



# TR PROPERTY INVESTMENT Trust

## Sigma Shares

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

### Adviser Commentary – by Chris Turner

The new share class, which was approved at the EGM on 24 July (with a portfolio priced on 20 July), was certainly born in a storm. The immediate portfolio was a carbon copy of the Ordinary Share portfolio without the directly held property and over the few chaotic trading days to the end of July the NAV fell by 5.97% compared to a benchmark index movement of minus 5.68%. The share price declined 5.07% from the first quote on 25 July at 108.5p to the end of the month close of 103p. Sigma started life with £10m of net debt and this was reduced to almost nil in the opening trading days, with £10m of sales and only £0.25m of purchases. Our stated target is to complete the sale of the large cap stocks and the reinvestment into medium and small cap companies over the next four months. However these are silly markets in which to operate any rigid switching programme, and we think common sense should prevail. Some of the large cap stocks, notably those in the UK, are now standing at significant discounts to reported and estimated current asset values. In fast market conditions large liquid stocks tend to bear the brunt of a wave of selling, while small cap stocks may be unmoved in price because there are no, or virtually no, buyers for the shares. Our objective is to reposition the portfolio using our judgement to control relative value. We hope that quieter and more logical markets lie not too far ahead.

### Fund Performance to 31 Jul 2007

	1 Month*	NAV per share £113.65	Ordinary Share Price £103.00
Ord. Price (total return)	-		
Ord. Price (capital only)	-		
NAV (price only)	-5.97%		
EPRA European Property Index (price only)	-5.68%		
			Discount 9.37%

Note: Price is month-end mid-price. Source: Datastream, Bloomberg. \* Since 25 July 2007.

### Geographic Allocation (See-Through)

Austria	0.2%
Belgium	1.4%
Central Europe	3.3%
Denmark	0.1%
Finland	1.1%
France	18.2%
Germany	4.7%
Greece	0.4%
Italy	3.5%
Netherlands	2.7%
Portugal	0.1%
Spain	1.3%
Sweden	7.0%
Switzerland	0.5%
UK	54.9%
USA	0.2%
Other	0.4%
<b>Total</b>	<b>100.0%</b>

### Gross Asset Allocation

UK Shares	53.0%
Continental Shares	40.5%
Cash	6.5%
<b>Total</b>	<b>100.0%</b>

### Sector Allocation

Offices	38.1%
Retail	36.8%
Industrial	12.8%
Residential	8.5%
Other	3.9%
<b>Total</b>	<b>100.0%</b>

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

### Top 10 Holdings % of net assets

Land Securities	13.3%
British Land	9.0%
Hammerson	6.1%
Big Yellow Group	5.6%
Slough Estates	5.0%
Rodamco Europe	4.8%
Unibail	4.2%
Fonciere De Regions	3.8%
Liberty International	3.3%
Castellum	3.2%

### 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.

### Gross Total Assets (Mn)

Assets (Mn)	£158.0
Gearing	5.5%
Launch Date	25 July 2007
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	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) 207 360 1335  
Email: nwilliamson@thamesriver.co.uk

Registrar  
Computershare Investor Services plc

Thames River Capital LLP is authorised and regulated by the Financial Services Authority



## IMPORTANT NOTICE - REGULATORY INFORMATION AND RISK WARNINGS

This document is issued for information only by Thames River Capital LLP ("Thames River") in respect of the funds named below and their relevant sub-funds save for Nevsky Fund Limited and Traditional Funds plc - Eastern European Fund and Global Emerging Markets Funds which are issued by Nevsky Capital LLP ("Nevsky Capital"). Thames River and Nevsky Capital are both authorised and regulated by the Financial Services Authority ("FSA"). Content relating to unregulated collective investment schemes is only directed at investors meeting the FSA's Annex 5 categories. It must not be relied upon by non-qualifying persons. It does not constitute an offer by Thames River or Nevsky Capital to enter into any contract/agreement nor is it a solicitation to buy or sell any investment. Nothing in this document should be deemed to constitute the provision of financial, investment or other professional advice in any way. The contents of this document are based upon sources of information believed to be reliable, however, save to the extent required by applicable law or regulations, no guarantee, warranty or representation (express or implied) is given as to its accuracy or completeness and, Thames River and Nevsky Capital, their members, officers and employees of the managing member do not accept any liability or responsibility in respect of the information or any views expressed herein. This document may include forward-looking statements that are based upon our current opinions, expectations and projections. We undertake no obligation to update or revise any forward-looking statements. Actual results could differ materially from those anticipated in the forward-looking statements. This document is not aimed at persons who are residents of any country, including the United States of America ("USA") and South Africa, where the Funds referred to herein are not registered or approved for marketing and/or sale or in which the dissemination of information on the Funds or services is not permitted. This document should not be distributed to any third party without the express approval of Thames River and has been designed for a professional audience only.

Funds referred to herein are neither registered under the Securities Act 1933 of the USA, nor are they registered under the Investment Company Act of 1940. Consequently, they cannot be offered for sale or be sold in the USA, its territories, possessions or protectorates under its jurisdiction, nor to nationals, citizens or residents in any of those areas. This document should be read in conjunction with the Prospectus of the relevant fund that will exclusively form the basis of any application and an investment should not be contemplated until the risks of investment and tax implications have been considered fully. Thames River Hillside Apex Fund Segregated Portfolio, Thames River Kingsway Fund Segregated Portfolio, Thames River Kingsway Plus Fund Limited, Nevsky Fund Limited, Thames River Edo Fund Limited, Thames River Sentinel Fund, Thames River Warrior Fund, Thames River Warrior II Fund, Thames River Equity Focus Fund, Thames River Distressed Focus Fund, Thames River 1X Currency Alpha Fund, Thames River Hedge Ventures Limited, Thames River 2X Currency Alpha Fund Limited, Thames River Property Growth & Income Fund Limited and Thames River Tybourne Fund Limited are unregulated collective investment schemes which are not recognised schemes under s.264 of the Financial Services and Markets Act 2000. Thames River Hedge+ is a cell of Thames River Multi Hedge PCC Limited, listed on the London and Channel Islands Stock Exchanges. The Thames River European Fund, Thames River High Income Fund, Eastern European Fund, Thames River Japan Fund, Global Emerging Markets Fund, Thames River Global Bond Fund (£), Thames River Global Bond Fund (€) and Thames River Global Bond Fund (\$) are sub-funds of Traditional Funds plc, an open-ended investment company with segregated liability incorporated in Ireland, authorised by the Irish Financial Services Regulatory Authority and listed on the Irish Stock Exchange. This company is a recognised collective investment scheme under s.264 of the Financial Services and Markets Act. TR Property Investment Trust plc is a UK investment trust listed on the London Stock Exchange.

Many of the protections provided by the United Kingdom regulatory structure may not apply to investments in these funds, including access to the Financial Services Compensation Scheme and the Financial Ombudsman Service. Past performance is not necessarily a guide to future performance. Values may fall as well as rise and you may not get back the amount you invested. Income from investments may fluctuate. Changes in rates of exchange may have an adverse effect on the value, price or income of investments. The unregulated schemes and TR Property Investment Trust plc are permitted to and use gearing as an investment strategy. The effect of such gearing is that movements in the price of the schemes will be more volatile than the movements in the prices of their underlying investments. You should obtain professional advice on taxation where appropriate before proceeding with any investment. You should be aware that investments in higher yielding bonds issued by borrowers with lower credit ratings may result in a greater risk of default and have a negative impact on income and capital value. Income payments may constitute a return of capital in whole or in part. Income may be achieved by foregoing future capital growth. Fund charges may be applied in whole or part to capital, which may result in capital erosion. You should be aware of the additional risks associated with investment in emerging and developing markets. The prices of some investments may be extremely volatile. With the exception of TR Property Investment Trust plc and Thames River Hedge+, the funds are not traded on an exchange or recognised market and in common with some of their investments may not be readily realisable. This factor can make it difficult to obtain independent verification of the investment value and the extent of the risks to which they are exposed. (070801)

Potential investors should follow the links below for information on any current side letters relating to the schemes.  
<http://www.thamesriver.co.uk/downloads/disclosures.htm> <http://www.nevskycapital.com/downloads/disclosures.htm>

### Notice to Investors:

Please note Paying Agents/Representatives for the following countries have been appointed by Traditional Funds plc in accordance with local requirements: **Germany, Austria, Switzerland, Malta, Luxembourg, Netherlands**. Local language versions of the Traditional Funds plc prospectus and simplified prospectus are available from their offices.

For a full list of Paying Agents' details, please follow the following links:

[http://www.thamesriver.co.uk/pdf/paying\\_agents.pdf](http://www.thamesriver.co.uk/pdf/paying_agents.pdf) [http://www.nevskycapital.com/pdf/paying\\_agents.pdf](http://www.nevskycapital.com/pdf/paying_agents.pdf)

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	TRY LN	Lipper	71000704
Datastream	TRY	Reuters (TRY.L)	TBC
FT (Mex ID)	TRPROP	Sedol	0906409
ISIN	GB0009064097	S&P	090640
		Telekurs	TBC