



# TR PROPERTY INVESTMENT Trust

## Sigma Shares

(TR Property Investment Trust plc) *Closed-ended investment trust*  
LONG ONLY PAN EUROPEAN SMALL CAP PROPERTY EQUITIES

### Manager Commentary - by Marcus Phayre-Mudge

The theme of regional outperformance by Europe persisted into February. Asian and US real estate equity markets fell -5.5% and -5.7% respectively, whilst Europe was up +3.52% (in GBP). On the Continent, the Netherlands and Sweden were top performers. In Holland, the potential break up of Vastned Retail rumbles on with the company announcing on 8<sup>th</sup> February that it had received a number of offers for all parts of the portfolio. From a UK perspective, where the investment market has yet to really find 'clearing' price levels – this is a positive. Dutch stocks rose 6.8% also buoyed by good results from the retail orientated large cap stocks such as Corio. UK stocks declined slightly as good final results from Liberty and Hammerson were also accompanied by warnings that their NAVs would be falling further in the first half of 2008.

There is now good two way sentiment in the Sector. Optimists are pointing to the opportunities provided by the sell-off in both direct and indirect markets and the continued stability of tenant demand. Pessimists believe that the full impact of the credit crisis there will eventually lead to greater problems in both finance and rental markets and that we are merely in the lull before the storm. Overall, the Benchmark rose 3.52% in Sterling terms, the NAV rose 3.72% and the Sigma share price increased by 9.2%. The rotation from large cap stocks into smaller cap continued apace. Turnover (purchases and sales) totalled £11.6m as we sold into price appreciation particularly in Continental large caps. Cash is 3.7% as we continue to seek opportunities in the small cap arena.

### Fund Performance to 29 Feb 2008

|   | 1 Month | YTD     | NAV per share | Ordinary Share Price | Discount |
|---|---------|---------|---------------|----------------------|----------|
| Ord. Price (total return)                 | +9.23%  | -10.92% | 106.84p       | 91.75p               | 14.12%   |
| NAV (price only)                          | +3.72%  | -7.71%  |               |                      |          |
| EPRA European Property Index (price only) | +3.52%  | -9.00%  |               |                      |          |

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)

|                |              |
|----------------|--------------|
| Austria        | 0.2          |
| Belgium        | 1.0          |
| Central Europe | 5.1          |
| Denmark        | 0.2          |
| Finland        | 1.2          |
| France         | 19.4         |
| Germany        | 5.3          |
| Greece         | 0.8          |
| Italy          | 2.9          |
| Netherlands    | 2.9          |
| Portugal       | 0.1          |
| Russia         | 1.0          |
| Spain          | 1.3          |
| Sweden         | 10.8         |
| Switzerland    | 0.7          |
| UK             | 46.6         |
| USA            | 0.0          |
| Other          | 0.5          |
| <b>Total</b>   | <b>100.0</b> |

### Asset Allocation %

|                    |              |
|--------------------|--------------|
| UK Shares          | 51.5         |
| Continental Shares | 44.8         |
| Cash               | 3.7          |
| <b>Total</b>       | <b>100.0</b> |

### Sector Allocation %

|              |            |
|--------------|------------|
| Offices      | 39.0       |
| Retail       | 32.2       |
| Industrial   | 15.9       |
| Residential  | 8.0        |
| Other        | 4.9        |
| <b>Total</b> | <b>100</b> |

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

### Top 10 Holdings % of net assets

|                  |     |
|------------------|-----|
| Unibail          | 9.3 |
| Land Securities  | 8.8 |
| British Land     | 5.4 |
| Big Yellow Group | 4.8 |
| Castellum        | 3.9 |
| St Modwen        | 3.8 |
| Great Portland   | 3.5 |
| Hammerson        | 2.4 |
| Slough Estates   | 2.4 |
| Kardan NV        | 2.4 |

### Fund Objective

The investment objective of the Sigma shares is to maximise total returns by investing in small cap Pan European equities, focusing on long term capital and income growth.

|                        |   |
|------------------------|---|
| <b>Net Assets (Mn)</b> | £136.4  |
| <b>Launch Date</b>     | 25 July 2007  |
| <b>Dealing</b>         | Daily (Stockmarket)                                   |
| <b>NAV Frequency</b>   | Daily   |
| <b>Legal Status</b>    | UK Investment Trust                                   |
| <b>Listing</b>         | London Stock Exchange<br>FTSE 250 Index               |
| <b>Dividends</b>       | January, July   |
| <b>Charges</b>         |   |
| Initial Charge         | nil   |
| Management Fee         | 1.1% of net assets p.a.                               |
| Performance Fee        | 20% of total return over the benchmark plus 2% hurdle |

**Investment Manager**  
Thames River Capital LLP

**Stockbroker**  
Cenkos Securities PLC

**Administrator**  
BNP Paribas  
c/o Nicola Williamson, TRC  
Tel: +44 (0)20 7360 1335  
Email: nwilliamson@thamesriver.co.uk

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For further information please contact:  
Nicola Williamson on +44 (0)20 7360 1335 or [nwilliamson@thamesriver.co.uk](mailto:nwilliamson@thamesriver.co.uk)

Prices available from:

|             |              |                 |         |
|-------------|--------------|-----------------|---------|
| Bloomberg   | TRYS LN      | Tass            | -       |
| Datastream  | TRYS         | Reuters         | TRYx.L  |
| FT (Mex ID) | B1YW2J1      | Sedol           | B1YW2J1 |
| ISIN        | GB00B1YW2J11 | S&P/Morningstar | -       |
| Lipper      | 65080580     | Telekurs        | -       |
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