

# 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  
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The Sigma share class total return for the month of May was 2.45% compared to 1.99% for the benchmark.

We reduced gearing significantly, from 8% to 4%. Sales were made across Europe, but especially in the UK, following a period of sustained outperformance, and in Sweden. Whilst we continue to believe that underlying markets in London are amongst the strongest in Europe, and likely to outperform over the medium term, we feel that the London stocks no longer offer such good value compared to the wider real estate sector. We have generally sought to reduce risk across the Fund by moving into stocks with lower gearing and stable income streams. One exception to this is Quintain Estates in the UK, which is dominated

by two large developments in Wembley and Greenwich (North West and South East London). The stock rose 14% during May as investors began to feel more comfortable about the company's ability to deliver its strategy and to manage its balance sheet.

Following the publication of the preliminary results on 25 May, the Board declared a final dividend of 1.25p (2.15p for the full year). The shares will go ex-dividend on 6 July, payable on 2 August.

## Fund performance to 31.05.2011 (%)

	Current month	YTD	1 year	3 year	Since launch
NAV (capital only)	+2.27	+11.64	+41.32	+16.77	-3.86
FTSE EPRA/NAREIT European Property Small Cap Index (capital only, GBP)	+1.21	+8.39	+36.00	+0.27	-14.66
Share price	+3.41	+16.67	+50.41	+13.04	-14.55

Small Cap benchmark adopted on 1 April 09. Prior to 01.04.09 benchmark was EPRA European Property Index. Price is month-end mid-price. NAV per share monthly return calculated net of fees. Source: BNP Paribas, Bloomberg. Refer to the back of the monthly newsletter for monthly/annual return history vs benchmark. Historical performances for distribution share classes may vary from previous issues of the Thames River newsletters. This follows an improvement in the performance calculation methodology (from monthly to daily cumulative), in order to be in line with Global Investment Performance Standards.

NAV per share (capital only)	116.20p
Share price	91.00p
Discount	21.68%
Yield	2.197%

## Geographic allocation (%)

Austria	2.80
Belgium	2.50
Central Europe	2.90
Denmark	0.10
Finland	5.00
France	12.70
Germany	20.30
Greece	0.30
Italy	8.60
Netherlands	2.10
Norway	4.60
Other	0.10
Russia	0.20
Spain	0.40
Sweden	14.10
Switzerland	0.30
UK	23.00
<b>Total</b>	<b>100.00</b>

## Fund performance 25.07.2007 to 31.05.2011



Prior to 01.04.09 the benchmark was EPRA European Property Index. Source: BNP Paribas, Bloomberg.

## Key facts

**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):** £145.0mn  
**Net gearing:** 4.6%  
**Launch date:** 25.07.2007  
**NAV frequency:** Daily  
**Dealing:** Daily (stockmarket)  
**Legal status:** UK Investment Trust  
**Listing:** London Stock Exchange  
**Dividends:** January, July  
**Initial charge:** Nil  
**Management fee:** £0.65mn per annum plus 0.30% of net assets p.a.  
**Performance fee:** 15% of outperformance of benchmark plus 2% hurdle  
**Investment manager:** Thames River Capital LLP  
**Stockbroker:** Cenkos Securities plc  
**Administrator:** BNP Paribas  
**Contact:** c/o Angelique Eilo, TRC  
**Email:** aello@thamesriver.co.uk  
**Registrar:** Computershare Investor Services plc

## Sector allocation (%)

	Fund
Industrial	15.20
Offices	39.21
Other	5.40
Residential	12.50
Retail	27.70
<b>Total</b>	<b>100.00</b>

figures above shown on a look-through basis.

## Top 10 holdings (%)

Eurocommercial	7.0
Great Portland	6.0
Shaftesbury	4.7
CA Immobilien	4.1
Norwegian Property	3.8
Fabege	3.3
Alstria	3.2
Deutsche Euroshop	3.0
Kungsleden	2.8
Citycon	2.6

## Asset allocation (%)

Continental Shares	67.46
UK Shares	32.54
<b>Total</b>	<b>100.00</b>

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