

# TR PROPERTY INVESTMENT Trust

(TR Property Investment Trust plc) *Closed-ended investment trust*

LONG ONLY PAN EUROPEAN EQUITY AND UK DIRECT PROPERTY

## Adviser Commentary – by Chris Turner

Over the month, the NAV fell 3.2% outperforming the benchmark, which fell 3.6%. The share price declined 3.9%. In European property share markets, April opened strongly and then deteriorated with the Benchmark losing virtually all the gains of March. The major event of the month was the agreed all share merger between Rodamco and Unibail to form Europe's largest quoted property company (and Europe's largest owner of shopping malls). Both stocks are in the Trust's top ten holdings. We were underweight in Unibail by 30% and roughly neutrally weighted in Rodamco (following sales in February). Initially the news was no better than neutral for performance as Rodamco rose from €105 to €117, but as the market digested the impact on Unibail, their shares fell. As a result, the Trust's relative performance gained. Elsewhere the bid premium came off Hammerson (though with further sales we now have only a neutral position versus 30% overweight at the start of February), and the other UK majors drifted down. Austria saw the launch of another huge rights issue (€3 billion from Immoeast) and that market, in which we are very underweight, also moved back sharply. Overall we outperformed modestly despite running a geared portfolio in a declining market. We made sales of some £20m of shares, trimming a wide range of holdings. We bought back and cancelled 1.7m shares, or just over 0.5% of the share capital. We also completed the purchase for £13m of Field House, Harlow details of which are in the news section on our website. The Trust will publish its preliminary results for the year to end March 2007 on Wednesday 23 May.

### Fund Performance to 30 Apr 2007

	1 Month	YTD	1 Year	3 Year	5 Year	10 Year	NAV per share	Ordinary Share Price
Ord. Price (total return)	-3.90%	-3.90%	+23.40%	+171.09%	+309.96%	+740.04%	280.43	246.50
Ord. Price (capital only)	-3.90%	-3.90%	+21.28%	+155.44%	+261.17%	+536.13%		
NAV (price only)	-3.19%	-0.63%	+30.31%	+153.39%	+245.36%	+529.47%		
EPRA European Property Index* (price only)	-3.62%	-2.67%	+22.71%	+116.02%	+159.44%	+221.16%	Yield 1.46%	Discount 12.10%

Note: Price is month-end mid-price. Source: Datastream, Bloomberg. Refer to the monthly newsletter - Page 28 for monthly / annual return history vs benchmark.  
\*Prior to 01/04/07: S&P Citigroup European Property Index

### Geographic Allocation (See-Through)

Austria	0.2%
Belgium	1.4%
Central Europe	2.7%
Denmark	0.1%
Finland	0.9%
France	16.8%
Germany	4.2%
Greece	0.4%
Italy	3.4%
Netherlands	2.2%
Portugal	0.1%
Spain	1.3%
Sweden	6.8%
Switzerland	0.5%
UK	57.4%
USA	1.2%
Other	0.3%
<b>Total</b>	<b>100.0%</b>

### Asset Allocation

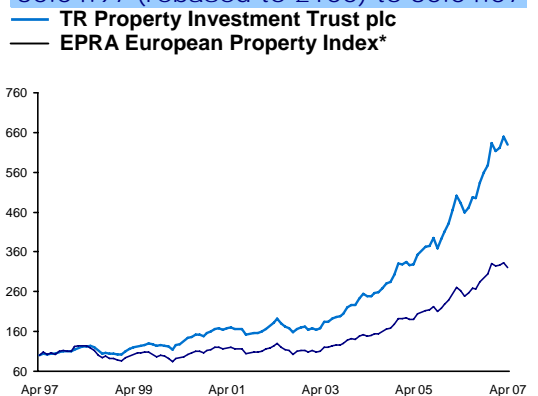
UK Shares	53.7%
Continental Shares	38.1%
UK Direct Property	8.2%
<b>Total</b>	<b>100.0%</b>

### Sector Allocation

Offices	38.4%
Retail	35.7%
Industrial	13.7%
Residential	8.2%
Other	4.0%
<b>Total</b>	<b>100.0%</b>

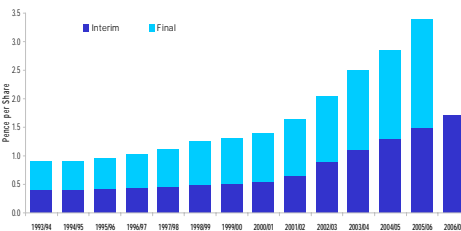
Note: figures above shown on a look-through basis.

### NAV per share Price Performance 30.04.97 (rebased to £100) to 30.04.07



Note: Prior to September 2001 the benchmark index was FTSE Real Estate Index. Source: Bloomberg, EPRA. \*Prior to 01/04/07: S&P Citigroup European Property Index

### Dividend History\*



### Top 10 Holdings % of net assets

Land Securities	11.2%
British Land	7.7%
Hammerson	4.3%
Slough Estates	4.3%
Rodamco Europe	4.2%
Unibail	4.1%
Big Yellow Group	4.0%
Fonciere De Regions	3.2%
Castellum	3.0%
St Modwen	2.9%

\* Note: Source = BNP Paribas. Dividends paid for March/Sep month ends are announced, November/May, paid January/July.

### Fund Objective

The investment objective of the trust is to maximise total returns by investing in Pan European equities and UK direct property, focusing on long term capital and income growth.

### Gross Total Assets (Mn)

£1,046.6
<b>Gearing</b> 14.2%
<b>Established</b> 1905
<b>Managed at TRC</b> Since 1 October 2004
<b>Dealing</b> Daily (Stockmarket)
<b>NAV Frequency</b> Daily
<b>Legal Status</b> UK Investment Trust
<b>Listing</b> London Stock Exchange
FTSE 250 Index
January, July

### Dividends

<b>Charges</b>
<b>Initial Charge</b> nil
<b>Management Fee</b> 0.70% of net assets p.a. - up to £450m and 0.4% thereafter
<b>Performance Fee</b> 15% of outperformance of benchmark plus 2% hurdle

### Investment Manager

Thames River Capital LLP

### Stockbroker

Cenkos Securities plc

### Administrator

BNP Paribas  
c/o Nicola Williamson, TRC  
Tel: +44 (0) 207 360 1335  
Email: nwilliamson@thamesriver.co.uk

### Registrar

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<http://www.thamesriver.co.uk/downloads/disclosures.htm> <http://www.nevskycapital.com/downloads/disclosures.htm>

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NPB New Private Bank Ltd 33 Limmatquai 122 P.O. Box CH-8022 Zurich Switzerland	Charts Invst Mgt Services Ltd 18A Third Floor Europa Centre Floriana Malta	BNP Paribas Securities Services, Luxembourg Branch 33, rue de Gasperich Howald - Hesperange L-2085 Luxembourg

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