



2006 1st quarter turnover up 16 %

PAREF, a real estate company specialising in property investment and management on behalf of third parties, announces 2006 1st quarter turnover of € 2.72 million, a 16 % increase compared to the € 2.34 million achieved in the 1st quarter of the previous financial year. Revenues were distributed by business segments as follows:

(€ thousands)	31/03/2006	31/03/2005	Increase
Rental income	1,159	872	33%
of which residential	456	229	99%
commercial	703	643	9%
Property transactions	738	723	2%
Management fees	819	746	10%
Consolidated IFRS turnover	2,716	2,341	16%

The strong growth in rental income was due to the increase in the Company's portfolio, as well as to increments generated by the indexing and renewal of expired leases.

Fees also registered a 10% increase thanks to substantial SCPI (real estate investment trusts) activity, managed by the Group's subsidiary Sopargem, (Pierre 48, Novapierre 1, Interpierre).

Since its initial public offering, PAREF has finalised 5 investment projects in Paris, of which 4 acquisitions and a commitment to buy, for a total amount of € 37 million:

- 2,086 m² of office space at Forum des Halles (Porte Berger) in Paris, acquired at the end of December 2005, rented out to France Télécom (€ 11.2 million),
- Two commercial and residential buildings located rue de Rivoli and rue du Roule in Paris 4 (€ 9 million), acquired in April 2006,
- The premises of a 6,000 m² private hospital located in avenue Parmentier in Paris, acquired in April 2006, rented to a subsidiary of Générale de Santé (€ 10 million),
- The usufruct of a residential building located in rue des Grands Champs in Paris 20 (€ 1.1 million), acquired in April 2006,
- An agreement signed in April 2006, for the purchase of a 1,260 m² commercial and housing building located rue du Mont Thabor in Paris, near Place Vendôme (€ 5.6 million).

These investments are in keeping with development objectives specified in the initial public offering. A large number of other projects are under investigation and should soon be brought to successful conclusion.

Payment of final dividend on 19 May

A Combined General Meeting of PAREF shareholders was held on 10 May. It was chaired by the Chairman of the Supervisory Board, Marc Joseph.

Voters attending the Meeting (including shareholders represented and absentee votes) represented 62.59% of the share capital and 68.75 % of voting rights. All resolutions included on the agenda were approved. The final dividend of € 0.55 in respect of the 2005 financial year will be paid on 19 May 2006.

SIIC status

PAREF opted for SIIC (listed real estate company) tax status. Therefore, its profit from the rental and sale of buildings will be tax-free in the future. As a SIIC, PAREF will from now on distribute 85% of its profit and 50% of capital gains on the disposal of properties.

***PAREF** was listed on the Eurolist C of the Euronext Paris stock market in December 2005
PAREF operates in four complementary activities: commercial investment, housing investment, property trading and management on behalf of third parties.
PAREF manages over 130,000 m² of assets valued more than € 300 million.
PAREF has elected SIIC (listed real estate company) tax status from this financial year.*

'A liquidity contract on the company's securities, complying 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, please visit the PAREF Group website: <http://www.PAREF.com>

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