



# 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

Though Pan European property stocks declined in June, the underlying investment tone improved and pricing generally had a more stable and solid feel with trading ranges narrowing and volatility declining. Rights issues and property sales continued to improve the industry's balance sheet. There were another 13 separate capital raisings totalling £1.4 billion, ten of which were on the Continent and major asset disposals continued to be reported especially by Hammerson (whose bond pricing improved by over 10% on the month). Another sign of normality was the reappearance of takeovers with agreed share for share bids for Brixton in the UK and Jelmoli in Switzerland. The benchmark Index in Sterling fell 4.85%, the Ordinary Share NAV fell 3.30% and the Ordinary share price fell 1.82%. The tone of the direct investment market also improved. With the banks holding back on foreclosures, the market is slightly starved of good quality stock. June's IPD result showed the smallest monthly decline since last summer. The one sour note is that rental values continue to fall by about 1% per month. However, for the time being, buyers are ignoring the future cash implications of such weakness. Gross cash in the Ordinary share class declined from £46m to £37m principally as a result of the take-up of rights and placings in Liberty, Great Portland, St Modwen and Befimmo. Net cash (adjusting for debt and the final dividend) fell from £25m to £16m. The Ordinary shares went ex the final dividend of 3.45p on July 1 and the dividend is payable on 4 Aug. The AGM is at noon on July 28.

### Fund Performance to 30 Jun 2009

	1 Month	YTD	1 Year	3 Year	5 Year	10 Year	NAV per share	Ordinary Share Price
Ord. Price (total return)	-1.82%	+4.74%	-17.41%	-29.96%	+38.19%	+241.73%	132.41p	121.50p
Ord. Price (capital only)	-1.82%	+4.74%	-20.98%	-35.03%	+23.19%	+162.70%		
NAV (price only)	-3.30%	+10.58%	-26.59%	-36.81%	+15.76%	+138.19%		
EPRA European Property Index (price only)	-4.85%	-14.49%	-35.65%	-48.66%	-14.75%	+24.33%	Yield 4.61%	Discount 12.16%

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

### Geographic Allocation % (Look-Through)

Austria	0.4
Belgium	2.7
Central Europe	2.9
Denmark	0.4
Finland	1.4
France	25.7
Germany	1.9
Greece	0.7
Italy	4.0
Netherlands	4.3
Portugal	0.1
Russia	0.7
Spain	2.5
Sweden	6.5
Switzerland	0.8
UK	44.1
USA	0.5
Other	0.4
<b>Total</b>	<b>100.0</b>

### Asset Allocation %

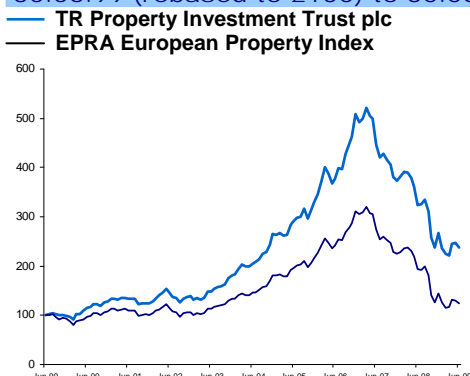
Continental Shares	44.3
UK Shares	34.2
UK Direct Property	13.3
Net Cash	8.2
<b>Total</b>	<b>100.0</b>

### Sector Allocation %

Offices	38.2
Retail	40.6
Industrial	12.9
Residential	4.8
Other	3.5
<b>Total</b>	<b>100.0</b>

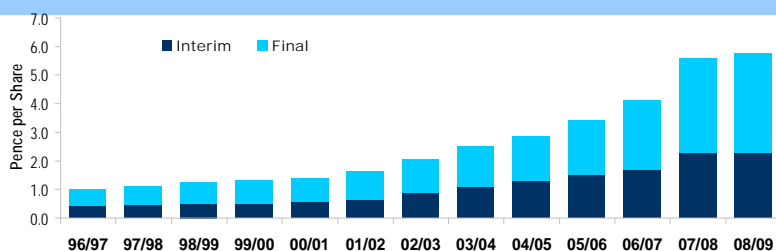
Note: figures above shown on a look-through basis.

### NAV per share Price Performance 30.06.99 (rebased to £100) to 30.06.09



Note: 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, 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	16.4
Land Securities	7.8
British Land	5.6
Corio	4.3
Segro	3.6
lcade	3.0
Fonciere Des Regions	2.9
Big Yellow	2.8
Hammerson	2.8
Great Portland	2.8

### 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)

**Net Gearing** -8.2%  
**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

**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

£355.0

-8.2%

1905

Since 1 October 2004

Daily (Stockmarket)

Daily

UK Investment Trust

London Stock Exchange

FTSE 250 Index

January, July

Nil

0.70% of net assets p.a. - up to £450m and 0.4% thereafter

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

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