



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

A brutal month for pan European real estate equities with the benchmark, the FTSE EPRA/NAREIT Europe Index down -11.98% (GBP) bringing the fall for the year to date to -14.08% (GBP). Unlike in May, the UK market outperformed Continental Europe with Europe ex UK down -12.99% (EUR). Investor sentiment weakened substantially over the month as the market focused on the dilemma created by falling consumer confidence and house prices set against the likelihood of continued inflation. On short term rate setting, both the doves and the hawks have valid arguments to support their respective cases. However, the market definitely expects further rate rises, particularly in Europe with the 5yr EURIBOR swap having risen 80bps in 3 months. At the country level, it was Germany and Italy who suffered the worst (amongst the larger nations). The worst performer was Norway where the sole stock, Norwegian Property has been forced to recapitalise with an underwritten NOK2.5bn rights issue. In Italy, both Aedes and Risanamento fell nearly 40% in the month. Investors have become increasingly concerned that the leverage in these businesses would overwhelm them. Both businesses need to sell assets, but into a falling market. The market abounds with rumours of sovereign wealth fund rescues (Limitless of Dubai are looking at both Risanamento and Minerva in the UK). In Germany, IVG was deleted from the EPRA Index (lack of income from wholly owned real estate) and index trackers were forced sellers. Sigma's NAV fell -10.95% in the month which led to 103bps of outperformance relative to the benchmark. The share price fell -9.94% from 80.5p to 72.5p. The fund remains defensively positioned with 15.4% net cash (after adjustment for the debentures). During the month 165,000 shares were purchased for cancellation at an average discount of over 18.5%.

Fund Performance to 30 Jun 2008

	1 Month	YTD	NAV per share	Sigma Share Price
Sigma Price (total return)	-9.94%	-11.04%	88.61p	72.50p
NAV (price only)	-10.95%	-12.10%		
EPRA European Property Index (price only)	-11.98%	-14.08%		
				Discount 20.42%

Note: Price is month-end mid-price. Source: Datastream, Bloomberg. Refer to the monthly newsletter - Page 35 for monthly / annual return history vs benchmark.

Geographic Allocation % (Look-Through)

Austria	0.2
Belgium	1.0
Central Europe	5.7
Denmark	0.2
Finland	0.9
France	19.7
Germany	5.4
Greece	1.0
Italy	3.1
Netherlands	3.8
Portugal	0.1
Russia	2.3
Spain	1.3
Sweden	9.7
UK	45.1
Other	0.7
Total	100.0

Asset Allocation %

UK Shares	42.6
Continental Shares	42.0
Cash	15.4
Total	100.0

Sector Allocation %

Offices	34.4
Retail	34.6
Industrial	17.4
Residential	6.2
Other	7.4
Total	100.0

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

Top 10 Holdings % of net assets

Unibail	8.3
Land Securities	7.8
British Land	4.1
Great Portland	4.0
Hansteen	3.8
Big Yellow Group	3.7
Castellum	3.3
Kardan	3.2
Fonciere Des Mur	2.7
Fonciere Paris France	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.

Net Assets (Mn)	£123.7
Launch Date	25 July 2007
Dealing	Daily (Stockmarket)
NAV Frequency	Daily
Legal Status	UK Investment Trust
Listing	London Stock Exchange FTSE 250 Index January, July
Dividends	
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)20 7360 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, Global Emerging Markets Fund, European Opportunities Fund, European Absolute Return Fund and Emerging Asia Fund 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 Eligible Counterparties, Professional Clients or investors meeting the FSA's COBS 4.12 categories. For Dubai, this document is issued by Thames River, which is regulated by the Dubai Financial Services Authority ("DFSA") and is only made to wholesale investors who are clients of Thames River as defined by the DFSA. 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 corporate 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 the managers' current opinions, expectations and projections. Thames River undertakes 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 SPC, Thames River Kingsway Fund Limited, Thames River Kingsway Plus Fund Limited, Nevsky Fund Limited, Thames River Edo Fund Limited, Thames River Longstone 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 Argentum 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 (€), Thames River Global Bond Fund (\$), and Emerging Asia Fund are sub-funds of Traditional Funds plc, an open-ended investment company with segregated liability between sub-funds 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. Investors should obtain professional advice on taxation where appropriate before proceeding with any investment. Investors 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. (080507)

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, Belgium and Sweden. 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.nevskycapital.com/pdf/paying_agents.pdf

For further information please contact:

Nicola Williamson on +44 (0)20 7360 1335 or nwilliamson@thamesriver.co.uk

Prices available from:

Bloomberg TRY5 LN
Datastream TRY5
FT (Mex ID) B1YW2J1
ISIN GB00B1YW2J11
Lipper 65080580

Tass -
Reuters TRYx.L
Sedol B1YW2J1
S&P/Morningstar
Telekurs
WKN A0LCTZ

