

TR PROPERTY Investment Trust

(TR Property Investment Trust plc)

LONG ONLY UK DIRECT PROPERTY AND INTERNATIONAL EQUITY

*Closed-ended investment trust

Fund Performance to 30 June 2006

NAV per share	Ordinary Share Price
209.54	187.00
Yield	Discount
1.82%	10.76%

	1 Month	YTD	1 Year	3 Year	5 Year	10 Year
Ordinary Price (total return)	-0.6%	+15.6%	+32.7%	+184.2%	+247.1%	+737.8%
Ordinary Price (capital only)	-1.6%	+14.4%	+30.1%	+165.7%	+204.7%	+528.6%
NAV (price only)	+2.6%	+14.6%	+30.0%	+154.5%	+183.1%	+471.1%
S&P Euro Property Index (price only)	+2.8%	+12.1%	+23.5%	+112.4%	+119.1%	+224.4%

Note: Price is month-end mid price. Source: Datastream, Bloomberg.

Asset Allocation

UK Shares	55%
Continental Shares	38%
UK Direct Property	7%
Total	100%

Geographic Allocation

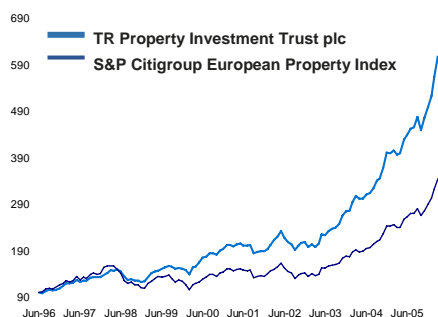
Austria	0.2%
Belgium	1.6%
Central Europe	1.8%
Denmark	0.1%
Finland	0.6%
France	15.5%
Germany	1.7%
Greece	0.3%
Ireland	0.0%
Italy	3.7%
Netherlands	2.7%
Norway	0.0%
Portugal	0.1%
Spain	4.7%
Sweden	7.1%
Switzerland	0.5%
UK	58.2%
USA	1.3%
Other	0.1%
Total	100.0%

Sector Allocation

Offices	34.4%
Retail	38.2%
Industrial	14.0%
Residential	8.7%
Other	4.7%
Total	100.0%

Note: above figs are shown on a look-through basis.

NAV per share Performance



Note: Prior to Sept 2001 the benchmark index was FTSE Real Estate Index. Source: Bloomberg, S&P's.

Top Ten Holdings*

Land Securities	15.4%
British Land	9.8%
Hammerson	7.2%
Big Yellow Group	5.4%
Slough Estates	5.4%
Rodamco Europe	4.9%
Unibail	4.1%
Liberty International	3.9%
Castellum	3.7%
St Modwen	3.2%

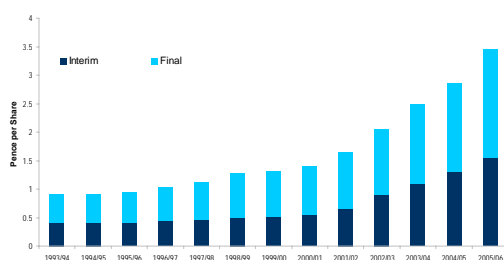
* % of net assets

Adviser Commentary

Real estate stocks were able to claw back some of the ground lost in April and May as global markets switched from worrying about inflation to worrying about growth. Our NAV rose 2.64% and this compared with a 2.79% increase in the benchmark index. The share price fell by 1.6% as the discount to asset value rose from 6.9% to 10.8% and the shares went ex the final dividend of 1.9p per share on 28 June. After a further dip in the first half of June, UK property stocks bounced off their lows, aided by a good IPD Monthly result for May and by Land Securities making on-market share purchases at around the 1725p level. Over the month, UK property shares rose 1.8%. Europe (ex UK) did better with an average gain of 3.6% with Spain gaining strongly following the bid for Colonial and bid speculation in Urbis shares. The European interim results season is about to start and the outlook is generally positive. Fonciere Lyonnais has led the way by announcing a 13% portfolio revaluation and 19.5% NAV growth in the first six months of 2006 on the back of evidence of rental growth returning to the Paris office market combined with a further downward shift of around 25bps in prime French property yields. For us, one happy result of the recent market disarray has been the disappearance of the IPO queue. Of course we welcome new issues to the market, but the recent deluge of IPO's has been especially tedious for investors and the quality of some attempted offerings has been woeful. Hopefully sponsors will be more selective when the market returns to greater normality. We did very little trading in the month - the largest transaction was the sale of the BAA holding after the completion of the bidding auction. Net debt was £104m (£110m at the end of May) and on balance sheet gearing was 14.5%. The final dividend of 1.9p per share net will be posted to shareholders on 28 July.

Chris Turner

Dividend History



Fund Objective

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

Charges

Initial Charge	nil
Management Fee	0.70% of net assets p.a.
Performance Fee	15% of outperformance of benchmark plus 2% hurdle

Gross Total Assets (Mln)	£824.8
Gearing	14.5%
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



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