

TR-1: NOTIFICATIONS OF MAJOR INTERESTS IN SHARES**1: Identity of the issuer or the underlying issuer of existing shares to which voting rights are attached:**

The Paragon Group of Companies PLC

2: Reason for notification (yes/no)

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

no

An acquisition or disposal of instruments with similar economic effect to qualifying financial instruments

no

An event changing the breakdown of voting rights

no

Other (please specify):

no

3. Full name of person(s) subject to the notification obligation:

Standard Life Investments Ltd

4. Full name of shareholder(s) (if different from 3.):

Vidacos Nominees

5. Date of the transaction (and date on which the threshold is crossed or reached):

19 October 2009

6. Date on which issuer notified:

20 October 2009

7. Threshold(s) that is/are crossed or reached:

8%

8: Notified Details

A: Voting rights attached to shares

Class/type of share If possible use ISIN code	GB00B2NGPM57
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Situation previous to the triggering transaction

Number of shares	Number of voting rights
23,278,442	23,278,442

Resulting situation after the triggering transaction

Number of shares	Number of voting rights		Percentage of voting rights	
	Direct	Indirect	Direct	Indirect
24,532,583	14,955,814	9,576,769	5.010%	3.208%

B: Qualifying Financial Instruments

Resulting situation after the triggering transaction

Type of financial instrument	Expiration date	Exercise/ conversion period/date	No. of voting rights that may be acquired (if the instrument exercised/converted)	Percentage of voting rights

C: Financial Instruments with similar economic effect to Qualifying Financial Instruments

Resulting situation after the triggering transaction

Type of financial instrument	Exercise price	Expiration date	Exercise/ Conversion period	Number of voting rights instrument refers to	% of voting rights	
					Nominal	Delta

Total (A+B+C)

Number of voting rights	Percentage of voting rights
24,532,583	8.219%

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

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