

TR PROPERTY Investment Trust

(TR Property Investment Trust plc)

LONG ONLY UK DIRECT PROPERTY AND INTERNATIONAL EQUITY

*Closed-ended investment trust

Fund Performance to 31 May 2006

NAV per share	Ordinary Share Price
204.15	190.00
Yield	Discount
1.79%	6.93%

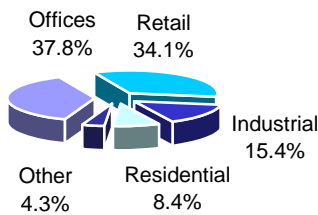
	1 Month	YTD	1 Year	3 Year	5 Year	10 Year
Ordinary Price (total return)	-6.5%	+16.2%	+38.2%	+203.9%	+255.9%	+727.2%
Ordinary Price (price only)	-6.5%	+16.2%	+35.5%	+182.0%	+210.2%	+512.9%
NAV (price only)	-5.1%	+11.6%	+29.6%	+147.7%	+170.5%	+450.3%
S&P Euro Property Index (price only)	-4.7%	+9.1%	+22.4%	+106.8%	+108.7%	+207.9%

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

Asset Allocation

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

Sector Allocation



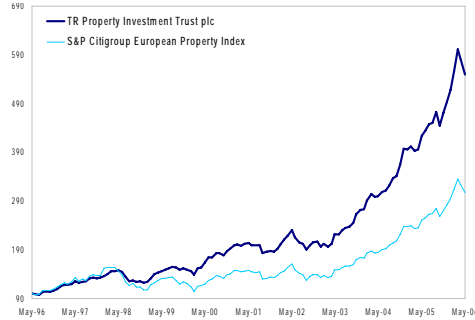
Note: above figs are shown on a look-through basis.

Geographic Allocation

Austria	0.2%
Belgium	1.4%
Central Europe	1.3%
Denmark	0.1%
Finland	0.6%
France	13.3%
Germany	1.4%
Greece	0.2%
Italy	2.7%
Netherlands	2.4%
Spain	4.2%
Sweden	20.3%
Switzerland	0.4%
UK	50.3%
USA	1.2%
Total	100.0%

NAV per share Performance

31.05.96 (rebased to £100) to 31.05.06



Source: Bloomberg, S&P's

Note: Prior to September 2001 the benchmark index was FTSE Real Estate Index

Top Ten Holdings*

Land Securities	15.6%
British Land	9.8%
Hammerson	6.9%
Slough Estates	5.4%
Big Yellow Group	5.0%
Rodamco Europe	4.9%
Unibail	3.8%
Liberty International	3.8%
Castellum	3.4%
Metrovacesa	3.3%

* % of net assets

Adviser Commentary

Inflation concerns continued to rattle global stock markets in May. Our NAV fell 5.14% and this compared with a 4.75% decline in the our benchmark index. The share price declined by 6.5% as the discount to asset value rose from 5.5% to 7.0%.

UK property shares performed creditably, with a total return of -2.8%, thanks to excellent final results from both Land Securities and British Land. Both companies confirmed that they are likely to apply to be REITs in 2007, as did Hammerson, Liberty International and Big Yellow. In Europe prices generally fell more sharply on the prospect of a further imminent base rate increase.

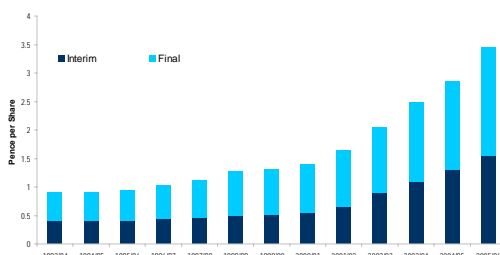
Overall the month was marked by quite violent daily swings in share prices. On three separate days in May the asset value of the Trust rose or fell by more than 4%. Such volatility reflects uncertainty and the option and derivative activity, and contrasts markedly with activity in the direct property market which continued to be stable and to show further capital growth over the month.

Over the month we were modest net investors. Net debt rose by £9m to £110m and gearing rose to 15.75%. Our sweetest gain was from BAA where we added to the holding at 809p ahead of the final burst of bidding. Our sharpest decline from a major holding was St Modwen which fell by 10%.

We reported our preliminary final results to the Stock Exchange on 23 May and these are available on our web site. The annual report is due to be circulated to shareholders around June 20.

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)	£812.6
Gearing	15.8%
Established	1905
Managed at TRC	since 1 October 2004
Dealing	Daily (Stockmarket)
NAV Frequency	Daily
Legal Status	UK Investment Trust
Listing	London Stock Exchange
Dividends	FTSE 250 Index
	January, July



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Prices Available From

Bloomberg	TRY LN	Reuters (TRCHL)	TRY.L
Datastream	TRY	Sedol (LSE)	0906409
FT (Investment Companies)	TRPROP		
ISIN	GB0009064097		

