



PARETO

PARETO PLANS \$1.3 MILLION IN PRIVATE PLACEMENTS

TORONTO, ONTARIO, October 11, 2005 – Pareto Corporation (TSX: PTO), a leading marketing services company, today announced the Company plans, subject to TSX approval, to complete two private placements under which a total of 1,000,000 common shares of the Company will be issued at a price of \$1.30 per share. Pursuant to his joining the Company, Michael Beckerman will subscribe for 333,333 common shares. Concurrently, six senior employees of Pareto will acquire 666,667 common shares of the Company. No Company directors are participating in the placements.

Following the completion of the private placements, the Company will have 37,747,626 common shares outstanding. The Company intends to provide secured full recourse loans to facilitate the placements. The placement for the six senior employees is conditional on shareholder approval, which will be sought at the Company's next Annual General Meeting.

"I and the balance of the Board of Pareto are very pleased to have our team make a significant investment in the Company," stated Kerry Shapansky, President and Chief Executive Officer of Pareto.

About Pareto Corporation

Pareto Corporation is a marketing services company that offers retail, incentive, event and managed solutions to leading companies in the financial services, automotive, retail, communications, pharmaceutical, service and technology sectors. Pareto provides measurable, quantifiable services that complement our clients' marketing and sales departments and deliver big value to their vital business relationships. For more information, please visit our website at www.pareto.ca.

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This press release contains forward-looking statements related to expected future events and financial operating results of Pareto that involve risks and uncertainties. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including market and general economic conditions and the risks and uncertainties detailed from time to time in Pareto's SEDAR filings.

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this press release.