



TR PROPERTY INVESTMENT Trust

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

LONG ONLY PAN EUROPEAN EQUITY AND UK DIRECT PROPERTY

Manager Commentary - by Chris Turner

The end result for August (NAV up 1.88% versus a benchmark return of 2.23% and a share price rise of 1.9%) belies the extraordinary volatility seen over the month. The NAV rarely moved by less than 1% a day and changed by over 4% on two days in the period. As credit problems took more and more of the centre stage, so it became harder to take any longer term view of the outcome. In July I wrote that a UK rate rise in September was seen as a certainty - now a cut is definitely on the cards. For the record, the UK shares outperformed Continental stocks, thanks, it should be added, to what looked like some large-scale short closing. The UK property investment market was as usual, closed in August and has not properly reopened. Recent events would seem to have clearly hurt the availability of debt for leveraged investors and possibly the outlook for tenant demand in Central London, but they also leave the impression that we should expect the unexpected throughout the rest of 2007. Net debt fell modestly in the month from £43m to £34m, and the spread of the portfolio remained little changed. The major disposal was of a Norwegian hotel group, Norgani, which was the subject of a cash bid. We have taken a decision to bed down the portfolio in what we think are low risk assets on the basis that we have an insufficient view of what the credit crisis will mean for the asset class. Trying to be safer may hurt relative performance in the short term, but we would rather pay to see than gear up into fog.

Fund Performance to 31 Aug 2007

	1 Month	YTD	1 Year	3 Year	5 Year	10 Year	NAV per share	Ordinary Share Price
Ord. Price (total return)	+1.93%	-16.81%	+6.76%	+115.25%	+284.17%	+596.70%	238.38p	211.00p
Ord. Price (capital only)	+1.93%	-17.74%	+4.84%	+101.91%	+240.98%	+432.42%		
NAV (price only)	+1.88%	-15.53%	+7.97%	+99.80%	+217.84%	+412.65%		
EPRA European Property Index (price only)	+2.23%	-16.74%	+3.01%	+70.83%	+144.92%	+166.80%	Yield 1.94%	Discount 11.49%

Note: Price is month-end mid-price. Source: Datastream, Bloomberg. Refer to the monthly newsletter - Page 33 for monthly / annual return history vs benchmark.

Geographic Allocation (Look-Through)

Denmark	0.1%
Finland	0.9%
France	17.2%
Germany	4.1%
Greece	0.4%
Italy	3.1%
Netherlands	2.6%
Portugal	0.1%
Spain	1.4%
Sweden	6.7%
Switzerland	0.5%
UK	58.3%
USA	0.1%
Other	0.3%
Austria	0.2%
Belgium	1.3%
Central Europe	2.7%
Total	100.0%

Asset Allocation

UK Shares	50.4%
Continental Shares	35.4%
UK Direct Property	14.2%
Total	100.0%

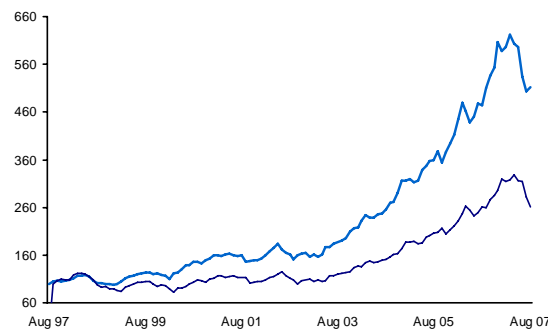
Sector Allocation

Offices	39.8%
Retail	36.5%
Industrial	12.7%
Residential	7.2%
Other	3.8%
Total	100.0%

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

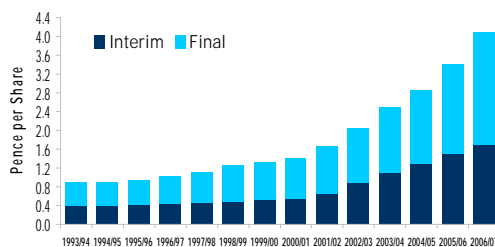
NAV per share Price Performance 31.08.97 (rebased to £100) to 31.08.07

— TR Property Investment Trust plc
— EPRA European Property Index



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

Dividend History*



Top 10 Holdings % of net assets

Land Securities	12.3%
Unibail	8.8%
British Land	7.4%
Big Yellow Group	4.0%
Segro	3.4%
Hammerson	3.2%
Fonciere De Regions	2.7%
St Modwen	2.7%
Castellum	2.6%
Liberty	2.5%

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

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)

£669.5
Gearing 5.43%
Established 1905
Managed at TRC Since 1 October 2004
Dealing Daily (Stockmarket)
NAV Frequency Daily
Legal Status UK Investment Trust
Listing London Stock Exchange
 FTSE 250 Index
 January, July

Dividends

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

Investment Manager

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Stockbroker

Cenkos Securities plc

Administrator

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

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For a full list of Paying Agents' details, please follow the following links:

http://www.thamesriver.co.uk/pdf/paying_agents.pdf http://www.nevskycapital.com/pdf/paying_agents.pdf

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