

TR-1: NOTIFICATION OF MAJOR INTEREST IN SHARESⁱ

1. Identity of the issuer or the underlying issuer of existing shares to which voting rights are attached: ⁱⁱ	The Paragon Group of Companies PLC
2 Reason for the notification (please tick the appropriate box or boxes):	
An acquisition or disposal of voting rights	Yes
An acquisition or disposal of qualifying financial instruments which may result in the acquisition of shares already issued to which voting rights are attached	
An acquisition or disposal of instruments with similar economic effect to qualifying financial instruments	
An event changing the breakdown of voting rights	
Other (please specify):	
3. Full name of person(s) subject to the notification obligation: ⁱⁱⁱ	Commerzbank AG
4. Full name of shareholder(s) (if different from 3.): ^{iv}	Dresdner VPV
5. Date of the transaction and date on which the threshold is crossed or reached: ^v	09 December 2009
6. Date on which issuer notified:	10 December 2009
7. Threshold(s) that is/are crossed or reached: ^{vi, vii}	5 %

8. Notified details:							
A: Voting rights attached to shares ^{viii, ix}							
Class/type of shares if possible using the ISIN CODE	Situation previous to the triggering transaction		Resulting situation after the triggering transaction				
	Number of Shares	Number of Voting Rights	Number of shares	Number of voting rights		% of voting rights ^x	
			Direct	Direct ^{xi}	Indirect ^{xii}	Direct	Indirect
GB00B2NGPM57	16,295,712	5.459%	Below 5%	Below 5%	Below 5%	Below 5%	

B: Qualifying Financial Instruments				
Resulting situation after the triggering transaction				
Type of financial instrument	Expiration date ^{xiii}	Exercise/ Conversion Period ^{xiv}	Number of voting rights that may be acquired if the instrument is exercised/ converted.	% of voting rights

C: Financial Instruments with similar economic effect to Qualifying Financial Instruments ^{xv, xvi}						
Resulting situation after the triggering transaction						
Type of financial instrument	Exercise price	Expiration date ^{xvii}	Exercise/ Conversion period ^{xviii}	Number of voting rights instrument refers to	% of voting rights ^{xix, xx}	
					Nominal	Delta

Total (A+B+C)	
Number of voting rights	Percentage of voting rights
Below 5%	Below 5%

9. Chain of controlled undertakings through which the voting rights and/or the financial instruments are effectively held, if applicable: ^{xxi}

Commerzbank AG is the ultimate holding company of Dresdner VPV

Proxy Voting:

10. Name of the proxy holder:

11. Number of voting rights proxy holder will cease to hold:

12. Date on which proxy holder will cease to hold voting rights:

13. Additional information:

14. Contact name:

John G. Gemmell
Group Company Secretary

15. Contact telephone number:

0121 712 2075