



# 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 outlook for real estate equity markets continues to look choppy and therefore we continue to be cautious. The volatility we saw in August continued into September with an intra month peak to trough of 12.3%. Large cap liquid stocks continued to bear the brunt of selling pressure. Prices, particularly in the UK, are reflecting significant write downs in asset values in the forthcoming results season. Cash for investment (after netting off the inherited debentures) has increased to 6.5% (from 5%) as we continue to raise funds for future investment into smaller caps. The sales were principally large cap, Land Securities and Liberty International in the UK, together with ImmoEast and Corio in Europe. However we have sold our holding in Minerva, a UK developer focused on speculative development in the City of London. Purchases were mainly additions to existing holdings, Local Shopping REIT, St Modwen and Shaftesbury in the UK, Fonciere Paris France, Zublin and Argan in France and IFM in Germany. Over the month, the NAV fell -2.95% whilst the benchmark fell -2.43% leading to relative underperformance of 52bps. However the share price rose during the month from 101.9p to 103.1p thus narrowing the discount to NAV.

### Fund Performance to 28 Sep 2007

	1 Month	YTD	NAV per share	Ordinary Share Price
Ord. Price (total return)	+1.21%	-3.92%	112.35p	103.14p
Ord. Price (capital only)	+1.21%	-3.92%		
NAV (price only)	-2.95%	-7.04%		
EPRA European Property Index (price only)	-2.43%	-5.92%		
				Discount 8.93%

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

### Geographic Allocation (Look-Through)

Belgium	1.5%
Central Europe	3.5%
Finland	1.3%
France	14.0%
Germany	5.0%
Greece	0.5%
Italy	3.3%
Netherlands	1.3%
Portugal	0.1%
Spain	0.8%
Sweden	8.5%
Switzerland	0.6%
UK	59.2%
USA	0.1%
Other	0.3%
<b>Total</b>	<b>100.0%</b>

### Asset Allocation

UK Shares	50.9%
Continental Shares	42.6%
Net Cash	6.5%
<b>Total</b>	<b>100.0%</b>

### Sector Allocation

Offices	39.5%
Retail	33.3%
Industrial	15.3%
Residential	8.7%
Other	3.2%
<b>Total</b>	<b>100.0%</b>

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

### Top 10 Holdings % of net assets

Land Securities	10.3%
Unibail	9.4%
British Land	7.5%
Big Yellow Group	4.5%
Segro	3.3%
St Modwen Properties	3.3%
Castellum	3.1%
Great Portland Estates	2.8%
Hammerson	2.6%
Derwent London	2.3%

### 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>	£155.7
<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 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) 207 360 1335  
Email: nwilliamson@thamesriver.co.uk

### Registrar

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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)

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