



INCREASE IN SHARE CAPITAL AND ALLOCATION OF SHARE SUBSCRIPTION WARRANTS

PAREF, a SIIC (listed real estate investment company - REIT) listed on Eurolist Compartment C of the Euronext Paris Stock Exchange, is initiating a share capital increase with a view to raise € 39 million in two transactions, in order to finance its selective investment policy established upon its December 2005 IPO and confirmed in March 2007 upon the presentation of its 2006 annual results.

This transaction comprises a share capital increase with pre-emption subscription rights (PSR), accompanied with the simultaneous issue of share subscription warrants (French BSAs).

Share capital increase with maintained PSR:

- A share capital increase with maintained PSR (pre-emption subscription rights) with a view of raising about € 19.8 million;
 - 1 new share may be subscribed for every 3 existing shares at an issue price of € 82 per share, resulting in the issue of 241,904 new shares.
 - PSRs will be issued on 27 April 2007 (opening date of the subscription period, to be closed on 14 May 2007). They will be listed on Eurolist C (ISIN code: FR0010460964) for the duration of the subscription period.
 - New shares will enjoy full rights from 1 January 2007. They will trade on a separate heading of Eurolist C (ISIN code: FR0010461012) up to the payment of the cash dividend at the end of June 2007.
 - The main PAREF shareholders have undertaken an irrevocable commitment to subscribe irreducibly to the share capital increase, thereby accounting for about 47% of the transaction.
 - A guarantee contract was concluded with CM-CIC Securities.

Free allocation of share subscription warrants (BSAs) to shareholders:

- Concurrently to the share capital increase, PAREF shareholders whose shares are recorded at end of trading on Thursday 26 April 2007 will be allocated BSAs free of charge;
 - 1 BSA will be granted for every share held,
 - BSAs will be listed on Eurolist C (ISIN code: FR0010460972)

- BSA holders may exercise them at any time from 21 May 2007 to 12 December 2007 (end of warrant listing).
- The exercise of 7 BSAs will give the right to subscribe to 2 new shares at a price per share of € 94, resulting in the issue of 207,346 additional new shares and providing PAREF with funds of about € 19.5 million.
- These new shares will also enjoy full rights from 1 January 2007 and will trade on a separate heading of Eurolist C (ISIN code: FR0010461012) up to the payment of the 2006 cash dividend.

CM-CIC Securities is the lead bank for this transaction.

A transaction that validates the vigorous investment policy implemented since the IPO.

- PAREF notes that its NAV per share, computed at replacement value amounted to € 88.6 at 31 December 2006.
- PAREF plans on making selective property investments of € 150 million in 2007. PAREF already invested about € 100 million since its end 2005 IPO.
- PAREF will also pursue the development of its operations of management on behalf of third parties (SCPI status, soon to be joined by OPCl).
- PAREF adopted the SIIC status (listed real estate investment company) in 2006 and complies with the so-called "SIIC 4" system.

For information, shareholding of PAREF is distributed as follows: the Lévy-Lambert family holds 29.8% of the share capital (37.5% of voting rights) and is part of a shareholders' agreement totalling 55.44% of the share capital and 65.06% of voting rights. This agreement does not imply any action in concert.

A prospectus dated 24 April 2007 and registered under number 07-134, comprising the PAREF reference document filed with the AMF on 24 April 2007 under the number R 07-041 and the information note relating to the share capital increase with maintained PSR and the accompanying free BSA allocation is available on the PAREF website (www.paref.com), as well as on the AMF website (www.amf-france.org).

PAREF invites the public to examine the prospectus before making their investment decision and to consider notably, risk factors having an impact on securities issued. A summary of the prospectus will be published in La Tribune's issue of Thursday 26 April 2007).

PAREF, SA, a public limited company managed by a Management Board and a Supervisory Board, with a share capital of € 18,142,825
Head office: 8 rue Auber - 75009 Paris - www.paref.com
412 793 002 RCS Paris
Eurolist C by Euronext Paris
 ISIN code: FR00110263202 - Ticker: PAR

PAREF

Hubert LEVY-LAMBERT
Chairman of the Management Board
 Tel: +33 (0)1 40 29 86 86
Alain PERROLLAZ
Director
 Tel: +33 (0)1 40 29 86 86

ACTUS Finance & Communication

Sébastien BERRET
Analyst/Investor relations
 Tel: +33 (0)1 53 67 36 36
sberret@actus.fr

Chantal FARANT
Press relations
 Tel: +33 (0)1 53 67 36 36
cfarant@actus.fr