

TR Property Investment Trust Ordinary Shares

TR Property Investment Trust plc ■ Closed-ended investment trust - long only pan-European and UK direct property

Manager commentary

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April just got more and more frustrating as it went along. The combination of the UK political uncertainty and worsening of the Greek deficit story left most investors with every inclination to stay on the sidelines and await events. UK Property stocks behaved

well enough falling 1.9% over the month – only marginally worse than the All Share Index. European stocks took a bolter, dropping 9% in Euro terms and 6.7% in Sterling terms. The EPRA Index in Sterling was down 6.65%, the Ordinary share class NAV declined 6.27% however the share price rose by 0.19% as the discount to NAV closed from 12% to 7%.

The impact of the Greek situation was felt most strongly in stocks with southern European assets, i.e. mostly the retail mall owners; though both Cofinimmo and Befimmo, the two leading Brussels office REITs fell sharply on the thought that austerity measures might even end up reducing the ranks of the bureaucrats. We

traded very modestly and were net investors for about £1.5m, but net debt shrank by £5m to £40m as this is the major dividend collecting season. Relative to the benchmark the Trust is modestly overweight Sterling and the Swedish Kronor and similarly underweight the Euro and the Swiss franc.

A second interim dividend of 3.45p per share was paid to shareholders on 1 April. This replaced the final dividend usually paid in July.

Fund performance to 30.04.2010 (%)

	Current month	YTD	1 year	3 year	5 year		
NAV (capital only)	-6.27	-2.81	+26.43	-38.71	+17.06	NAV per share (capital only)	171.87p
FTSE EPRA/NAREIT Developed European Index (capital only, GBP)	-6.65	-3.53	+25.57	-46.03	-7.69	Share price	159.70p
Share price	+0.19	+6.40	+33.08	-35.21	+23.80	Discount	7.08%
Share price (total return)	+0.23	+6.44	+33.13	-35.19	+23.84	Yield	3.60%

Price is month-end mid-price. Source: BNP Paribas, Bloomberg. Refer to back of the monthly newsletter for monthly/annual return history vs benchmark. Historical performances for distribution share classes may vary from previous issues of the Thames River newsletter. This follows an improvement in the performance calculation methodology (from monthly to daily cumulative), in order to be in line with Global Investment Performance Standards.

Geographic allocation (%)

Austria	1.7
Belgium	2.1
Central Europe	2.4
Denmark	0.2
Finland	2.4
France	23.3
Germany	6.9
Greece	0.6
Italy	4.1
Netherlands	3.5
Norway	1.7
Other	0.3
Portugal	0.1
Russia	0.5
Spain	2.2
Sweden	9.4
Switzerland	3.9
UK	34.3
USA	0.4
Total	100.0

Asset allocation (%)

Continental Shares	55.1
UK Shares	34.5
UK Direct Property	10.4
Total	100.0

Sector allocation (%)

	Fund
Industrial	10.3
Offices	35.7
Other	5.4
Residential	10.8
Retail	37.8
Total	100.0

Figures above shown on a look-through basis.

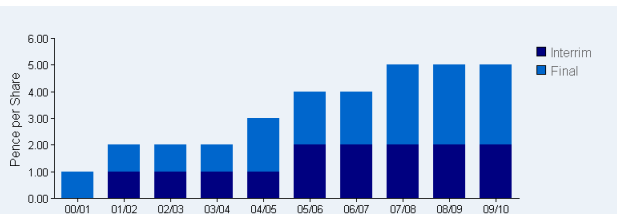
Fund performance 31.01.2000 to 30.04.2010

Rebased to £100



Prior to 01.09.01 the benchmark was FTSE Real Estate index and prior to 01.04.07 it was the S&P Citigroup European Property Index. Source: BNP Paribas.

Dividend history 29.02.1996 to 30.04.2010



Prior to 01.09.2001 the benchmark was FTSE Real Estate Index and prior to 01.04.2007 it was the S&P Citigroup European Property Index. Source: BNP Paribas, EPRA.

Top 10 holdings (%)

Unibail	15.4
Land Securities	7.0
British Land	5.0
Corio	4.1
Fonciere Des Regions	3.1
Segro	2.9
Klepierre	2.8
Derwent	2.6
Hammerson	2.6
Great Portland	2.3

Key facts

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.

Net Assets: £441.2mn

Net gearing: 9%

NAV frequency: Daily

Dealing: Daily (stockmarket)

Legal status: UK Investment Trust

Listing: London Stock Exchange

Dividends: January, July

Initial charge: Nil

Management fee: £2.78m p.a plus 0.20% net of assets p. a.

Performance fee: 15% of outperformance of benchmark plus 2% hurdle

Investment manager: Thames River Capital LLP

Stockbroker: Cenkos Securities plc

Administrator: BNP Paribas

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Registrar: Computershare Investor Services plc

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