TR Property Investment Trust plc

Financial Report for the half year ended 30 September 2018

TR Property Investment Trust plc

TR Property Investment Trust plc's ("the Company" or "the Trust") investment objective is to maximise shareholders' total returns by investing in the shares and securities of property companies and property related businesses internationally and also in investment property located in the UK.

Introduction

The Company was formed in 1905 and has been a dedicated property investor since 1982. The Company is an Investment Trust and its shares are premium listed on the London Stock Exchange.

Benchmark

The benchmark is the FTSE EPRA/NAREIT Developed Europe Capped Net Total Return Index in Sterling.

Investment Policy

The Company seeks to achieve its objective by investing in shares and securities of property companies and property related businesses on an international basis, although, with a Pan-European benchmark, the majority of the investments will be located in that geographical area. The Company also invests in investment property located in the UK only.

Further details of the Investment Policies, the Asset Allocation Guidelines and policies regarding the use of gearing and derivatives are set out on pages 24 and 25 of the Annual Report, which is available on the Company's website. The current portfolio is shown on page 13.

Investment Manager

F&C Investment Business Limited acts as the Company's alternative investment fund manager ("AIFM") with portfolio management delegated to Thames River Capital LLP ("the Portfolio Manager"). Marcus Phayre-Mudge has managed the portfolio since 1 April 2011 and been part of the Fund Management team since 1997.

Independent Board

The directors are all independent of the Portfolio Manager and meet regularly to consider investment strategy, to monitor adherence to the stated objective and investment policies and to review performance. Details of how the Board operates and fulfils its responsibilities are set out in the Annual Report.

Performance

For the half-year to 30 September 2018 the net asset value total return was 7.4% against a benchmark total return of 5.4%. The share price total return was 8.6%.

Over the ten year period to 30 September 2018 the share price total return was 302.1% and the net asset value total return 220.1%. Over the same period the benchmark total return was 139.7%.

The Financial Highlights for the current year are set out opposite.

Dividend

An interim dividend of 4.90p (2017: 4.65p) will be paid on 2 January 2019 to shareholders on the register on 30 November 2018. The shares will be quoted ex-dividend on 29 November 2018.

Retail Investors advised by IFAs

The Company currently conducts its affairs so that its shares can be recommended by Independent Financial Advisers ("IFAs") in the UK to ordinary retail investors in accordance with the Financial Conduct Authority ("FCA") rules in relation to non-mainstream investment products and intends to continue to do so. The shares are excluded from the FCA's restrictions, which apply to non-mainstream investment products, because they are shares in an authorised investment trust.

Further information

General Shareholder information and details of how to invest in TR Property Investment Trust plc, including an investment through an ISA or saving scheme, can be found on pages 26 to 29. This information can be found on the Company's website www.trproperty.com

Financial Highlights and Performance

	At 30 September 2018 (Unaudited)	At 31 March 2018 (Audited)	% Change
Balance Sheet			
Net asset value per share	**417.06p**	395.64p	+5.4
Shareholders' funds (£'000)	**1,323,531**	1,255,559	+5.4
Shares in issue at the end of the period (m)	**317.4**	317.4	
Net debt[1]	**12.3%**	14.6%	
Share Price			
Share price	**408.00p**	382.50p	+6.7
Market capitalisation	**£1,295m**	£1,214m	+6.7

	Half year ended 30 September 2018 (Unaudited)	Half year ended 30 September 2017 (Unaudited)	% Change
Revenue and Dividends			
Revenue earnings per share	**9.25p**	8.77p	+5.5
Interim dividend per share	**4.90p**	4.65p	+5.4

	Half year ended 30 September 2018 (Unaudited)	Year ended 31 March 2018 (Audited)
Performance: Assets and Benchmark		
Net Asset Value total return[2]	**+7.4%**	+15.5%
Benchmark total return	**+5.4%**	+10.2%
Share price total return[3]	**+8.6%**	+25.5%
Ongoing Charges[4]		
Including performance fee	**N/A**	+1.48%
Excluding performance fee	**N/A**	+0.65%
Excluding performance fee and direct property costs	**N/A**	+0.61%

1 Net debt is the total value of loan notes and loans (including notional exposure to CFDs) less cash as a proportion of net asset value.
2 The total return NAV performance for the year is calculated by reinvesting the dividends in the assets of the Company from the relevant ex-dividend date. Dividends are deemed to be reinvested on the ex-dividend date as this is the protocol used by the Company's benchmark and other indices.
3 The total return share price performance is calculated by reinvesting the dividends in the shares of the Company from the relevant ex-dividend date.
4 Ongoing Charges is an annual calculation therefore does not apply to the half-year.

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Chairman's Statement

Hugh Seaborn
Chairman

Introduction

We have had solid performance in the first six months of the financial year.

The Net Asset Value (NAV) total return for the six month period was 7.4%, which was ahead of the benchmark total return of 5.4%; our managers continue to generate outperformance. The share price total return was slightly higher at 8.6% as the Trust's shares traded closely to NAV and occasionally at a premium.

The NAV grew until the end of August. As we edge closer to the BREXIT deadline of March 2019, investors are seeking higher risk premiums in view of the wide range of potential outcomes still available between the UK and the EU. These concerns are reflected by investors lacklustre demand for those listed companies with the greatest domestic UK exposure. Only a handful of London listed property stocks have meaningful overseas earnings.

As well as the performance widening between the two regions, it has also been characterised by a marked contrast between different asset classes. To outperform over the half year it has been necessary to select businesses with the right assets in the right geographical areas.

In terms of asset classes, we are far from alone in being wary of retail property regardless of its location. The opposite is true of logistics and industrial property assets where the rapid evolution in business to consumer supply chain technology continues to drive asset prices everywhere. Rented residential property with steady, reliable earnings growth also performed strongly and remains a core sector for the Trust, particularly in Germany and Sweden.

The stability of prime London office values has been a surprise and is a useful reminder that much global capital considers long term investment horizons. The ongoing weakness of GBP (particularly against USD) has contributed to record investment levels from overseas investors.

Our physical property portfolio valuation has remained virtually flat over the half year period despite our first tenant failure for many years. The value appreciation in our industrial assets compensated for this setback and there is a more detailed report below.

Revenue Results and Dividend

Revenue earnings of 9.25p per share are 5.5% ahead of the prior year (8.77p per share).

Some growth in underlying earnings from our shareholdings in local terms were also given a slight tailwind by a marginal further weakening of Sterling over the period. This has been partly offset by an increase in the tax charge. More details are given in the Manager's Report.

The Board has announced an interim dividend of 4.90p per share, 5.4% ahead of last year's interim dividend.

Revenue Outlook

We expect the modest underlying growth in income to continue through the second half however the big unknown factor is the impact of currency. Although we have now received around 75% of our overseas income, with sentiment changing so frequently through the Brexit negotiations, significant currency changes could still have some impact in the current year.

We do expect the tax charge in the second half of the year to lead to a lower average charge for the year than is reflected in the half-year accounts. This is partly due to a further French withholding tax reclaim relating to earlier years received after the half-year. Further details are set out in the Manager's Report.

Net Debt and Currencies

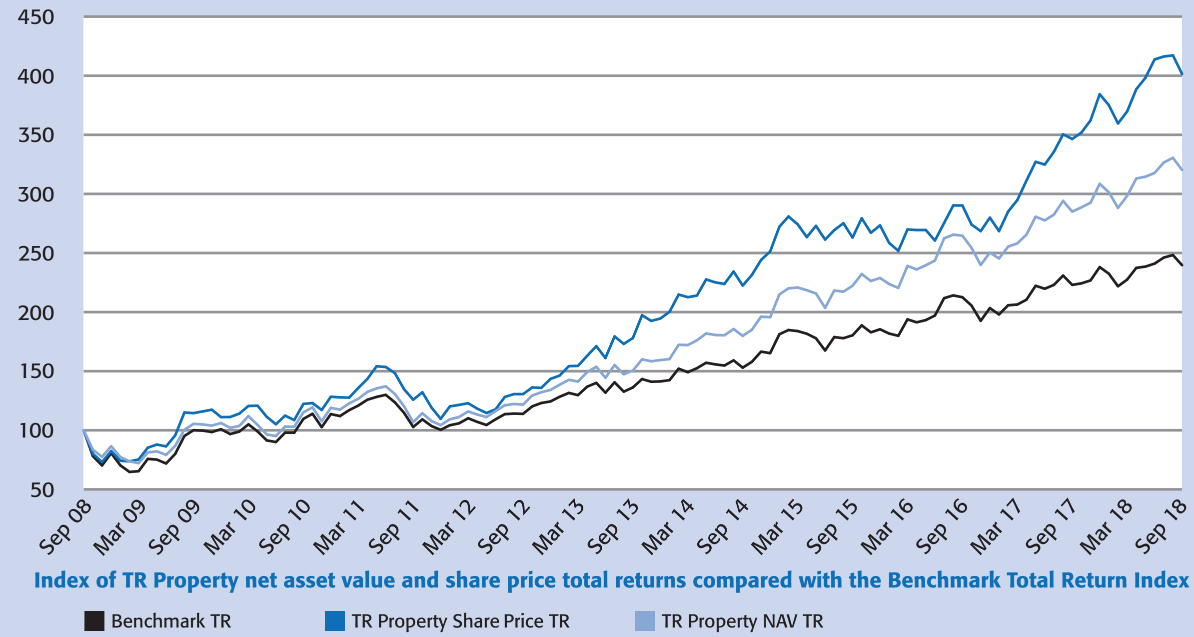
The level of gearing has reduced over the period from 14.6% to 12.3%. This was in part due to some corporate actions close to the half year end which returned cash to shareholders. Gearing stood at 14.5% by the end of October.

Currency exposure in respect of the capital account (as opposed to the income account referred to above) is maintained in line with the benchmark. Therefore the valuation of a significant proportion of the portfolio which is not denominated in Sterling, will increase if Sterling weakens and fall if Sterling strengthens. The currency exposures of the portfolio are set out in a table on page 12 of this report.

Discount and Share Repurchases

The discount of the share price to the Capital Net Asset Value reduced over the period from 3.2% to 2.2% although there were some fluctuations over the period with the shares standing at a small premium at times. There were no share

Ordinary Share Class Performance: Total Return over 10 years (rebased)



Index of TR Property net asset value and share price total returns compared with the Benchmark Total Return Index

repurchases in the half year period.

The Board continues to encourage an active investor relations programme and launched a new dedicated website (www.trproperty.com) towards the end of May which provides current and background data on the Trust including an informative monthly fact sheet prepared by the Manager.

New Regulations

I commented at the year-end on my concerns regarding the new Key Information Documents which we have been obliged to publish since the introduction of the PRIIPs (Packaged Retail and Insurance-based Investment Products) regulation in January this year. We warned investors to view these with extreme caution as the calculations were prescriptive and did not reflect our views of likely future performance. The AIC (Association of Investment Companies) has been very vocal on this and recently published a document entitled "Burn before reading" pointing out the inherent flaws in these documents. The AIC stated that they are misleading and has called for the FCA to withdraw them until something more suitable was agreed. The FCA has invited the industry to comment on this and I have written to the Chairman of the FCA expressing our views and supporting the AIC's position.

Outlook

As we move into the second half of the financial year, there appears to have been a change in the mood and equity markets around the globe have been subject to a sell-off. Macro risks abound with the potential escalation in the US/China trade war whilst geo-political concerns are heightened. Closer to home Brexit dominates and the UK will be the hardest hit by a poor outcome, however collectively there are no economic winners from this negotiation and growth across Europe will also suffer. The European Union is also being put to the test again, this time by Italy's breach of the budget deficit rules.

Whilst the ECB has flagged the termination of its bond buying programme ('quantitative easing') and signalled an intention to resume a normalised interest rate cycle we think that it is quite possible that this will be deferred further if economic growth is dampened. It is in this context that our Manager has sought to focus on secure earnings streams, often index linked, in sectors with lower earnings volatility such as student accommodation, private rented residential, healthcare, long income and away from development or consumer focused retail property. Crucially many of the companies we invest in are still growing their earnings and have a tenant base for whom ongoing occupation is business critical.

If interest costs continue at these very low levels the ability of many of these property companies to offer investors high, sustainable, growing earnings will underpin valuations.

Hugh Seaborn
Chairman
21 November 2018

Directors' Responsibility Statement

The Directors acknowledge responsibility for the interim results and approve this Half-Yearly Financial Report. The principal risks facing the Company are substantially unchanged since the date of the Annual Report for the year ended 31 March 2018 and continue to be as set out in that report.

The Directors of TR Property Investment Trust plc confirm that to the best of their knowledge:

(a) the Half-Yearly Financial Statements have been prepared in accordance with IAS 34 as adopted by the European Union and give a true and fair view of the assets, liabilities, financial position and profit for the period of the Group as required by the Disclosure Guidance and Transparency Rules ("DTR") 4.2.4R;

(b) the Chairman's Statement together with the following Manager's Report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and

(c) the report includes a fair review of the information required by DTR 4.2.8R.

On behalf of the Board

Hugh Seaborn
Chairman

21 November 2018

The Board members are listed on page 25.

Manager's Report

Marcus Phayre-Mudge MRICS
Fund Manager

Performance

The Net Asset Value total return for the six months was 7.4%, ahead of the benchmark of 5.4%. The share price total return was larger at 8.6% as the Trust's shares traded close (and occasionally at a premium) to the net asset value.

Once again the period was dominated by the outperformance of Continental European property companies as opposed to the UK names. The European component of the benchmark, when measured in EUR returned 6.5% whilst the UK names, measured in GBP had a total return of –0.3%. Much like the same period last year, currency had a modest positive impact, at the absolute level (and as always no impact on relative performance) with EUR strengthening against GBP throughout most of the period, reversing only in September.

Underlying performance of the portfolio was also positive in every month until September. The dovish messaging from the ECB (in contrast to the Federal Reserve's actions) encouraged investors to believe that there was little chance of rate rises until well into 2019. Property companies continued to produce growing earnings whilst offering much higher yields than fixed income alternatives. However sentiment changed as investors returned from their summer holidays to be confronted by a lengthening list of macro woes. European long dated sovereign bond yields began to rise as the market priced in more risk. Italian sovereign debt prices moved to multi-year lows as the populist government threatened to breach EU budget limits. Property equity prices reacted poorly in September collectively falling –3.5% and pulling returns for the first six months of the financial year down to single digits.

The relative outperformance of the Trust's portfolio was driven by its over exposure to pan European logistics, Spanish hotels, Swedish offices and German residential and its under exposure to all forms of retail property. The UK's largest companies, Landsec and British Land suffered from having c. 50% of their respective portfolios in retail. Such was the weakness of virtually all retail focused companies that any exposure contributed to underperformance. Whilst we are significantly underweight, we do have some exposure and the rationale is covered later. Alternatives in the UK such as self-storage and student accommodation continued to add value in the period.

Property Investment Markets

Investment volumes have remained remarkedly robust across the sectors favoured by cross border capital, namely office markets in dominant cities across Europe. London continues to surprise us with high transaction volumes and yields which have remained firm over the period even as reduced rental growth prospects become reality. Currency continues to play a strong part in international investors' thinking with GBP battered by Brexit concerns. Q2 Central London investment volume at £4.3bn was the strongest quarter since early 2017. The trophy purchases by Asian buyers continued with CK Asset Holdings acquiring 5 Broadgate for £1.0bn from British Land/GIC reflecting an initial yield of sub 4%. The quality of asset remains paramount with (mainly) foreign buyers happy to continue to pay record pricing but only for the best. Retail remains entirely bereft of investor demand except in London where overseas buyers acquired trophy assets such as Burlington Arcade (£300m, 3.2% yield) and 135 New Bond Street sold to a Singaporean investor for £180m and 3% initial yield.

Regional UK shopping centre volumes hit a record. However this was a record low of £120m of transactions in a quarter. Such low volumes augers poorly for future pricing, the gap between buyer and sellers' expectations must narrow and that will come with sellers' capitulation. The shopping centre sector drew large numbers of leveraged buyers in the recovery post the GFC, attracted by the high cash yields available when utilising cheap debt to acquire relatively high yielding assets. Unfortunately the rent rolls at many centres have come under pressure from CVAs and retailers unable to pay the passing rent as their business models continue to be ravaged by online alternatives. Debt default lies ahead for some of these centres.

Logistics remains the sector 'du jour' with record yields being paid and transaction volumes 33% ahead of the 10 year average reaching £3.7bn in the first half. Unlike the office market the majority of capital deployed was domestic (70%) with Tritax Bigbox continuing to set record pricing with the forward commitment of £120m of Amazon at Darlington. The same management team have also set records in Europe buying for their new vehicle Eurobox which raised £300m in July. They recently purchased Mango's global distribution hub outside Barcelona (€150m) followed shortly by Amazon's new Italian 1.5m sq ft triple level facility 35km north of Rome. We understand both deals reflected initial yields of 5%.

Alternative asset classes such as self storage, student accommodation and hotels remain popular. The UK student accommodation market is the most mature across Europe and transaction volumes reached £1.4bn in H1 and are forecast to reach £4bn for 2018 making the sector the second most important after offices. Quite something given its embryonic nature a decade ago.

Offices

Data on Central London office take up continues to be obscured by the growth in flexible office providers who are not the ultimate users of the space. Q2 saw 700,000 sq ft of take up by flexible providers in 21 deals. This follows on from the Q4 2017 record quarter of 26 separate transactions. This new type of quasi occupier makes it hard to use long term averages to understand whether there is genuine equilibrium in the market. We think not. However what is visibly helping to maintain rental levels is the lack of supply, particularly of larger space. The exception being Docklands which does have supply well ahead of its long term average. Tech businesses are still expanding seemingly regardless of Brexit fears. A large letting of over 0.4m sq ft at Kings Cross is expected before the year end and will be a useful barometer of current pricing for this emerging, but superbly connected, submarket.

In contrast the Paris region experienced its best H1 since 2007 with take up of more than 1.3m sq metres, a 15% increase year on year and 25% ahead of the 10 year average. Much like the London market between 2012 and 2016, Paris has seen a surge in take up across all unit sizes with growing and dynamic tech based businesses becoming an increasingly important element of take up. Volume was also fuelled by a large number of pre-lets as larger tenants insulate themselves from predicted medium term space shortages. WeWork continues to grab headlines and deals with 4 new sites in Paris in the first half. Vacancy for the entire Paris region dropped to 5.2% and Paris Centre West (the core CBD) reached a record of 2.2%. La Defense also saw a vacancy rate of 5.3% but there are a number of large completions due in 2019 which will result in increased vacancy in that sub-market.

The theme of falling vacancy and rising rents is a consistent one across all Continental European cities with Stockholm, Berlin and Munich showing the fastest growth rates. Madrid and Barcelona vacancy levels are dropping fast but they were coming down from elevated levels. Madrid still has 12.2% vacancy in its outer ring (outside the M-30) but just 6.8% inside the M-30 and it is this inner segment where rental growth is accelerating.

Retail

UK standard retail unit vacancy stands at 12.4% as measured by Knight Frank. This figure has risen over H1 as more retailers seek to restructure their physical estates either through negotiation or by using CVAs. Q2 saw high profile casualties such as House of Fraser, Poundworld and Mothercare. Rising business rates and minimum wage requirements alongside the well reported loss of sales to online competition continues to drive down investors' expectations of rental growth. Indeed UK retail sales continue to rise but online is still capturing all that growth with high street sales volumes continuing to slip. The provision of more food and beverage (F&B) has underpinned tenant demand in shopping centres over the last few years with the rapid rise in demand for more casual dining. However over expansion has ensnared a number of operators with the likes of Jamie's, Byron Burger, Prezzo and Carluccio's all seeking to close units or face bankruptcy. This niche submarket is now undergoing a contraction which is likely to coincide with weaker consumer confidence as real wage growth peters out in the face of higher imported inflation.

Once again Continental Europe appears to be having greater success at weathering these difficult conditions. Online penetration is lower (to varying degrees) when compared to the UK, but this is just a 'more slowly melting ice cube'. The convenience and competitive pricing of online will drive its growth across all markets. However our expectation of relative resilience across Europe is due to a broad mix of factors from cultural reluctance to have (fresh) food chosen by someone else through to much more competitive pricing of retail space (when compared with the UK). Much like in the UK, investors are shying away from secondary or sub-regional centres but in many cases the underlying performance as measured by rent roll resilience has been much stronger than their UK counterparts.

Distribution and Industrial

In the UK supply has begun to respond to the apparent ever strengthening demand for distribution space. In the +100,000 sq ft market supply at 10.6m sq ft in June 2018 is 20% ahead of a year earlier. This is still below the 10 year average and pre-lets remain at elevated levels accounting for about one third of take up - an encouraging statistic as it confirms that occupiers want to commit early and satisfy their forecasted demand.

The picture of broad and sustained demand is equally the case across Western Europe with pockets of record take up. Madrid has seen record take up last year with over 850,000 sq m compared to long run averages of c500,000 sq m. Yields (as discussed earlier) continue to be driven downwards as investors remain confident of further rental growth.

France has seen a pause in rental growth with subdued leasing levels in H1 compared to the two previous record years. However, evidence would point to a shortage of availability in the key metropolitan areas with supply dropping 20% year on year in the key Ile-de-France market and this will keep rents rising.

Residential

German residential remains the Trust's largest single asset class and it is good to report that fundamental market conditions remain sound with underlying rental growth c3% and structural undersupply evident in all markets. Berlin, which has been top of the growth league table for several years has begun to suffer from local authority intervention in certain jurisdictions. In some areas, developers are unable to push through modernisation programmes which enables them to charge open market rather than restricted rents. Some boroughs are also restricting the ability to sell individual apartments (as opposed to blocks). We are not overly concerned, such interventions merely drive up values in the longer run through constraining development in the short term.

After Germany, our next largest residential exposure is to Sweden and again we are focused on rental growth rather than owner-occupier capital values. The central bank's macro-prudential tools have constrained house price growth but tenant demand is as robust as before given rising employment and wage growth. Affordability remains the watchword. Private equity firms have spotted the attractive combination of this demand imbalance coupled with submarket state controlled rents in properties which are in dire need of refurbishment. Blackstone have been a high profile bidder of a controlling interest in D Carnegie and Lonestar attempted (unsuccessfully) to acquire control of Victoria Park.

London residential new build, particularly over £1,000 per ft, continues to suffer from the headwinds identified in previous reports and the fund continues not to have exposure. This Central London weakness has rippled out to other regional markets in its sphere of influence and the cost of moving has reduced transaction volumes and pricing evidence which in turn deters activity. Our residential exposure remains focused squarely on PRS (private rented sector) and BTR (build to rent) reflecting the ongoing imbalance in the rental market where demand has been fuelled, particularly in London, by the lack of affordability for owner-occupation.

Alternatives

Student accommodation remains a core overweight for the fund through our holding in Unite. According to UCAS, overall acceptances for places at university were down by 1.1% for 2018/19, with UK acceptances down by 1.9%, despite a near 3% fall in the number of UK 18-year olds. However, EU students placed has grown by 3%, with non-EU international students growing by 4%. UCAS data also shows that there are now clear divisions in the market, with acceptances to higher tariff universities growing by 1%, whilst those accepted by lower tariff institutions have fallen by 3%. Unite's portfolio is heavily skewed to the Russell Group universities (the top tier) and we keep a watchful eye on new supply with the current pipeline adding 4.3% to the overall stock. Crucially full time student numbers still outweigh purpose-built student accommodation (PBSA) by 3:1. Given the ever present affordability issues for students Unite has always focused on the cheaper cluster format (rooms which share common facilities) as opposed to the more expensive studio format.

Debt and Equity Markets

A quieter period for real estate equity capital markets with just two modestly sized IPOs in the period Eurobox and Kojamo. Eurobox, a London listed cash box externally managed by the Tritax Bigbox team intends to replicate their UK vehicle investing in large logistics properties but across Europe as opposed to the UK. They raised €300m and are busily investing the cash. The Trust did not participate as we have multiple exposures to European logistics companies. Kojamo raised €150m in a mix of primary and secondary in order to expand their residential portfolio focused on Helsinki.

There were a number of follow on raises across Europe including Workspace who raised £180m for expansion and Hemfosa who raised SEK 1.0bn ahead of the proposed splitting of the business into two vehicles, Hemfosa and Nyfosa. The largest raise was €995m by Vonovia, Europe's largest listed property company who announced that they intended to acquire control of a small residential business in Sweden, Victoria Park. We expect them to expand much further in this new market. The smallest raise was by the only Continental European listed student accommodation vehicle, Xior who raised €8m for expansion. This company remains too small for us but we monitor it closely given our positive views on this asset class.

The largest corporate transaction was the acquisition of Hispania by Blackstone, this was flagged in the full year results and completed in July returning 4.4% of the fund in cash and significantly reducing our Continental European hotel exposure. Private equity was also busy elsewhere in the sector with Kildare Partners successfully taking Technopolis, a small Finnish owner of business parks, private for €750m.

Debt markets continue to offer very attractive funding terms but most of the debt raised in the period was refinancing as opposed to increasing overall loan to value ratios. This is healthy given the maturity of the cycle. Total issuance in the debt markets by listed property companies totalled nearly £9bn in the first half. Whilst this is considerably less than the same period last year it is on a par with that raised in the first half of 2016.

Property Shares

Pan European property shares when viewed as two baskets, UK and Continental Europe, both enjoyed a strong first quarter of the financial year with returns close to 5%. However, the second quarter saw a wide divergence of performance with the UK basket giving back all of the first quarter gains and booking a negative total return of 0.5% over the six months. Continental Europe managed to hang on to its first quarter gains. We attribute the weakness in the UK to two key factors, the deterioration in the performance of retail property and the expectation (as opposed to the reality) of a decline in Central London commercial values. In fact the stability in the performance of the latter has been the major surprise of the period.

Retail names were weak across all of Europe although the UK suffered the poorest returns and there were few places to hide. Supermarket Income REIT was the only retail focused stock to have a positive return in the period and this reflects investors' desire for long dated, secure income which benefited from indexation. The worst performer was Intu which returned –22.2% from March to September as investors avoided the 'jilted bride' after Hammerson reversed its decision to acquire the company in December 2017. Hammerson also performed poorly (–12.9%) as it announced a hasty strategic review, post the Intu bid unwind, which concluded that more disposals were required. They also hired McKinsey to advise on the state of the retail sector (aren't the management team meant to be retail specialists?). On the Continent, Unibail continued its underperformance from last year as investors remained worried about its new exposure to the US and the absorption of the Westfield development programme. The stock stands at a discount to its net asset value, a valuation metric not seen in the name for over a decade. The correction has indeed been brutal. Whilst it is a large holding in the Trust we are underweight on a relative basis versus the benchmark.

The relative resilience of Central London office markets was reflected in the robustness of the London developer names, Great Portland, Workspace and Derwent London with the first two delivering positive performance in the period with Derwent a little lower at –3.8%. Meanwhile Paris , the second largest office market (by value of listed companies) saw its office focused stocks underperform even whilst the Ile de France region produced strong take up figures and supply remains tight, particularly in central Paris. The exception was Terreis, the smallest Paris focused business which only owns prime CBD buildings and the stock returned 8.5% in the first half.

The German residential sector remains the largest sub-group in our universe and was a very steady performer in the period underpinned by sound fundamentals with companies reporting close to full occupancy and rental growth. With little opportunity to acquire significant portfolios domestically the largest companies are either looking to other countries (Vonovia acquiring in Sweden and investigating opportunities in France) or other sectors with similar characteristics (Deutsche Wohnen acquired more elderly living assets).

The strongest performing region over the six months was Sweden with an astonishing collective total return of over 17%. Sweden doesn't have a REIT regime and therefore property companies tend to have higher levels of gearing, they are able to offset the associated interest cost against tax. The combination of a dovish central bank maintaining very low interest costs and a strongly performing economy resulted in elevated expectations of rental growth across all commercial property sectors but particularly Stockholm offices and logistics. The higher level of gearing then amplified these returns. Of course gearing is no panacea and we remain vigilant for signs of either an economic slowdown or the central bank turning hawkish and increasing rates faster than current expectations.

The logistics/industrial asset class was, once again, the strongest performer and this was mirrored in the listed companies. This subset of our universe is however becoming crowded and every company stands on a premium to asset value. That is of course entirely appropriate if they continue to deliver market beating returns. This is the case at the moment, but we increasingly favour those businesses with an organic development pipeline which can deliver much higher yields on cost such as Segro, Argan and VIB Vermoegen; as opposed to buying standing assets acquired from developers where the opportunity for further yield compression is becoming marginal.

Investment Activity

Turnover (purchases and sales divided by two) totalled £122.7m equating to 9.5% of the average net assets over the period. This compares to £138.8m in the same period last year and £149.3m for the previous year. Turnover has been dropping from the peak period of H1 2016 which saw significant rotation before and after the Referendum.

This period's figures include the sale of our position in Hispania (€65m, 4.4% of assets). The company was finally acquired by Blackstone in July at €18.25 per share after earlier offers of €17.45 per share were rejected. This was a good outcome for the fund and we continue to seek alternative means of exposure to the hotel sector where management can exhibit repositioning capability. The proceeds from the sale were used to reduce gearing.

The overall geographical positioning of the portfolio did not change dramatically over the six months with UK equity exposure being 33.8% of total investment exposure at the end of the period compared to 33.4% at the year end. As examined in the full year results, our exposure to the UK remains heavily weighted to alternative sectors such as student accommodation, self storage, hotels and healthcare as well as South East (ex London) offices and this remains the case. Unite, our sole student accommodation position returned 16.2% and remains a core holding having recently announced further strong earnings growth. Our Central London exposure remained subdued with the main change being a rotation from Derwent London into Workspace. However Workspace has underperformed since its latest capital raise in June but we remain confident that its model of focusing on small and medium sized tenants in the technology and creative industries will prove resilient.

The largest change in exposure in the UK was in the retail sector. The decision, in April, to close the underweight position in Hammerson was motivated by the expectation that the company was 'in play' given the proposed Intu acquisition and subsequent reversal of that decision. However, six months down the line the share price has fallen to a six year low as the Board continue to support the current management team and investors continue to have reservations.

In October, Peel Holdings together with a consortium of Canadian and Middle East investors proposed to takeover and privatise Intu. The Board are considering the indicative proposal which was at a 46% premium to the undisturbed price. It is worth reminding shareholders, even at the risk of stating the obvious, that much more real estate is owned privately than through listed structures. If the stock market is overly bearish about a listed company's prospects privatisation and delisting may become an option given the availability of cheap capital around the globe. Across Continental Europe we reduced our shopping centre exposure through further sales of Klepierre and Unibail Rodamco Westfield. The latter's price correction reflected the ongoing concerns of investors post the acquisition of the US/European developer, Westfield Group. European shopping centres was the worst performing subgroup in absolute terms in our universe and our underweight contributed strongly to performance. As discussed on many occasions, the logistics exposure is the 'flipside' of the retail coin and Argan, the small French logistics developer was a standout performer for us returning 21.7% in the period.

Sweden remained a core overweight and there were increases in exposure to the Stockholm focused development businesses, primarily Fabege which was also the largest single stock contributor to relative performance. Rents continue to rise amidst steady employment and economic growth. We closely monitor the market for any signs of oversupply.

In Germany, we added to our Berlin exposure through a London listed vehicle, Phoenix Spree Deutschland. Berlin's fundamental demand and supply imbalance and its broad affordability continues to make it a very attractive market.

Switzerland and Belgium remain our largest underweights and we reduced our Swiss exposure further, finding better opportunities elsewhere in Europe.

Revenue and Revenue Outlook

Revenue is ahead of the prior year interim stage by 5.5%. We would anticipate that this trend will continue through the second half although this can be reduced by currency movements and the timing of dividends from our investments which occur around the year end. We have a list of companies which usually pay very close to our year end and occasionally a change of a few days occurs which pushes them into the next financial year (or vice versa).

The effective tax charge in the first half is higher than for the prior year due in part to the income mix but also the impact of the limits introduced during 2017 on both interest deductibility and the use of brought forward unutilised expenses.

On the positive side our effective tax rate at the year-end will be lower than at the interim stage assisted by a further French withholding tax refund which we were given notice of during October and have now received. Most of our historic withholding tax claims have been processed and as the French companies moved into the equivalent of our REIT regime, where the majority of the taxation is suffered by the investor, there are no further significant claims to make. The success of these very old claims was always uncertain so this has been an unexpected but welcome credit to the taxation account over the last two years.

Gearing and Debt

Gearing at the end of September stood at 12.3% reduced from 14.6% at the end of March. A factor in this was the sale of Hispania in July referred to above which returned €65m of cash which was immediately used to reduce our debt. Some of the debt has now been redrawn and together with the impact of the recent correction in markets gearing was back to 14.5% at the end of October.

At the end of July the Bank of England raised the UK base rate and therefore the interest rates on our GBP denominated revolving debt facilities increased. However, the rates we are paying on most of our debt are still significantly below the average yield of the equities we invest in. It is worth noting that events which would lead to the decision to reduce or eliminate the gearing would therefore also have a negative impact on the revenue account.

Direct Property Portfolio

The physical property portfolio produced a total return of 1.6% for the 6 months comprising a capital return of –0.1% and an income return of 1.7%.

At the Colonnades, our restaurant operator Babaji, has been put into liquidation 12 months after taking the lease and while this was not completely unexpected it is disappointing. Babaji were paying £200,000 per annum on a 20-year lease so the negative valuation effect was material. The valuation gains in the rest of the portfolio offset the fall at the Colonnades to leave the capital return flat over the period. On a more positive note, planning permission has been granted for the renovation and recladding of the public house and the separation of the three bedroom flat above. The pub will be left in a shell condition, to be fitted out by a prospective tenant and the flat will be finished to a high standard and sold on a new long lease.

Elsewhere we have agreed two rent reviews in the period, in Wandsworth with Costa Coffee and in Harlow with Teva, both ahead of valuers' expectation.

At our industrial estate in Wandsworth considerable progress has been made with our proposals for the redevelopment of the estate. It remains our intention to submit an application before the end of 2018. The proposals will increase the site density and include multi-level light industrial, a new office building for flexible workspace and up to 100 residential units. The current occupational leases expire in 2019 but we are confident that existing tenants will extend their tenure if the development design and planning process requires more time.

Outlook

In the Annual Report's Outlook, written in late May, I commented that we expected divergence in performance between those real estate businesses with rental growth prospects and the rest to widen. This was indeed the case as we moved through the summer and up into September as investors focused on the likelihood of rising interest rates and therefore sought out businesses whose earnings were responding positively to economic growth (the precursor to increased rates). Not surprisingly those markets where investors expected there to be lower (or negative growth) saw dramatically reduced exposure and this included virtually all pan European retail property but also a broad swathe of UK property companies.

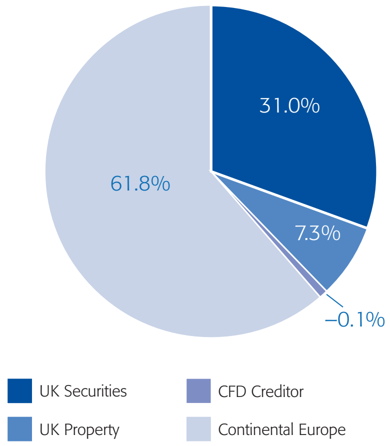
September and post the half year into October saw a dramatic change of investor sentiment. Eurozone growth eased to an annualised rate of 1.7% during the third quarter, the Italian fiscal confrontation reached unchartered territory and the UK economy continues to suffer from the collective uncertainty surrounding the Brexit negotiations. Our view is that this is likely to encourage all four central banks across Europe to ensure a highly accommodative interest rate normalisation cycle. The European economies still need to absorb the monetary tightening effects of the (well flagged) termination of QE stimulus and the end of the bond buying programme. They will not all cope equally. This recent price correction saw the better companies, those priced for growth, hit hardest. Higher yielding names benefit disproportionately if long term rates stay lower for longer even if they have little growth. If the expectation of rate rises is deferred, the sector as a whole will benefit and the cheapest names will offer value investors an opportunity. However we continue to believe that focusing on those businesses with growth prospects is a much more viable long term strategy. The US, which has clearly entered a rising rate cycle offers useful observations. In essence sectors with either structural growth potential and/or pricing power in their chosen submarket outperform in a rising rate environment. Higher yield may look cheap but any renewed inflationary pressures will not help those business models.

October also saw renewed M&A activity with the potential 'take private' of Intu by a consortium led by its largest shareholder. Private property companies away from the scrutiny of public markets, can potentially afford to utilise much higher levels of leverage compared to their listed cousins. There remains an abundance of capital (equity and debt) and as I wrote in May, target stocks are likely to be the cheaper and higher yielding names in unloved sectors. Intu may well not be the last and this would also help put a floor on the equity market's bearish valuation of listed companies.

Marcus Phayre-Mudge
Fund Manager
21 November 2018

Portfolio

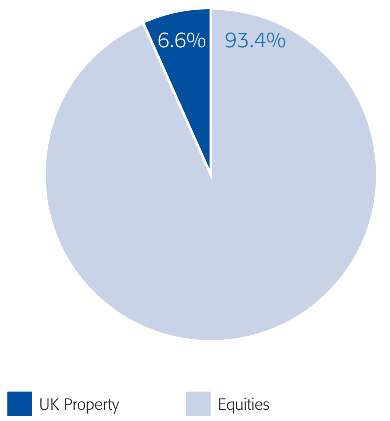
Distribution of Investments
as at 30 September 2018



Distribution of Investments
as at:

	30 Sept 2018 £'000	30 Sept 2018 %	31 Mar 2018 £'000	31 Mar 2018 %
UK Securities – quoted	**414,193**	**31.0**	402,120	30.6
UK Investment Properties	**98,326**	**7.3**	98,011	7.4
UK Total	**512,519**	**38.3**	500,131	38.0
Continental Europe Securities				
– quoted	**827,133**	**61.8**	815,915	62.0
Investments held at fair value	**1,339,652**	**100.1**	1,316,046	100.0
– CFD (creditor)/debtor[1]	**(1,743)**	**(0.1)**	495	–
Total Investment Positions	**1,337,909**	**100.0**	1,316,541	100.0

Investment Exposure
as at 30 September 2018



Investment Exposure
as at:

	30 Sept 2018 £'000	30 Sept 2018 %	31 Mar 2018 £'000	31 Mar 2018 %
UK Securities				
– quoted	**414,193**	**27.8**	402,120	27.9
– CFD exposure[2]	**89,548**	**6.0**	79,440	5.5
UK Investment Properties	**98,326**	**6.6**	98,011	6.8
UK Total	**602,067**	**40.4**	579,571	40.2
Continental Europe Securities				
– quoted	**827,133**	**55.6**	815,915	56.6
– CFD exposure[2]	**58,723**	**4.0**	46,237	3.2
Total Investment Exposure[3]	**1,487,923**	**100.0**	1,441,723	100.0

Portfolio Summary
as at:

	30 Sept 2018 £'000	31 Mar 2018 £'000	31 Mar 2017 £'000	31 Mar 2016 £'000	31 Mar 2015 £'000
Total investments	**£1,340m**	£1,316m	£1,145m	£1,099m	£1,056m
Net assets	**£1,324m**	£1,256m	£1,118m	£1,065m	£1,010m
UK quoted property shares	**31%**	31%	29%	31%	41%
UK fixed interest	**0%**	0%	0%	0%	1%
Overseas quoted property shares	**62%**	62%	63%	60%	51%
Direct property (externally valued)	**7%**	7%	8%	9%	7%

Net Currency Exposures
as at 30 September 2018

	Fund %	Benchmark %
GBP	27.0	27.0
EUR	57.9	58.1
CHF	5.5	5.4
SEK	9.0	8.9
NOK	0.6	0.6

1 Net unrealised (loss)/gain on CFD contract held as balance sheet (creditor)/debtor.
2 Gross value of CFD positions.
3 Total investments illustrating market exposure including the gross value of CFD positions.

Investment Portfolio by Country

as at 30 September 2018

	Market value £'000	%
Austria		
CA Immobilien	13,903	1.0
	13,903	**1.0**
Belgium		
Warehousing and Distribution de Pauw	15,735	1.2
Befimmo	1,909	0.1
Wereldhave	522	–
	18,166	**1.3**
France		
Unibail-Rodamco-Westfield	85,804	6.4
Foncière des Régions	30,191	2.3
Gecina	29,054	2.2
Argan	28,014	2.1
Terreis	22,059	1.6
Mercialys	8,412	0.6
Klépierre	5,061	0.4
Altarea	1,749	0.1
	210,344	**15.7**
Germany		
Vonovia	150,209	11.2
LEG	78,621	5.9
Deutsche Wohnen	76,067	5.7
VIB Vermoegen	18,361	1.4
Aroundtown	17,294	1.3
	340,552	**25.5**
Ireland		
Green REIT	21,847	1.6
	21,847	**1.6**
Netherlands		
Eurocommercial Properties	21,733	1.6
Intervest Offices & Warehouses	2,177	0.2
	23,910	**1.8**
Norway		
Entra	23,738	1.8
	23,738	**1.8**
Spain		
Merlin	16,946	1.3
Inmobiliaria Colonial	4,443	0.3
	21,389	**1.6**
Sweden		
Fabege	42,147	3.2
Kungsleden	25,549	1.9
Wihlborgs	20,264	1.5
Fastighets Balder	13,537	1.0
Castellum	10,578	0.8
Pandox	8,976	0.7
Catena	8,923	0.7
D Carnegie	3,160	0.2
	133,134	**10.0**
Switzerland		
PSP Swiss Property	20,150	1.5
	20,150	**1.5**

	Market value £'000	%
United Kingdom		
Landsec	52,606	3.9
SEGRO	43,958	3.3
Unite Group	41,045	3.1
CLS Holdings	33,668	2.5
Londonmetric Property	26,429	2.0
McKay Securities	25,345	1.9
Great Portland Estates	22,236	1.7
Workspace Group	19,183	1.4
Shaftesbury	17,170	1.3
Safestore Holdings	15,601	1.2
Supermaket Income REIT	13,820	1.0
St Modwen	11,474	0.9
Secure Income REIT	11,224	0.8
PRS REIT	11,112	0.8
Stenprop	11,068	0.8
Capital & Regional	8,392	0.6
Assura	7,790	0.6
Telford Homes	7,758	0.6
Big Yellow Group	6,763	0.5
Sirius	6,222	0.5
NewRiver	5,799	0.4
Phoenix Spree	4,120	0.3
Picton	3,107	0.2
Derwent London	2,587	0.2
Target Healthcare	2,185	0.2
Hammerson	1,684	0.1
Local Shopping REIT	822	0.1
Tritax Big Box	767	0.1
Atrato Capital	258	–
	414,193	**31.0**
Direct Property	**98,326**	**7.3**
CFD Positions (included in current liabilities)	**(1,743)**	**(0.1)**
Total Investment Positions	**1,337,909**	**100.0**

Investment Properties

as at 30 September 2018

Spread of Direct Portfolio by Capital Value (%)
as at 30 September 2018

	Office	Retail	Industrial	Residential and Ground Rents	Other	Total
West End of London	–	39.5	–	13.4	0.5	53.4
Inner London*	–	1.5	21.8	–	–	23.3
Around M25	9.5	–	–	–	–	9.5
South West	–	–	13.8	–	–	13.8
Total	**9.5**	**41.0**	**35.6**	**13.4**	**0.5**	**100.0**

*Inner London defined as inside the North and South circular

Lease Lengths within the Direct Property Portfolio
as at 30 September 2018

	Gross rental income
0 to 5 years	47%
5 to 10 yrs	11%
10 to 15 years	0%
15 to 20 yrs	41%
20+	1%
	100%

Value in excess of £10 million

The Colonnades, Bishops Bridge Road, London W2

Sector	**Mixed Use**	
Tenure	**Freehold**	
Size (sq ft)	**64,000**	
Principal tenants	**Waitrose Ltd** **Graham & Green**	**1Rebel**

The property comprises a large mixed-use block in Bayswater, constructed in the mid-1970s. The site extends to approximately 2 acres on the north east corner of the junction of Bishops Bridge Road and Porchester Road, close to Bayswater tube station and the Whiteleys Shopping Centre.

The commercial element was extended and refurbished in 2015 with a new 20 year lease being agreed with Waitrose.

Ferrier Street Industrial Estate, Wandsworth, London SW18

Sector	**Industrial**	
Tenure	**Freehold**	
Size (sq ft)	**36,000**	
Principal tenants	**Kougar Tool Hire Ltd** **Mossimans**	**Page Lacquer**

Site of just over an acre, 50 metres from Wandsworth Town railway station in an area that is predominantly residential. The estate comprises 16 small industrial units generally let to a mix of small to medium-sized private companies.

Value less than £10 million

Yodel Unit, Woodlands Park, Almondsbury, Bristol BS32

Sector	**Industrial**
Tenure	**Freehold**
Size (sq ft)	**53,000**
Principal tenants	**Yodel Delivery Network Ltd**

Located on the junction of the M4 and M5, this industrial building is let to Yodel, the parcel delivery company, on a lease expiring in 2019 at a low rent of £5 per sq ft. The building sits on a 5.75-acre site giving a low site density and a large yard offering a variety of alternative uses for the site.

Investment Properties

as at 30 September 2018 – continued

Value less than £10 million

IO Centre, Gloucester Business Park, Gloucester GL3

Sector	**Industrial**
Tenure	**Freehold**
Size (sq ft)	**63,000**
Principal tenants	**SCI-MX Investments** **Infusion GB**

The IO Centre comprises six industrial units occupied by three tenants and sits on a 4.5-acre site. Gloucester Business Park is located to the east of Junction 11A of the M5 and one mile to the east of Gloucester City Centre. The property also has easy access to the A417 providing good links to the M4 via junction 15.

Field House, Station Approach, Harlow CM20

Sector	**Offices**
Tenure	**Freehold**
Size (sq ft)	**66,000**
Principal tenants	**Teva UK Ltd**

Located next to Harlow Town railway station, the building was constructed in the late 1980s and comprises a 66,000-sq ft office building on a site of 3.5 acres. 80% of the building by ERV is let to Teva UK Ltd on leases expiring in 2023.

Group Statement of Comprehensive Income

for the half year ended 30 September 2018

	(Unaudited) Half year ended 30 September 2018			(Unaudited) Half year ended 30 September 2017			(Audited) Year ended 31 March 2018		
	Revenue Return £'000	**Capital Return £'000**	**Total £'000**	Revenue Return £'000	Capital Return £'000	Total £'000	Revenue Return £'000	Capital Return £'000	Total £'000
Income									
Investment income	**30,130**	**–**	**30,130**	26,008	–	26,008	40,267	–	40,267
Other operating income	**11**	**–**	**11**	460	–	460	495	–	495
Gross rental income	**1,789**	**–**	**1,789**	2,050	–	2,050	3,971	–	3,971
Service charge income	**928**	**–**	**928**	783	–	783	1,397	–	1,397
Gains on investments held at fair value	**–**	**66,774**	**66,774**	–	91,702	91,702	–	140,470	140,470
Net movement on foreign exchange; investments and loan notes	**–**	**1,491**	**1,491**	–	(3,512)	(3,512)	–	(2,845)	(2,845)
Net movement on foreign exchange; cash and cash equivalents	**–**	**1,320**	**1,320**	–	1,581	1,581	–	921	921
Net returns on contracts for difference	**3,038**	**(2,812)**	**226**	3,070	2,487	5,557	4,624	6,358	10,982
Total income	**35,896**	**66,773**	**102,669**	32,371	92,258	124,629	50,754	144,904	195,658
Expenses									
Management and performance fees (note 2)	**(760)**	**(4,650)**	**(5,410)**	(682)	(4,878)	(5,560)	(1,389)	(14,355)	(15,744)
Direct property expenses, rent payable and service charge costs	**(1,007)**	**–**	**(1,007)**	(1,108)	–	(1,108)	(1,947)	–	(1,947)
Other administrative expenses	**(604)**	**(275)**	**(879)**	(618)	(277)	(895)	(1,308)	(558)	(1,866)
Total operating expenses	**(2,371)**	**(4,925)**	**(7,296)**	(2,408)	(5,155)	(7,563)	(4,644)	(14,913)	(19,557)
Operating profit	**33,525**	**61,848**	**95,373**	29,963	87,103	117,066	46,110	129,991	176,101
Finance costs	**(405)**	**(1,215)**	**(1,620)**	(333)	(1,000)	(1,333)	(772)	(2,070)	(2,842)
Profit from operations before tax	**33,120**	**60,633**	**93,753**	29,630	86,103	115,733	45,338	127,921	173,259
Taxation	**(3,783)**	**1,962**	**(1,821)**	(1,786)	1,679	(107)	(3,383)	2,326	(1,057)
Total comprehensive income	**29,337**	**62,595**	**91,932**	27,844	87,782	115,626	41,955	130,247	172,202
Earnings per Ordinary share (note 3)	**9.25p**	**19.72p**	**28.97p**	8.77p	27.66p	36.43p	13.22p	41.04p	54.26p

The total column of this statement represents the Group's Statement of Comprehensive Income, prepared in accordance with IFRS. The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies. All items in the above statement derive from continuing operations.

The Group does not have any other income or expense that is not included in the above statement, therefore 'Total Comprehensive Income' is also the profit for the period.

All income is attributable to the shareholders of the parent company.

The final Ordinary dividend of 7.55p (2017: 6.40p) in respect of the year ended 31 March 2018 was declared on 31 May 2018 (2017: 25 May 2017) and was paid on 31 July 2018 (2017: 1 August 2017). This can be found in the Group Statement of Changes in Equity for the half year ended 30 September 2018.

The interim Ordinary dividend of 4.90p (2018: 4.65p) in respect of the year ended 31 March 2019 was declared on 22 November 2018 (2018: 23 November 2017) and will be paid on 2 January 2019 (2018: 2 January 2018).

Group and Company Statement of Changes in Equity

For the half year ended 30 September 2018 (Unaudited)	**Share Capital Ordinary £'000**	**Share Premium Account £'000**	**Capital Redemption Reserve £'000**	**Retained Earnings Ordinary £'000**	**Total £'000**
At 31 March 2018	**79,338**	**43,162**	**43,971**	**1,089,088**	**1,255,559**
Net profit for the half year	**–**	**–**	**–**	**91,932**	**91,932**
Dividends paid	**–**	**–**	**–**	**(23,960)**	**(23,960)**
At 30 September 2018	**79,338**	**43,162**	**43,971**	**1,157,060**	**1,323,531**

For the half year ended 30 September 2017 (Unaudited)	Share Capital Ordinary £'000	Share Premium Account £'000	Capital Redemption Reserve £'000	Retained Earnings Ordinary £'000	Total £'000
At 31 March 2017	79,338	43,162	43,971	951,953	1,118,424
Net profit for the half year	–	–	–	115,626	115,626
Dividends paid	–	–	–	(20,310)	(20,310)
At 30 September 2017	79,338	43,162	43,971	1,047,269	1,213,740

For the year ended 31 March 2018 (Audited)	Share Capital Ordinary £'000	Share Premium Account £'000	Capital Redemption Reserve £'000	Retained Earnings Ordinary £'000	Total £'000
At 31 March 2017	79,338	43,162	43,971	951,953	1,118,424
Net profit for the year	–	–	–	172,202	172,202
Dividends paid	–	–	–	(35,067)	(35,067)
At 31 March 2018	79,338	43,162	43,971	1,089,088	1,255,559

Group Balance Sheet

as at 30 September 2018

	30 September 2018 (Unaudited) £'000	30 September 2017 (Unaudited) £'000	31 March 2018 (Audited) £'000
Non-current assets			
Investments held at fair value	**1,339,652**	1,258,673	1,316,046
Deferred taxation asset	**243**	243	243
	1,339,895	1,258,916	1,316,289
Current assets			
Debtors	**41,874**	33,347	32,574
Cash and cash equivalents	**9,637**	14,427	18,114
	51,511	47,774	50,688
Current liabilities	**(8,340)**	(33,893)	(52,543)
Net current assets/(liabilities)	**43,171**	13,881	(1,855)
Total assets less current liabilities	**1,383,066**	1,272,797	1,314,434
Non-current liabilities	**(59,535)**	(59,057)	(58,875)
Net assets	**1,323,531**	1,213,740	1,255,559
Capital and reserves			
Called up share capital	**79,338**	79,338	79,338
Share premium account	**43,162**	43,162	43,162
Capital redemption reserve	**43,971**	43,971	43,971
Retained earnings (note 7)	**1,157,060**	1,047,269	1,089,088
Equity shareholders' funds	**1,323,531**	1,213,740	1,255,559
Net asset value per:			
Ordinary share	**417.06p**	382.46p	395.64p

Group Cash Flow Statement

for the half year ended 30 September 2018

	Half year ended 30 September 2018 (Unaudited) £'000	Half year ended 30 September 2017 (Unaudited) £'000	Year ended 31 March 2018 (Audited) £'000
Reconciliation of profit from operations before tax to net cash inflow from operating activities			
Profit from operations before tax	**93,753**	115,733	173,259
Finance costs	**1,620**	1,333	2,842
Gains on investments and derivatives held at fair value through profit or loss	**(63,962)**	(94,189)	(146,828)
Net movement on foreign exchange; cash and cash equivalents and loan notes	**(659)**	(292)	186
Decrease in accrued income	**1,079**	1,684	218
Increase in other debtors	**(10,419)**	(670)	(2,710)
(Decrease)/increase in other creditors	**(5,116)**	1,188	9,194
Net sales/(purchases) of investments	**51,124**	(14,793)	(19,446)
(Increase)/decrease in sales settlement debtor	**(500)**	3,970	8,288
Increase/(decrease) in purchase settlement creditor	**148**	(522)	(5,869)
Scrip dividends included in investment income	**(7,748)**	(3,977)	(4,623)
Scrip dividends included in net returns on contracts for difference	**(779)**	(150)	(297)
Net cash inflow from operating activities before interest and taxation	**58,541**	9,315	14,214
Interest paid	**(1,600)**	(1,333)	(2,774)
Taxation paid	**(1,778)**	(271)	(1,625)
Net cash inflow from operating activities	**55,163**	7,711	9,815
Financing activities			
Equity dividends paid	**(23,960)**	(20,310)	(35,067)
(Repayment)/drawdown of loans	**(41,000)**	19,000	36,000
Net cash used in financing activities	**(64,960)**	(1,310)	933
(Decrease)/increase in cash	**(9,797)**	6,401	10,748
Cash and cash equivalents at start of the period	**18,114**	6,445	6,445
Net movement on foreign exchange; cash and cash equivalents	**1,320**	1,581	921
Cash and cash equivalents at end of the period	**9,637**	14,427	18,114
Note			
Dividends received	**34,176**	29,262	42,097
Interest received	**8**	460	484

Notes to the Financial Statements

1 Basis of accounting

The accounting policies applied in these interim financial statements are consistent with those applied in the Company's most recent annual financial statements. The financial statements have been prepared on a going concern basis and in accordance with International Accounting Standard (IAS) 34 'Interim Financial Reporting'.

The financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

In accordance with IFRS10 the Company has been designated as an investment entity on the basis that:

- It obtains funds from investors and provides those investors with investment management services;
- It commits to its investors that its business purpose is to invest solely for returns from capital appreciation and investment income; and
- It measures and evaluates performance of substantially all of its investments on a fair value basis.

Each of the subsidiaries of the company was established for the sole purpose of operating or supporting the investment operations of the company (including raising additional financing), and is not itself an investment entity. IFRS 10 sets out that in the case of controlled entities that support the investment activity of the investment entity, those entities should be consolidated rather than presented as investments at fair value. Accordingly the Company has consolidated the results and financial positions of those subsidiaries.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of subsidiaries used in the preparation of the consolidated financial statements are based on consistent accounting policies. All intra-group balances and transactions, including unrealised profits arising therefrom, are eliminated. This is consistent with the presentation in previous periods.

All the subsidiaries of the Company have been consolidated in these financial statements.

IFRS 9 – Financial Instruments and IFRS 15 – Revenue from Contracts with Customers, which were both effective from 1 January 2018, have been applied in the preparation of the interim financial statements. The application of these standards has not had any material impact on the interim financial statements.

2 Management fees

	(Unaudited) Half year ended 30 September 2018			(Unaudited) Half year ended 30 September 2017			(Audited) Year ended 31 March 2018		
	Revenue Return £'000	**Capital Return £'000**	**Total £'000**	Revenue Return £'000	Capital Return £'000	Total £'000	Revenue Return £'000	Capital Return £'000	Total £'000
Management fee	**760**	**2,281**	**3,041**	682	2,045	2,727	1,389	4,167	5,556
Performance fee	**–**	**2,369**	**2,369**	–	2,833	2,833	–	10,188	10,188
	760	**4,650**	**5,410**	682	4,878	5,560	1,389	14,355	15,744

A provision has been made for a performance fee based on the net assets at 30 September 2018. No payment is due until the full year performance fee is calculated at 31 March 2019.

3 Earnings per share

The earnings per Ordinary share can be analysed between revenue and capital, as below.

	Half year ended 30 September 2018 (Unaudited) £'000	Half year ended 30 September 2017 (Unaudited) £'000	Year ended 31 March 2018 (Audited) £'000
Net revenue profit	**29,337**	27,844	41,955
Net capital profit	**62,595**	87,782	130,247
Net total profit	**91,932**	115,626	172,202
Weighted average number of Ordinary shares in issue during the period	**317,350,980**	317,350,980	317,350,980

	pence	pence	pence
Revenue earnings per Ordinary share	**9.25**	8.77	13.22
Capital earnings per Ordinary share	**19.72**	27.66	41.04
Earnings per Ordinary share	**28.97**	36.43	54.26

4 Changes in share capital

During the half year and since 30 September 2018 no Ordinary shares have been purchased and cancelled.

As at 30 September 2018 there were 317,350,980 Ordinary shares (30 September 2017: 317,350,980; 31 March 2018: 317,350,980 Ordinary shares) of 25p in issue.

5 Going concern

The directors believe that it is appropriate to adopt the going concern basis in preparing the financial statements. The assets of the Company consist mainly of securities that are readily realisable and, accordingly, the Company has adequate financial resources to meet its liabilities as and when they fall due and continue in operational existence for the foreseeable future.

Notes to the Financial Statements

continued

6 Fair value of financial assets and financial liabilities

Financial assets and financial liabilities are carried in the Balance Sheet either at their fair value (investments) or the balance sheet amount is a reasonable approximation of fair value (due from brokers, dividends and interest receivable, due to brokers, accruals and cash at bank).

Fair value hierarchy disclosures

The table below sets out fair value measurements using IFRS 13 fair value hierarchy.

Financial assets/(liabilities) at fair value through profit or loss

At 30 September 2018	**Level 1 £'000**	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Equity investments	**1,241,068**	**–**	**258**	**1,241,326**
Investment properties	**–**	**–**	**98,326**	**98,326**
Contracts for difference	**–**	**(1,743)**	**–**	**(1,743)**
Foreign exchange forward contracts	**–**	**(781)**	**–**	**(781)**
	1,241,068	**(2,524)**	**98,584**	**1,337,128**

At 30 September 2017	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Equity investments	1,159,180	–	2	1,159,182
Investment properties	–	–	99,491	99,491
Contracts for difference	–	1,369	–	1,369
Foreign exchange forward contracts	–	(303)	–	(303)
	1,159,180	1,066	99,493	1,259,739

At 31 March 2018	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Equity investments	1,217,882	–	153	1,218,035
Investment properties	–	–	98,011	98,011
Contracts for difference	–	495	–	495
Foreign exchange forward contracts	–	644	–	644
	1,217,882	1,139	98,164	1,317,185

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 – valued using quoted prices in an active market for identical assets.

Level 2 – valued by reference to valuation techniques using observable inputs other than quoted prices within level 1.

Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data.

Contracts for Difference are synthetic equities and are valued by reference to the investments' underlying market values.

Valuations of Investment Properties – Level 3

The Group carries its investment properties at fair value in accordance with IFRS 13, revalued twice a year, with changes in fair values being recognised in the Group Statement of Comprehensive Income. The Group engaged Knight Frank LLP as independent valuation specialists to determine fair value as at 30 September 2018.

Determination of the fair value of investment properties has been prepared on the basis defined by the RICS Valuation Professional Standards, Global & UK Edition, January 2014 (The Red Book) as follows:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

The valuation takes into account future cash flow from assets (such as lettings, tenants' profiles, future revenue streams, capital values of fixtures and fittings, plant and machinery, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. These assumptions are based on local market conditions existing at the balance sheet date.

In arriving at their estimates of fair values as at 30 September 2018, the valuers have used their market knowledge and professional judgement and have not only relied solely on historical transactional comparables.

Reconciliation of movements in Financial assets categorised as level 3

At 30 September 2018	31 March 2018 £'000	Purchases £'000	Sales £'000	Appreciation/ (Depreciation) £'000	**30 September 2018 £'000**
Unlisted equity investments	153	–	–	105	**258**
Investment properties					
– Mixed use	53,380	98	–	(1,166)	**52,312**
– Industrial	35,807	169	–	802	**36,778**
– Offices	8,824	15	–	397	**9,236**
	98,011	282	–	33	**98,326**
	98,164	282	–	138	**98,584**

Transfers between hierarchy levels

There were no transfers between any levels during the period.

Sensitivity information

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy of investment properties are:

- Estimated rental value: £5 – £50 per sq ft
- Capitalisation rates: 3.20% – 9.00%

Significant increases (decreases) in estimated rental value and rent growth in isolation would result in a significantly higher (lower) fair value measurement. A significant increase (decrease) in capitalisation rates in isolation would result in a significantly lower (higher) fair value measurement.

Gains on Investments held at fair value

	Half year ended 30 September 2018 (Unaudited) £'000	Half year ended 30 September 2017 (Unaudited) £'000	Year ended 31 March 2018 (Audited) £'000
Gains on sale of investments	**37,253**	30,516	77,647
Movement in investment holding gains	**29,521**	61,186	62,823
Gains on investments held at fair value	**66,774**	91,702	140,470

Loan Notes

On the 10th February 2016, the Company issued 1.92% Unsecured Euro 50,000,000 Loan Notes and 3.59% Unsecured GBP 15,000,000 Loan Notes which are due to be redeemed at par on the 10th February 2026 and 10th February 2031 respectively.

The fair value of the 1.92% Euro Loan Notes at 30 September 2018 was £44,663,000 (30 September 2017: £44,195,000) and (31 March 2018: £44,003,000).

The fair value of the 3.59% GBP Loan Notes at 30 September 2018 was £15,154,000 (30 September 2017: £15,309,000) and (31 March 2018: £15,271,000).

Using the IFRS 13 fair value hierarchy the Loan Notes are deemed to be categorised within Level 2.

The loan notes agreement requires compliance with a set of financial covenants, including:

- Total Borrowings shall not exceed 33% of Adjusted Net Asset Value;
- the Adjusted Total Assets shall at all times be equivalent to a minimum of 300% of Total Borrowings; and
- the Adjusted NAV shall not be less than £260,000,000.

The Company and Group complied with the terms of the loan notes agreement throughout the year.

Multi-currency revolving loan facilities

The Group also has unsecured, multi-currency, revolving short-term loan facilities totalling £65,000,000 (30 September 2017: £70,000,000) and (31 March 2018: £65,000,000). At 30 September 2018, £nil was drawn on these facilities (30 September 2017: £24,000,000) and (31 March 2018: £41,000,000). The fair value is considered to approximate the carrying value and the interest is paid at a margin over LIBOR.

7 Retained earnings

	30 September 2018 (Unaudited) £'000	30 September 2017 (Unaudited) £'000	31 March 2018 (Audited) £'000
Investment holding gains	**432,057**	397,638	404,279
Realised capital reserves	**656,208**	585,567	621,391
	1,088,265	983,205	1,025,670
Revenue reserve	**68,795**	64,064	63,418
	1,157,060	1,047,269	1,089,088

8 Related party transactions

There have been no material related party transactions during the period and no changes to related parties.

During the period Thames River Capital charged management fees as detailed in Note 2.

The remuneration of the directors has been determined in accordance with rates outlined in the Directors' Remuneration Report in the Annual Financial Statements.

9 Comparative information

The financial information contained in this Half-Yearly Financial Report does not constitute statutory accounts as defined in section 435(1) of the Companies Act 2006. The financial information for the half year periods ended 30 September 2018 and 30 September 2017 has not been audited or reviewed by the Group auditors. The figures and financial information for the year ended 31 March 2018 are an extract from the latest published accounts and do not constitute statutory accounts for that year. Those accounts have been delivered to the Registrar of Companies and include the report of the auditors, which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

Directors and Other Information

Directors

H Seaborn (Chairman)
T Gillbanks
S Marrison
S Procter
D Watson

Registered Office

3rd Floor
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Registered Number

Registered as an investment company in England and Wales No. 84492

AIFM

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Portfolio Manager

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Telephone: 020 7011 4100

Fund Manager

M A Phayre-Mudge MRICS

Finance Manager and Investor Relations

J L Elliott ACA

Deputy Fund Manager

A Lhonneur

Direct Property Manager

G P Gay MRICS

aic
The Association of Investment Companies

Secretary

Link Company Matters Limited
6th Floor, 65 Gresham Street,
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Registrar

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Telephone: 0370 707 1363

Registered Auditor

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Stifel Nicolaus Europe Limited
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London NW1 6AA

Tax Advisers

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Central Square South
Orchard Street
Newcastle upon Tyne NE1 3AZ

Website

www.trproperty.com

General Shareholder Information

Release of Results

The half year results are announced in late November. The full year results are announced in early June.

Annual General Meeting

The AGM is held in London in July.

Dividend Payment Dates

Dividends are usually paid on the Ordinary shares as follows:
 Interim: early January
 Final: August

Dividend Payments

Dividends can be paid to shareholders by means of BACS (Bankers' Automated Clearing Services); mandate forms for this purpose are available from the Registrar. Alternatively, shareholders can write to the Registrar (the address is given on page 25 of this report) to give their instructions; these must include the bank account number, the bank account title and the sort code of the bank to which payments are to be made.

Dividend Re-investment Plan ("DRIP")

TR Property Investment Trust plc now offers shareholders the opportunity to purchase further shares in the company through the DRIP. DRIP forms may be obtained from Computershare Investor Services PLC through their secure website www.investorcentre.co.uk, or by phoning 0370 707 1694. Charges do apply; dealing commission of 0.75% (subject to a minimum of £2.50). Government stamp duty of 0.5% also applies.

Share Price Listings

The market prices of the Company's shares are published daily in The Financial Times. Some of the information is published in other leading newspapers. The Financial Times also shows figures for the estimated Net Asset Values and the discounts applicable.

Share Price Information

ISIN GB0009064097
SEDOL 0906409
Bloomberg TRY LN
Reuters TRY.L
Datastream TRY

Benchmark

Details of the benchmark is given on the inside front cover of this Interim Report. The benchmark index is published daily and can be found on Bloomberg;

FTSE EPRA/NAREIT Developed Europe Capped Net Total Return Index in sterling
Bloomberg: TR0RAG Index

Internet

Details of the market price and Net Asset Value of the Ordinary shares can be found on the Company's website at www.trproperty.com.

Shareholders who hold their shares in certificated form can check their holdings with the Registrar, Computershare Investor Services PLC, via www.computershare.com. Please note that to gain access to your details on the Computershare site you will need the holder reference number stated on the top left hand corner of your share certificate.

Disability Act

Copies of this Report and Accounts and other documents issued by the Company are available from the Company Secretary. If needed, copies can be made available in a variety of formats, including Braille, audio tape or larger type as appropriate.

You can contact the Registrar, Computershare Investor Services PLC, which has installed textphones to allow speech and hearing impaired people who have their own textphone to contact them directly, without the need for an intermediate operator, by dialling 0370 702 0005. Specially trained operators are available during normal business hours to answer queries via this service.

Alternatively, if you prefer to go through a 'typetalk' operator (provided by the Royal National Institute for Deaf People) you should dial 18001 followed by the number you wish to dial.

General Shareholder Information

continued

Nominee Share Code

Where notification has been provided in advance, the Company will arrange for copies of shareholder communications to be provided to the operators of nominee accounts. Nominee investors may attend general meetings and speak at meetings when invited to do so by the Chairman.

CGT Base Cost

Taxation of capital gains for shareholders who formerly held Sigma shares

Upon a disposal of all or part of a shareholder's holding of Ordinary shares, the impact on the shareholder's capital gains tax base cost of the conversion to Sigma shares in 2007 and the redesignation to Ordinary shares in 2012 should be considered.

In respect of the conversion to Sigma in 2007, agreement was reached with HM Revenue & Customs ("HMRC") to base the apportionment of the capital gains tax base cost on the proportion of Ordinary shares that were converted by a shareholder into Sigma shares on 25 July 2007.

Therefore, if an Ordinary shareholder converted 20% of their existing Ordinary shares into Sigma shares on 25 July 2007, the capital gains tax base cost of the new Sigma shares acquired would be equal to 20% of the original capital gains tax base cost of the Ordinary shares that they held pre-conversion. The base cost of their remaining holding of Ordinary shares would then be 80% of the original capital gains tax base cost of their Ordinary shares held pre-conversion.

As part of the re-designation of the Sigma shares into Ordinary shares in December 2012, a further agreement was reached with HMRC that a shareholders capital gains tax base cost in their new Ordinary shares should be equivalent to their capital gains base cost in the pre-existing Sigma shares (i.e. their capital gains base cost under the existing agreement if applicable).

If in doubt as to the consequences of this agreement with HMRC, shareholders should consult with their own professional advisors.

Investing in TR Property Investment Trust plc

Market Purchases

The shares of TR Property Investment Trust plc are listed and traded on the London Stock Exchange. Investors may purchase shares through their stockbroker, bank or other financial intermediary.

Holding shares in Certificated Form

Investors may hold their investment in certificated form. Our registrars, Computershare operate a dealing service which enables investors to buy and sell shares quickly and easily online without a broker or the need to open a trading account. Alternatively the Investor Centre allows investors to manage portfolios quickly and securely, update details and view balances without annual charges. Further details are available by contacting Computershare on 0370 702 0000 or visit www.computershare.com.

TR Property Investment Trust plc now offers shareholders the opportunity to purchase further shares in the company through the Dividend Re-investment Plan ("DRIP") through the registrar, Computershare. Shareholders can obtain further information on the DRIP through their secure website www.investorcentre.co.uk, or by phoning 0370 707 1694. Charges do apply. Please note that to gain access to your details or register for the DRIP on the Computershare site you will need the holder reference number stated on the top left hand corner of your share certificate.

Saving Schemes, ISAs and other plans

A number of banks and wealth management organisations provide Savings Schemes and ISAs through which UK clients can invest in TR Property Investment Trust plc.

ISA and savings scheme providers do charge dealing and other fees for operating the accounts, and investors should read the Terms and Conditions provided by these companies and ensure that the charges best suit their planned investment profile. Most schemes carry annual charges but these vary between provider and product. Where dealing charges apply, in some cases these are applied as a percentage of funds invested and others as a flat charge. The optimum way to hold the shares will be different for each investor depending upon the frequency and size of investments to be made.

Details are given below of two providers offering shares in TR Property Investment Trust, but there are many other options.

Alliance Trust Savings

Alliance Trust provide and administer a range of self-select investment plans, including tax-advantaged ISAs and SIPPs (Self-Invested Personal Pension) and also Investment Plans and First Steps, an Investment Plan for Children. For more information Alliance Trust can be contacted on 01382 573 737, or visit www.alliancetrustsavings.co.uk.

Investors in TR Property through the ATS Investment Plan and ISA receive all shareholder communications. A voting instruction form is provided to facilitate voting at general meetings of the Company.

F&C Asset Management Limited ("F&C")

F&C offer a number of Private Investor Plans, Investment Trust and Junior ISAs and Children's Investment Plans. Investments can be made as lump sums or through regular savings. For more information see inside the back cover. F&C can be contacted on 0800 136 420, or visit www.fandc.co.uk.

Please remember that the value of your investments and any income from them may go down as well as up. Past performance is not a guide to future performance. You may not get back the amount that you invest. If you are in any doubt as to the suitability of a plan or any investment available within a plan, please take professional advice.

Saving Schemes and ISAs transferred from BNP Paribas

In 2012 BNP Paribas informed us that they were closing down the part of their business which operated savings schemes and ISAs. Investors were given the choice of transferring their schemes to Alliance Trust Savings ("ATS") or a provider of their own choice or to close their accounts and sell the holdings.

For investors who elected to transfer their plans to ATS, any questions regarding their account should be directed to ATS on 01382 573 737.

How to Invest

One of the most convenient ways to invest in TR Property Investment Trust plc is through one of the savings plans run by F&C Investments.

F&C Investment Trust ISA

You can use your ISA allowance to make an annual tax-efficient investment of up to £20,000 for the 2018/19 tax year with a lump sum from £500 or regular savings from £50 a month per Trust. You can also transfer any existing ISAs to us whilst maintaining the tax benefits

F&C Junior ISA (JISA)*

You can invest up to £4,128 for the tax year 2018/19 from £500 lump sum or £30 a month per Trust, or a combination of both. Please note, if your child already has a Child Trust Fund (CTF), then you cannot open a separate JISA, however you can transfer the existing CTF (held either with F&C or another provider) to an F&C JISA

F&C Child Trust Fund (CTF)*

If your child has a CTF you can invest up to £4,128 for the 2018/19 tax year, from £100 lump sum or £25 a month per Trust, or a combination of both. You can also transfer a CTF from another provider to an F&C CTF. Please note, the CTF has been replaced by the JISA and is only available to investors who already hold a CTF.

F&C Private Investor Plan (PIP)

This is a flexible way to invest in our range of Investment Trusts. There are no maximum contributions, and investments can be made from £500 lump sum or £50 a month per Trust. You can also make additional lump sum top-ups at any time from £250 per Trust.

F&C Children's Investment Plan (CIP)

This is a flexible way to save for a child in our range of Investment Trusts. There are no maximum contributions, and the plan can easily be set up under bare trust (where the child is noted as the beneficial owner) or kept in your name if you wish to retain control over the investment. Investments can be made from a £250 lump sum or £25 a month per Trust. You can also make additional lump sum top-ups at any time from £100 per Trust.

*The CTF and JISA accounts are opened in the child's name and they have access to the money at age 18. **Calls may be recorded or monitored for training and quality purposes.

Charges

Annual management charges and other charges apply according to the type of plan.

Annual account charge

ISA: £60+VAT
PIP: £40+VAT
JISA/CIP/CTF: £25+VAT
You can pay the annual charge from your account, or by direct debit (in addition to any annual subscription limits)

Dealing charges

ISA: 0.2%
PIP/CIP/JISA: postal instructions £12, online instructions £8 per Trust.

Dealing charges apply when shares are bought or sold but not on the reinvestment of dividends or the investment of monthly direct debits for the PIP, CIP and JISA.

There are no dealing charges on a CTF but a switching charge of £25 applies if more than two switches are carried out in one year.

Government stamp duty of 0.5% also applies on the purchase of shares (where applicable).

There may be additional charges made if you transfer a plan to another provider or transfer the shares from your plan.

For full details of our savings plans and charges, please read the Key Features and Terms and Conditions of the plan – available on our website **fandc.co.uk**.

How to Invest

To open a new F&C savings plan, apply online at **fandc.com/apply**

Note, this is not available if you are transferring an existing plan with another provider to F&C, or if you are applying for a new plan in more than one name.

New Customers

Call: **0800 136 420**** (8.30 am – 5.30 pm, weekdays)
Email: **info@fandc.com**

Existing Plan Holders

Call: **0345 600 3030**** (9.00 am – 5.00 pm, weekdays)
Email: **investor.enquiries@fandc.com**
By post: F&C Plan Administration Centre
PO Box 11114
Chelmsford
CM99 2DG

You can also invest in the trust through online dealing platforms for private investors that offer share dealing and ISAs. Companies include: **Alliance Trust Savings, Barclays Stockbrokers, Halifax, Hargreaves Lansdown, HSBC, Interactive Investor, Lloyds Bank, Selftrade, TD Direct Investing, The Share Centre**

The value of investments can go down as well as up and you may not get back your original investment. Tax benefits depend on your individual circumstances and tax allowances and rules may change. Please read our Key Features Document before you invest and this can be found on our website fandc.co.uk. F&C cannot give advice on the suitability of investing in our investment trust or savings plans. If you have any doubt as to the suitability of an investment, please contact a professional financial adviser.

BMO | A part of BMO Financial Group

F&C Management Limited

TR Property Investment Trust plc is managed by

Thames River

F&C Investments CLIENTS FIRST

RESPECT ACCOUNTABILITY INNOVATION

BMO | A part of BMO Financial Group

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