

TR PROPERTY INVESTMENT Trust

Ordinary Shares

(TR Property Investment Trust plc) *Closed-ended investment trust*
LONG ONLY PAN EUROPEAN EQUITY AND UK DIRECT PROPERTY

Manager Commentary - by Chris Turner

For UK and European property shares the Christmas cheer lasted just six days into January during which we saw price rises of 5% to 10%. Thereafter the month saw almost daily declines, despite the vigorous base rate cuts on both sides of the Channel. Before Christmas the need for rights issues was vaguely in the air and mentioned in our monthly reports, but in the second week of January it suddenly became an accepted tenet that all the big UK stocks would have to have them and share prices adjusted downwards rapidly as a result, aided somewhat by short selling. The large European stocks suffered much less as their balance sheets have more room for manoeuvre. Sterling, which fell 16% against the Euro in December, recovered 8.9% in January. Over the month the benchmark fell 13.25%, the Ordinary share class NAV declined 11.17% and the share price fell 9.91%. The relative outperformance of the benchmark was principally due to our cash holdings. These started the month at £81m almost all in Euros. We distributed £6m as an interim dividend, spent a net £2.5m on shares (sold more UK and bought in France) and saw currency movements reduce the sterling value of the Euro cash by £3.5m to end the month with gross cash of £69m. The muted rights issues are now upon us. Bank debt for commercial property remains scarce and expensive and rental values are more obviously in decline than they were two months ago. We continue to be cautious of this market, even though value is starting to be apparent in some quarters.

Fund Performance to 30 Jan 2009

	1 Month	YTD	1 Year	3 Year	5 Year	10 Year	NAV per share	Ordinary Share Price
Ord. Price (total return)	-9.91%	-9.91%	-40.81%	-33.92%	+32.26%	+276.70%	131.54p	104.50p
Ord. Price (capital only)	-9.91%	-9.91%	-43.36%	-39.33%	+15.47%	+184.35%		
NAV (price only)	-11.17%	-11.17%	-38.15%	-31.55%	+29.84%	+185.39%		
EPRA European Property Index (price only)	-13.25%	-13.25%	-44.74%	-44.22%	-4.90%	+53.26%	Yield 5.36%	Discount 22.66%

Note: Price is month-end mid-price. Source: Datastream, Bloomberg. Refer to the monthly newsletter - Page 34 for monthly / annual return history vs benchmark.

Geographic Allocation % (Look-Through)

Austria	0.6
Belgium	1.5
Central Europe	3.8
Denmark	0.3
Finland	0.9
France	24.3
Germany	1.7
Greece	0.7
Italy	3.7
Netherlands	3.4
Portugal	0.1
Russia	0.9
Spain	2.1
Sweden	5.5
Switzerland	0.7
UK	49.3
USA	0.3
Other	0.2
Total	100.0

Asset Allocation %

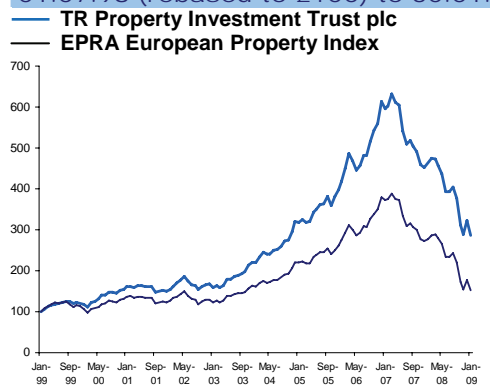
UK Shares	27.7
UK Direct Property	16.1
Continental Shares	40.6
Cash	15.6
Total	100.0

Sector Allocation %

Offices	37.2
Retail	42.0
Industrial	12.9
Residential	4.9
Other	3.0
Total	100.0

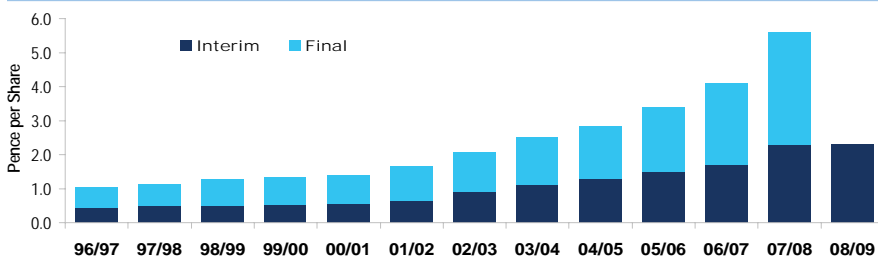
Note: figures above shown on a look-through basis.

NAV per share Price Performance 01.07.98 (rebased to £100) to 30.01.09



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: Northern Trust IFAS (Ireland) Ltd, Bloomberg, S&P, EPRA.

Dividend History*



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

Top 10 Holdings % of net assets

Unibail	18.5
Land Securities	10.3
British Land	5.3
Icade	3.8
Corio	2.9
Klepierre	2.8
Castellum	2.6
Fonciere Des Regions	2.5
Hammerson	2.2
Gecina	2.1

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 (Mn)	£346.9
Net Gearing	-15%
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
Dividends	January, July
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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Administrator
 BNP Paribas
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