.67m for 2005, which is an increase of 115% when compared with the previous twelve months (€4.95m).

Over the last quarter of the 2005 financial year, turnover came to €3.15m.

Turnover on the rise for all of the Group's activities

€ x1000*	2005	2004	% Var
Rent and recovered charges	4,683	2,450	91%
of which residential	1,465	357	310%
commercial	3,218	2,093	54%
Property deals	2,376	75	ns
Management fees	3,610	2,426	49%
Consolidated IFRS turnover	10,669	4,951	115%

**Non-audited figures*

The main characteristics of the 2005 turnover are as follows:

- Housing rents have tripled, now standing at €1,465k (against €357k in 2004). This strong growth is explained by the acquisition of tenancies in buildings rue de la Bastille and rue Saint Antoine (May 2005).
- Commercial rents have risen by 54 % and should increase sharply in the months to come, thanks to acquisitions currently underway.
- The property deals business saw a significant rise with a total of €2,376k, on account of the sale of a building on Boulevard Beaumarchais.
- Management fees have gone up from €2.4m to €3.6m, as a result of the new money raised by the SCPIs (real estate investment trusts) managed by the Group.

Strong growth for assets under management

Assets under management increased by 16.5 % in terms of surface area, and by 27.4 % in value. This growth mainly concerns PAREF's own assets and that of the SCPIs managed by the subsidiary Sopargem, and in particular Pierre 48, a zero-coupon real estate trust, and Novapierre 1, a trust holding retail premises.

Capital managed	31/12/2005		31/12/2004		Variation	
	sqm	€ x1000	sqm	€ x1000	sqm	€ x1000
Paref group	31,059	48,810	24,324	33,787	27.7%	38.5%
Interpierre	4,863	3,418	3,556	2,100	36.8%	62.8%
Novapierre 1	6,526	23,808	4,767	12,288	36.9%	93.8%
Pierre 48	37,285	125,511	28,563	87,793	30.5%	43.0%
Total SCPI	48,674	152,737	36,886	102,181	32.0%	19.5%
Third parties	51,220	88,491	51,220	90,130	0.0%	-1.8%
Overall total	130,953	288,038	112,430	226,098	13.5%	27.4%

PIERRE 48:

- = Overall performance: 12.8 % (issue price up from €650 to €733 during the year)
- = Net new money: €22.1m (against €16.2m in 2004)
- = Cash-in value on 31 December 2005: €125.5m (compared with €87.8 at the end of 2004)

NOVAPIERRE 1:

- = Overall performance: 9.4 % (issue price up from €360 to €373 during the year, meaning + 3.6 %, plus dividend of €21, giving a yield of 5.8 %)
- = Net new money: €12m (against €4.8m in 2004)
- = Cash-in value on 31 December 2005: €23.8m (compared with €12.3 at the end of 2004)

Investment projects announced in December 2005 take shape

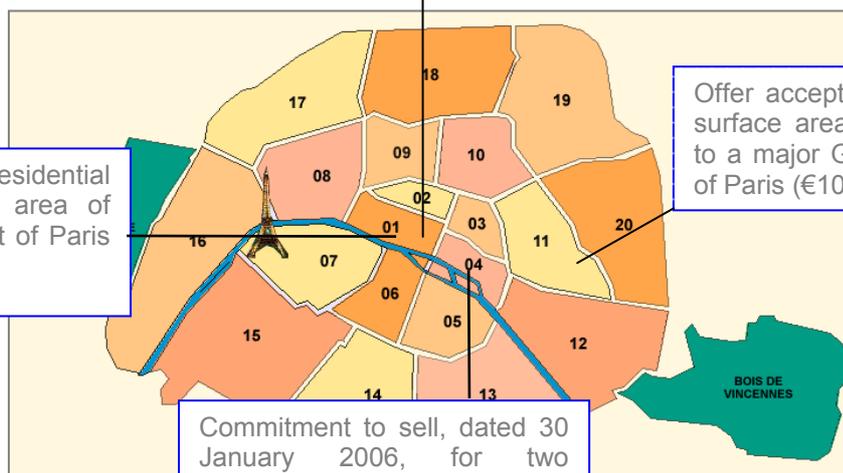
Since its flotation on the stock market, PAREF has finalised four projects in Paris, including one notarial deed, one commitment to sell and two offers accepted, representing total investments of €36m:

Acquired 22 December 2005, 2,086 m² of office space at the Forum des Halles (porte Berger) rented out to France Télécom (€11.2m).

Offer accepted for a building with a surface area of 6,400m² rented out to a major Group in the 11th district of Paris (€10m).

Offer accepted for a residential building with a surface area of 1,300m² in the 1st district of Paris (€6m).

Commitment to sell, dated 30 January 2006, for two commercial and residential buildings, with a surface area of 1,927m² located rue de Rivoli, rented out to various tenants (€9m)



"Other operations should materialise over 2006 in line with the forecast set out in the prospectus," declared Hubert Lévy-Lambert, Chairman of the Board of Management of PAREF.

As concerns the assets managed for the account of foreign investors, extension projects are underway covering more than ten thousand m².

Reforms that are positive for PAREF's business

➤ **SIIC 3: Favourable impact for PAREF**

The modification of article 210 E of the General Tax Code, by the finance law amendment of 2005, sometimes referred to as SIIC 3, has already had a significant impact on the competitive position of PAREF.

On the one hand, market offers are on the up - building owners want to make the most of this system, valid until the end of 2007, which offers them a 50% reduction in their capital gains tax.

On the other hand, listed companies and SCPIs are favoured by sellers, who prefer them to other potential buyers.

➤ **The new OPCI status is on its way**

The new legal status of the OPCI (collective real estate investment vehicle) was defined by the ordinance of 13 October 2005, and their tax status by the finance law amendment for 2005. The OPCIs offer numerous advantages when compared with the SCPIs. In particular, they can directly acquire companies and not only buildings. As soon as the application texts are published, the shareholders in the three SCPIs managed by the PAREF Group will have the opportunity to transform them into OPCIs.

***PAREF was floated on the Eurolist C of the Euronext Paris stock market in December 2005.
PAREF works in four complementary areas of business: commercial investment, housing investment, property deals, management for the account of third parties.
PAREF is going to opt for SIIC (listed real estate company) status for this financial year.***

'A liquidity contract on the company's securities, in accordance with the new charter of professional ethics drawn up by the AFEI (French Association of Investment Firms) and approved by the AMF (French stock market regulator) on 22 March 2005 was signed with the company Banque Privée Fideuram Wargny'.

PAREF – Eurolist C by Euronext Paris

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For further information consult the PAREF Group website: <http://www.PAREF.com>

Next financial information bulletin: Annual results for the 2005 financial year (27 March 2006)

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