



Interim Report and Condensed Financial Statements

**Standard Life Investments
Property Income Trust Limited
1 January 2011 to 30 June 2011**

Standard Life
Investments

Standard Life Investments Property Income Trust Limited

30 June 2011

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Standard Life Investments Property Income Trust Limited

Objective, Investment Policy & Financial Highlights

Objective

To provide shareholders with an attractive level of income together with the prospect of income and capital growth.

Investment Policy

The Directors intend to achieve the investment objective by investing in a diversified portfolio consisting of UK commercial properties. The majority of the portfolio will be invested in direct holdings within the three main sectors of Retail, Office, and Industrial, although it may also invest in “other” commercial property such as hotels, nursing homes and student housing. Limited development and investment in co-investment vehicles is permitted (maximum 10% of the portfolio).

In order to manage risk in the Company, without compromising flexibility, the Directors will apply the following restrictions to the portfolio in normal market conditions:

- No property will be greater by value than 15% of total assets.
- No tenant (excluding Government) shall be responsible for more than 20% of the Company's rent roll.
- The Board targets a loan to value (“LTV”) ratio (calculated as borrowings less all cash as a proportion of property portfolio valuation) of between 35% and 45%. Borrowings as a percentage of gross assets may not exceed 65%.

An analysis of how the portfolio was invested as at 30 June 2011 is contained within the Investment Manager's Report.

Financial Highlights

- Dividend of 2.2p paid in respect of the six months to 30 June 2011
- Dividend yield of 6.7% based on 30 June share price
- Net Asset Value per share decreased by 1.25% to 62.2p
- One property purchased during the period for £8.4m (excluding purchase costs)
- One property sold during the period for £2.2m (excluding selling costs)

Standard Life Investments Property Income Trust Limited

Financial Summary

	30 Jun 2011	31 Dec 2010	% Change
Net Asset Value per share ¹	63.3p	64.1p	-1.25%
Published adjusted Net Asset Value per share ²	62.2p	63.0p	-1.25%
Share Price	66.0p	64.75p	1.9%
Value of total assets	£178.0m	£177.4m	0.3%
Loan to value ³	42.7%	40.8%	-
Cash balance	£15.8m	£21.2m	-
Dividends per share ⁴	2.20p	4.55p	-
	Period ended 30 Jun 2011	Year ended 31 Dec 2010	
Property income return	3.9%	7.1%	
IPD property income monthly index ⁵	3.4%	6.4%	
Property total return (property only)	2.8%	16.4%	
Property total return (property and cash only)	2.5%	13.7%	
IPD property total return monthly index ⁵	4.4%	13.3%	
<p>¹ Calculated under International Financial Reporting Standards.</p> <p>² Calculated under International Financial Reporting Standards, adjusted to include the dividend of 1.1p per share in respect of the quarter ending 30 June 2011.</p> <p>³ Calculated as bank borrowings less full cash balance as a percentage of the open market value of the property portfolio as at 30 June 2011.</p> <p>⁴ Dividends paid during the 6 months to 30 June 2011 (paid during 12 months ended 31 December 2010).</p> <p>⁵ source: IPD</p>			

Standard Life Investments Property Income Trust Limited

Directors' Responsibility Statement

Principal Risks and Risk Uncertainties

The Company's assets consist of direct investments in UK commercial property. Its principal risks are therefore related to the commercial property market in general, but also the particular circumstances of the properties in which it is invested and their tenants. The Directors with the Investment Manager also seek to mitigate these risks through continual review of the portfolio, active asset management initiatives, and carrying out due diligence work on potential tenants before entering into new lease agreements. All of the properties in the portfolio are insured. Other risks faced by the Company include economic, strategic, regulatory, financial and operational. The Board seeks to mitigate and manage these risks through continual review, policy setting and enforcement of contractual obligations. It also regularly monitors the investment environment and the management of the Company's property portfolio. More detailed explanations of these risks and the way in which they are managed are provided in the 2010 Annual Report.

These principal risks and uncertainties have not changed from those disclosed in the 2010 Annual Report.

Directors' Responsibility Statement

The Directors are responsible for preparing the Interim Management Report in accordance with applicable law and regulations. The Directors confirm that to the best of their knowledge:

- The condensed set of Financial Statements have been prepared in accordance with IAS 34; and
- The Interim Management Report includes a fair review of the information required by 4.2.7R and 4.2.8R of the Financial Services Authority's Disclosure and Transparency Rules.
- In accordance with 4.2.9R of the Financial Services Authority's Disclosure and Transparency Rules, it is confirmed that this publication has not been audited, or reviewed by the Company's auditors.

The Interim Report, for the six months ended 30 June 2011, comprises an Interim Management Report in the form of the Chairman's Statement, the Investment Manager's Report, the Directors' Responsibility Statement and a condensed set of Unaudited Consolidated Financial Statements.

For and on behalf of the Directors of Standard Life Investments Property Income Trust Limited

Paul Orchard-Lisle CBE
Chairman
25 August 2011

Standard Life Investments Property Income Trust Limited

Chairman's Statement



Paul Orchard-Lisle
Chairman

As a prelude to my first report as Chairman of your Company, I wish to pay tribute to my predecessor, David Moore. He guided the Board and the Trust with skill and panache throughout its first years and we all have good reason to be grateful to him.

The performance of the Company is set out in detail, both below and in the Investment Manager's report. It should be read in the context of an economy that is seeking to live with excesses of the past while at the same time laying the foundations for future growth. The immediate consequence for the property market is to seek to protect income streams by investing in real estate that is let to companies of genuine substance. However in portfolios that have been assembled over some years, it is inevitable that there will be tenants whose business is struggling to survive. Where this is the case in our portfolio, we are trying to work with tenants to find mutually worthwhile solutions. I am encouraged by the relatively low level of bad debts and voids in the portfolio.

The state of the UK economy does not imply that funds such as ours need to be lacklustre. There is money to be made by active portfolio and asset management. It can enhance short term results and also support longer term growth. Apart therefore from seeking investments that meet our criteria and disposing of others that no longer have a place in the portfolio, our Manager will work on identified improvements to a number of properties. It will be a busy last six months of the year.

Portfolio and Performance

In the six months to 30th June 2011, the property portfolio generated a property income return of 3.9% compared with 3.4% for the IPD monthly index. The property only total return was 2.8%, compared with the IPD monthly index of 4.4%. Including cash, the total return was 2.5%.

The published net asset value decreased over the period from 63.0p per share to 62.2p per share, reflecting a reduction in the valuation of the commercial property. This can mainly be attributed to the failure of one of the tenants, Focus. The movements in the valuation of the interest rate swap and in other reserves made a positive contribution.

	Pence per share	% of opening net asset value
Published NAV as at 31 December 2010	63.0	100.0
Decrease in valuation of property portfolio (including effect of gearing)	(1.4)	(2.3)
Decrease in interest rate SWAP liability	0.5	0.8
Other reserve movements	0.1	0.2
Published NAV as at 30 June 2011	62.2	98.7

The net asset value is calculated under International Financial Reporting Standards ("IFRS") and includes a provision for the payment of the second interim dividend of 1.1p per ordinary share for the quarter to 30 June 2011.

Standard Life Investments Property Income Trust Limited

Chairman's Statement (continued)

Dividends

On 27th February 2011 a dividend of 1.1p per share was paid to shareholders, and a further dividend of 1.1p per share will be paid on 26th August 2011 to those on the share register at 6th July 2011 (i.e. prior to the allotment of new ordinary shares on 21st July 2011). The Board intends to increase the quarterly dividend by 3% to 1.133p per quarter with effect from the quarter ending 30 September 2011.

EGM on 29th June 2011

On 31st May 2011, the Board announced proposals to convert the redeemable zero dividend preference shares into ordinary shares and to raise new funds through a placing and open offer. At the EGM on 29th June 2011, shareholders approved the proposals. A total of 21,231,747 new ordinary shares were issued as a result of the conversion of preference shares and fund raising, increasing the ordinary share capital by approximately £13.5m or 18.4% of the issued share capital. The Company now has 136,631,746 ordinary shares in issue.

The simplification of the capital structure that flows from the EGM will enable the Board to make prudent long term plans for future financing needs, not least of all in light of the bank facility that matures in December 2013. I will report further on this topic as we make progress.

Portfolio Activity

The Investment Manager's report provides greater detail, but the highlights of the last six months were the purchase of an office building in Staines for £8.4m at an initial yield of 9.2% and the sale of a small industrial estate in Leeds for £2.2m. Subsequent to the period end, a further purchase has been completed of an office building in Southampton for £6.1m at an initial yield of 7.9%.

Outlook

While the Company depends materially on the overall performance of the UK economy, the portfolio offers significant opportunities to release additional income and capital value. As circumstances permit, we will maximise performance in these areas while seeking to ensure that the Company is fully invested. We intend to continue a policy of a fully covered dividend.

Paul Orchard-Lisle CBE

Chairman

25 August 2011

Standard Life Investments Property Income Trust Limited

Investment Manager's Report



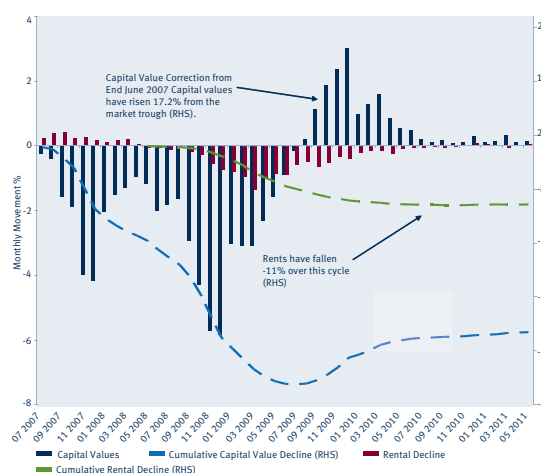
Jason Baggaley
Fund Manager

UK Commercial Real Estate Market

The first six months of 2011 have seen steady, but very small, increases in capital values, with the IPD Monthly index showing capital growth over the period of 1%. The slight capital gain has masked an underlying trend of decline in the value of poorer quality secondary stock whilst prime assets and central London drives capital growth. Rental growth has remained negative in most of the UK across all sectors, with only central London offices showing strong growth in rents. The chart below shows the monthly movements in capital values through the last cycle. Although capital values have increased every month since July 2009, the rate of recovery is very slow, as one would expect in a generally weak economic environment.

In an environment of low capital growth, it is the income return from real estate that will drive total returns. For the six months to end June 2011 the UK IPD Monthly index recorded an

Capital Value Correction from End June 2007



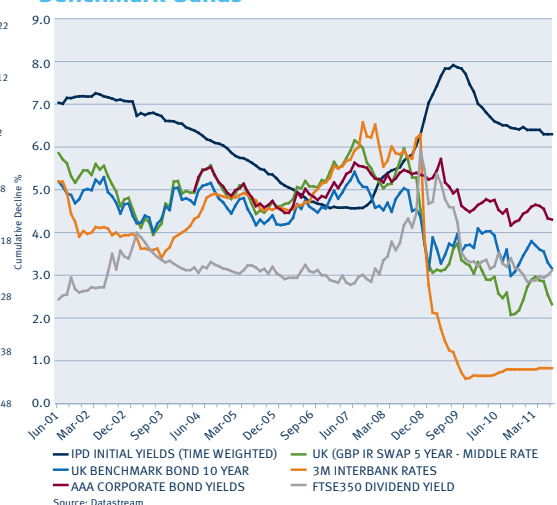
income return of 3.4%, giving a total return over the period of 4.4%.

As well as a widening gulf between prime and secondary there is a clear focus of investment being concentrated on Central London and well let "annuity" style income such as supermarkets, with a clear North / South divide.

UK commercial real estate has remained fairly priced over the period, with the chart below demonstrating fair value against gilts and 5 year swaps. The income component of real estate returns also looks attractive compared to the FTSE 350 index dividend yield.

The listed real estate sector has outperformed the wider market over the period with a total return of 14% versus the FTSE 350 index which recorded 1% over this time frame.

Real Estate Initial Yields V 5 Year Swaps & Benchmark Bands



Standard Life Investments Property Income Trust Limited

Investment Manager's Report (continued)

The polarisation of investment activity is beginning to give rise to opportunities as one can invest into markets that many investors are ignoring, and acquire very good assets at historically high yields. This "good secondary" market is likely to see increased interest as investors find it harder to invest into central London and begin to look for more yield.

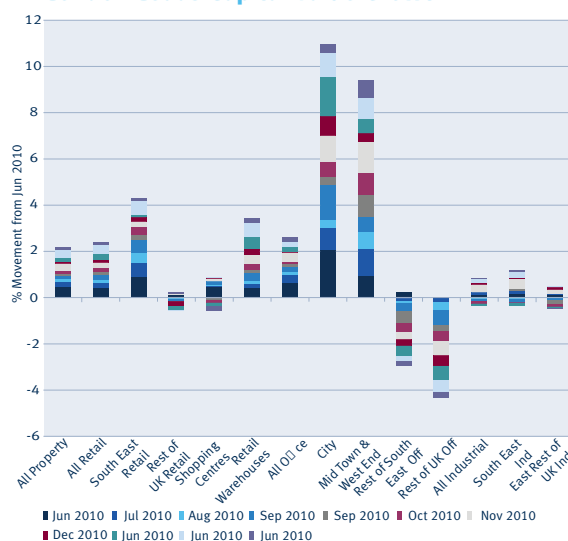
Portfolio Valuation

The portfolio is valued by Jones Lang La Salle every quarter. As at the 30 June 2011 the real estate portfolio was valued at £160.6m with cash of £15.8m (excluding rent deposits). This compares to £155.0m and £21.2m of cash at the 31 December 2010. During the six months to the 30 June one property was bought for £8.4m, and one sold for £2.2m. Since the quarter end a further office investment has been purchased for £6.1m, a yield of 7.9%.

Portfolio Performance

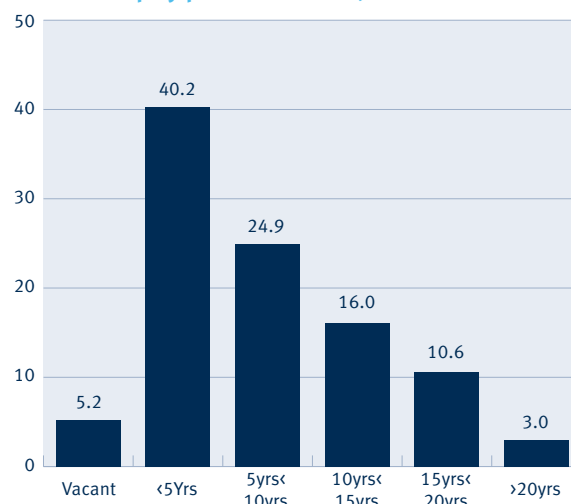
The real estate portfolio has had a total return of 2.8% over the period, with the IPD monthly index showing a return of 4.4%. The two main reasons for the under performance over the period were the failure of one of the tenants, Focus, and the impact of purchase costs on Staines. Over three years the Company's properties have returned 1.3% pa compared to the IPD monthly index return of 0.2%.

London Leads Capital Value Growth



Portfolio Characteristics

Lease expiry profile as at 30 June 2010



Source: Standard Life Investments

SLIPIT Relative Sector Weights v IPD Monthly

IPD Sectors	Value	%	IPD%	Relative
South East Std Retail	£9,900,000	6.16	6.50	-0.34
Rest of UK Std Retail	£-	0.00	8.90	-8.90
Shopping Centres	£-	0.00	6.40	-6.40
Retail Warehouses	£28,775,000	17.92	24.80	-6.88
Central London Offices	£26,100,000	16.25	15.00	1.25
South East Offices	£16,000,000	9.96	10.10	-0.14
Rest of UK Offices	£29,440,000	18.33	6.00	12.33
South East Industrial	£7,450,000	4.64	9.50	-4.86
Rest of UK Industrial	£39,540,000	24.62	7.90	16.72
Other	£3,400,000	2.12	4.90	-2.78
Total	£160,605,000	100.00	100.00	0.00

Source: Standard Life Investments

Investment Activity

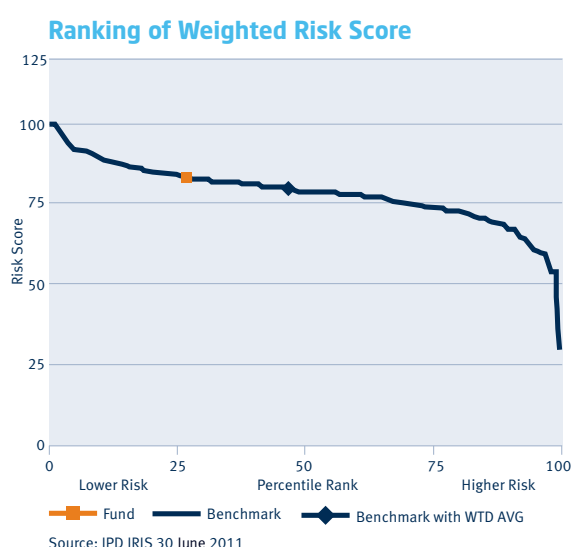
Purchases: The Company completed one purchase in the first half, an office building in Staines for £8.4m, 9.2%, as reported in the year end accounts. It was also under offer on an office in Southampton for a price of £6.1m, 7.9%, with completion having taken place just after the reporting period end, in July 2011.

Sales: The Company completed the sale of a small multi let industrial estate in Normanton, Leeds for £2.2m. The property was let on several short term leases to fairly weak covenants and the sale has reduced the risk of future default or voids.

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Investment Manager's Report (continued)

Tenant default: In the current difficult economic environment the ability of tenants to pay rent is closely monitored, and the Company benefits from its largest tenants being strong corporations with a good payment history (a list of the top ten tenants and covenant risk score is shown below). The Company subscribes to the IPD IRIS covenant monitor, and the chart below shows the relative risk within the Company's portfolio compared to the IPD universe.



Despite the generally strong covenant profile, at the end of the reporting period one of the Company's larger tenants, Focus DIY, went into administration. The Company had two units let to Focus. Terms had been agreed to relet one to B&M Home by the period end at the current rent (letting completed after the period end), and the other unit is currently vacant with the lease remaining vested with the Administrator. We are talking to several parties on the unit, which provides good quality modern retail warehouse

accommodation close to a Waitrose food store. No other tenant failure has been experienced in the last twelve months, however one tenant has been unable to pay rent, and we have agreed terms, subject to planning, to relet the unit to a stronger retailer.

Vacancies: During the reporting period vacancies within the portfolio were maintained at a low level of just over 3% (IPD monthly index is 8.5%), although at the period end this increased, with Focus, to 5.2%. A key focus of attention for the Investment Manager is to let the six vacant units in the fund and to seek to secure future income flows from lease expiries and breaks over the next two years.

Lease expiries and breaks: All lease expiries in 2011 had been renewed by the end of May and the Manager has engaged with all tenants with a break option or lease expiry in 2012.

Bank Loan Facility

There have been no changes to the bank debt facility of £84m during the period. The facility matures in December 2013 and we have commenced discussions with a number of providers about an early extension. The Company is confident this can be achieved. The LTV as at 30 June 2011 is 42.7% against a bank covenant of 65% and the interest cover is 245% against a covenant of 170%.

Company structure

On 21st July, just after the reporting period end, the Company's zero dividend preference shares were converted to Ordinary shares in the Company. As a result the capital structure of the Company has been simplified.

Standard Life Investments Property Income Trust Limited

Investment Manager's Report (continued)

Top 10 tenants and credit rating

Company Name	Passing Rent	% of Rent	Earliest Termination Date	Risk Band*
Tesco Stores Ltd	1,254,323	9.09	Nov 2016	Negligible
Hydrasun Ltd	1,000,000	7.25	Dec 2030	Negligible
Northern & Shell Plc	909,000	6.59	Dec 2022	Low
Norcros Group (Holdings) Ltd	825,723	5.99	Dec 2014	Negligible
Ub Group Ltd	816,000	5.92	Mar 2016	Low
Focus (DIY) Ltd (in administration)	681,303	4.94	Aug 2029	Maximum
Yusen Air & Sea Service (U K) Ltd	512,544	3.72	Jul 2012	Low
Dsg Retail Ltd	440,000	3.19	Jun 2021	Negligible
B & Q Plc	392,150	2.84	Jun 2022	Negligible
Interfleet Technology Ltd	390,000	2.83	Jul 2019	Negligible

Source: IPD IRIS 30 June 2011

*The IPD IRIS Report assesses the risk of a catastrophic event occurring to the company in the next 12 months based on information from Dunn and Bradstreet.



Queen's Square, Bristol.

Standard Life Investments Property Income Trust Limited

Investment Manager's Report (continued)

Property Investments as at 30 June 2011

Name	Town	Sub-sector	Market Value £
Aberdeen Gateway	Aberdeen	Offices - Rest of UK	14-16m
Tesco Distribution	Bolton	Industrial – Rest of UK	12-14m
Northern & Shell Tower	London	Offices - South East	10-12m
Hollywood Green	London	Retail – South East	8-10m
Clough Road Retail Park	Hull	Retail Warehouses	8-10m
Bourne House	Staines	Offices - South East	8-10m
Drakes Way	Swindon	Industrial - Rest of UK	6-8m
Ocean Trade Centre	Aberdeen	Industrial - Rest of UK	6-8m
New Palace Place	London	Offices – West End	6-8m
White Bear Yard	London	Offices - London West End	6-8m
Bathgate Retail Park	Bathgate	Retail Warehouses	6-8m
Chancellors Place	Chelmsford	Offices - South East	4-6m
Eleven Business Park	Norwich	Retail Warehouses	4-6m
Croston's Retail Park	Bury	Retail Warehouses	4-6m
Marsh Way	Rainham	Industrial - South East	4-6m
Interfleet House	Derby	Offices - Rest of UK	4-6m
Farah Unit, Crittall Road	Witham	Industrial - South East	2-4m
Turin Court	South Manchester	Offices - Rest of UK	2-4m
Windsor Court & Crown Farm	Mansfield	Industrial - Rest of UK	2-4m
Phase II, Telelink	Swansea	Offices - Rest of UK	2-4m
Esporta	Chislehurst	Leisure	2-4m
Coal Road	Leeds	Industrial - Rest of UK	2-4m
De Ville Court	Weybridge	Offices - South East	2-4m
31 / 32 Queen Square	Bristol	Offices - Rest of UK	2-4m
Easter Park	Bolton	Industrial - Rest of UK	2-4m
Halfords	Paisley	Retail Warehouses	2-4m
Wardley Industrial Estate	Manchester	Retail Warehouses	1-2m
Lister House	Leeds	Offices - Rest of UK	1-2m
Unit 14 Interlink Park	Bardon	Industrial - Rest of UK	1-2m
Portrack Lane	Stockton on Tees	Industrial - Rest of UK	1-2m
Total property portfolio			160,605,000



Interfleet House, Derby.



Phase II Telelink, Swansea.

Standard Life Investments Property Income Trust Limited

Unaudited Consolidated Statement of Comprehensive Income for the period ended 30 June 2011

	Notes	01 Jan 11 to 30 Jun 11 £	01 Jan 10 to 30 Jun 10 £
Rental income		6,889,256	5,633,089
(Loss) / gain on valuation of investment properties	4	(1,663,851)	7,310,916
(Loss) / gain on disposal of investment properties		(30,877)	1,812,387
Investment management fees	3	(653,902)	(624,712)
Other direct property operating expenses		(586,721)	(555,401)
Directors' fees and expenses	3	(60,927)	(51,402)
Valuer's fee		(15,792)	(23,099)
Auditor's fee		(17,500)	(16,000)
Other administration expenses		(92,304)	(92,402)
Operating profit		3,767,382	13,393,376
Finance income		15,076	41,874
Finance costs		(2,770,566)	(2,762,832)
Profit for the period		1,011,892	10,672,418
Other comprehensive income			
Valuation profit / (loss) on cash flow hedges		613,936	(2,519,448)
Total comprehensive profit for the year, net of tax		1,625,828	8,152,970
Earnings per share:			
Basic and diluted earnings per share		0.88 pence	9.33 pence
All items in the above Unaudited Consolidated Statement of Comprehensive Income derive from continuing operations.			
The notes on pages 17 to 23 are an integral part of these Consolidated Financial Statements.			

Standard Life Investments Property Income Trust Limited

Unaudited Consolidated Balance Sheet as at 30 June 2011

	Notes	30 Jun 2011 £	31 Dec 2010 £
ASSETS			
Non-current assets			
Freehold investment properties	4	125,564,065	119,911,195
Leasehold investment properties	4	31,631,594	31,481,594
Lease incentives		3,122,887	3,273,974
		160,318,546	154,666,763
Current assets			
Trade and other receivables		1,894,018	1,607,101
Cash and cash equivalents		15,810,679	21,170,716
		17,704,697	22,777,817
Total assets		178,023,244	177,444,580
EQUITY			
Capital and reserves attributable to Company's equity holders			
Share capital		7,308,943	6,671,438
Retained earnings		5,608,953	5,158,901
Capital reserves		(37,718,896)	(36,638,104)
Other distributable reserves		97,867,354	98,138,586
Total equity		73,066,354	73,330,821
LIABILITIES			
Non-current liabilities			
Bank borrowings		84,189,356	84,140,896
Interest rate swaps		3,794,060	4,578,987
Redeemable preference shares		9,312,292	9,041,060
Leasehold obligations		6,094	6,094
		97,301,802	97,767,037

Standard Life Investments Property Income Trust Limited

Unaudited Consolidated Balance Sheet as at 30 June 2011 Continued

	Notes	30 Jun 2011 £	31 Dec 2010 £
Current liabilities			
Trade and other payables		4,667,932	3,530,557
Interest rate swaps		2,986,656	2,815,665
Leasehold obligations		500	500
		7,655,088	6,346,722
Total liabilities		104,956,890	104,113,759
Total equity and liabilities		178,023,244	177,444,580
Net Asset Value per share	6	63.3p	64.1p

Approved by the Board of Directors on 25 August 2011

Sally-Ann Farnon
Director

The notes on pages 17 to 23 are an integral part of these Unaudited Consolidated Financial Statements.

Standard Life Investments Property Income Trust Limited

Unaudited Consolidated Statement of Changes in Equity for the period ended 30 June 2010

		Share capital	Share premium	Retained earnings
	Notes	£	£	£
Opening balance 1 January 2010		6,671,438	5,217,022	6,662,276
Profit for the period		-	-	10,672,418
Valuation loss on cash flow hedges		-	-	-
Total comprehensive income for the period		-	-	10,672,418
Dividends	5	-	-	(2,688,400)
Gain on valuation of investment properties	4	-	-	(7,310,916)
Gain on disposal of investment properties		-	-	(1,812,387)
Transfer between reserves*		-	-	255,879
Transfer between reserves**		-	(5,217,022)	-
Balance at 30 June 2010		6,671,438	-	5,778,870

		Share capital	Share premium	Retained earnings
	Notes	£	£	£
Opening balance 1 January 2011		6,671,438	-	5,158,901
Profit for the period		-	-	1,011,892
Valuation loss on cash flow hedges		-	-	-
Total comprehensive income for the period		-	-	1,011,892
Dividends	5	-	-	(2,527,800)
Ordinary shares issued*		637,505	-	-
Loss on valuation of investment properties	4	-	-	1,663,851
Loss on disposal of investment properties		-	-	30,877
Transfer between reserves**		-	-	271,232
Balance at 30 June 2011		7,308,943	-	5,608,953

Standard Life Investments Property Income Trust Limited

Unaudited Consolidated Statement of Changes in Equity for the period ended 30 June 2011

	Notes	Capital reserves	Other distributable reserves	Total equity
Opening balance 1 January 2010		(46,055,762)	93,433,322	65,928,296
Profit for the period		-	-	10,672,418
Valuation loss on cash flow hedges		(2,519,448)	-	(2,519,448)
Total comprehensive income for the period		(2,519,448)	-	8,152,970
Dividends	5	-	-	(2,688,400)
Gain on valuation of investment properties	4	7,310,916	-	-
Gain on disposal of investment properties		1,812,387	-	-
Transfer between reserves*		-	(255,879)	-
Transfer between reserves**		-	5,217,022	-
Balance at 30 June 2010		(39,451,907)	98,394,465	71,392,866
* this is a transfer to move redeemable preference share finance costs from the retained earnings reserve to the other distributable reserves.** on 18 March 2010 the Audit Committee approved the re-categorisation of the share premium to other distributable reserves under the provisions of The Companies (Guernsey) Law, 2008.				
	Notes	Capital reserves	Other distributable reserves	Total equity
Opening balance 1 January 2011		(36,638,104)	98,138,586	73,330,821
Profit for the period		-	-	1,011,892
Valuation loss on cash flow hedges		613,936	-	613,936
Total comprehensive income for the period		613,936	-	1,625,828
Dividends	5	-	-	(2,527,800)
Ordinary shares issued*		-	-	637,505
Loss on valuation of investment properties	4	(1,663,851)	-	-
Loss on disposal of investment properties		(30,877)	-	-
Transfer between reserves**		-	(271,232)	-
Balance at 30 June 2011		(37,718,896)	97,867,354	73,066,354
* this value represents both the nominal and the premium raised on issuing the ordinary shares.** this is a transfer to move redeemable preference share finance costs from the retained earnings reserve to the other distributable reserves.				

Standard Life Investments Property Income Trust Limited

Unaudited Consolidated Cash Flow Statement for the period ended 30 June 2011

	Notes	01 Jan 11 to 30 Jun 11 £	01 Jan 10 to 30 Jun 10 £
Cash generated from operating activities	7	6,314,906	5,328,278
Cash flows from investing activities			
Interest received		15,076	41,874
Purchase of investment properties	4	(8,827,916)	(25,729,251)
Capital expenditure on investment properties	4	(725,298)	(4,776,751)
Proceeds from disposal of investment properties		2,107,234	23,224,787
Net cash used in investing activities		(7,430,904)	(7,239,341)
Cash flows from financing activities			
Proceeds from issue of shares		637,505	-
Interest paid on bank borrowing		(772,617)	(852,074)
Interest rate swap cost		(1,581,127)	(1,606,727)
Dividends paid to the Company's shareholders	5	(2,527,800)	(2,688,400)
Net cash used in financing activities		(4,244,039)	(5,147,201)
Net decrease in cash and cash equivalents in the period		(5,360,037)	(7,058,264)
Cash and cash equivalents at beginning of period		21,170,716	30,796,998
Cash and cash equivalents at end of period		15,810,679	23,738,734
The notes on pages 17 to 23 are an integral part of these Unaudited Consolidated Financial Statements.			

Standard Life Investments Property Income Trust Limited

Notes to the Unaudited Condensed Consolidated Financial Statements for the period ended 30 June 2011

1. General Information

Standard Life Investments Property Income Trust Limited ("the Company") and its subsidiary (together the "Group") carries on the business of property investment through a portfolio of freehold and leasehold investment properties located in the United Kingdom. The Company is a limited liability company incorporated and domiciled in Guernsey, Channel Islands. The Company has its primary listing on the London Stock Exchange with a secondary listing on the Channel Islands Stock Exchange.

The address of the registered office is Trafalgar Court, Les Banques, St Peter Port, Guernsey.

These Unaudited Consolidated Financial Statements were approved for issue by the Board of Directors on 25 August 2011.

The Audited Consolidated Financial Statements of the Company for the year ended 31 December 2010 are available upon request from the registered office.

2. Accounting Policies

Basis of preparation

The Unaudited Consolidated Financial Statements of the Group have been prepared in accordance with and comply with International Financial Reporting Standards as adopted by the European Union ("IFRS"), and all applicable requirements of The Companies (Guernsey) Law, 2008. The Unaudited Consolidated Financial Statements have been prepared under the historical cost convention as modified by the measurement of investment property and derivative financial instruments at fair value. The consolidated financial statements are presented in pound sterling and all values are not rounded except when otherwise indicated.

These statements do not contain all of the information required for full annual statements and should be read in conjunction with the Audited Consolidated Financial Statements of the Company for the year ended 31 December

2010. The same accounting policies and methods of computation are followed in these interim financial statements as compared with the Audited Consolidated Financial Statements prepared for the year ended 31 December 2010.

3. Related Party Disclosures

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Redeemable preference shares

On 19 December 2003 the Company issued 6,000,000 25p redeemable zero dividend preference shares for £6,000,000 to The Standard Life Assurance Company. On 10 July 2006 these shares were transferred to Standard Life Assurance Limited. These shares have a nominal value of £1,500,000 and are redeemable by the Company on the tenth anniversary of admission at a redemption price of £1.7908. These shares do not carry any voting rights. (Please refer to Note 10, events after the balance sheet date.)

Ordinary share capital

Standard Life Investment Funds Limited held 16,644,609 of the issued ordinary shares at the balance sheet date on behalf of its Unit Linked Property Funds (2010: 16,644,609). This equates to 14.4% (31 Dec 2010: 14.5%) of the ordinary share capital in issue at the balance sheet date, however, Standard Life Investments Funds Limited is not considered to exercise control of the Group. Those parties related to the Investment Manager waived their rights to commission on the initial purchase of these shares in order to maintain the fairness of the transaction to all parties. (Please refer to Note 10, events after the balance sheet date.)

Standard Life Investments Property Income Trust Limited

Notes to the Unaudited Condensed Consolidated Financial Statements for the period ended 30 June 2011

Investment Manager

On 19 December 2003 Standard Life Investments (Corporate Funds) Limited ("the Investment Manager") was appointed as Investment Manager to manage the property assets of the Group.

Under the terms of the Investment Management Agreement the Investment Manager is entitled to receive a fee at the annual rate of 0.85% of the total assets, payable quarterly in arrears. On 1 July 2008 a supplemental agreement to the Investment Management Agreement was put in place to amend the fee basis to be 0.85% per annum of the total assets except where cash balances exceed 10% of total assets. The fee applicable to the amount of cash exceeding 10% of total assets is altered to be 0.20% per annum, payable quarterly in arrears. The Investment Manager has also agreed to reduce its charge to 0.75% of the total assets of the Group until such time as the net asset value per share returns to the launch level of 97p. This is applicable from the quarter ending 31 December 2008 onwards and does not affect the reduced fee of 0.20% on cash holdings above 10% of total assets. The total fees charged for the period ended 30 June 2011 amounted to £653,902 (period ended 30 June 2010: £624,712). The amount due and payable at the period end amounted to £325,651 excluding VAT (period ended 30 June 2010: £320,892 excluding VAT).

Standard Life Investments Property Income Trust Limited

Notes to the Unaudited Condensed Consolidated Financial Statements for the period ended 30 June 2011

4. Investment Properties

	30 Jun 11 Construction £	30 Jun 11 Freehold £	30 Jun 11 Leasehold £	30 Jun 11 Total £
Market value as at 31 December 2010	-	123,490,000	31,475,000	154,965,000
Purchase of investment property	-	8,827,916	-	8,827,916
Capital expenditure on investment properties	-	718,785	6,513	725,298
Carrying value of disposed investment properties	-	(2,100,000)	-	(2,100,000)
Loss on valuation of investment properties	-	(1,807,338)	143,487	(1,663,851)
Movement in lease incentives receivable	-	(149,363)	-	(149,363)
Market value at 30 June 2011	-	128,980,000	31,625,000	160,605,000
Adjustment for lease incentives	-	(3,415,935)	-	(3,415,935)
Adjustment for finance lease obligations	-	-	6,594	6,594
Fair value at 30 June 2011	-	125,564,065	31,631,594	157,195,659

Standard Life Investments Property Income Trust Limited

Notes to the Unaudited Condensed Consolidated Financial Statements for the period ended 30 June 2011

4. Investment Properties Continued

	31 Dec 10 Construction £	31 Dec 10 Freehold £	31 Dec 10 Leasehold £	31 Dec 10 Total £
Market value as at 31 December 2009	-	112,490,000	24,310,000	136,800,000
Purchase of investment property	-	25,731,201	6,699,441	32,430,642
Capital expenditure on investment properties	10,674,151	93,009	250	10,767,410
Carrying value of disposed investment properties	-	(31,507,400)	-	(31,507,400)
Gain on valuation of investment properties	2,525,849	3,918,727	465,309	6,909,885
Transfer to freehold investment properties	(13,200,000)	13,200,000	-	-
Movement in lease incentives receivable	-	(435,537)	-	(435,537)
Market value at 31 December 2010	-	123,490,000	31,475,000	154,965,000
Adjustment for lease incentives	-	(3,578,805)	-	(3,578,805)
Adjustment for finance lease obligations	-	-	6,594	6,594
Fair value at 31 December 2010	-	119,911,195	31,481,594	151,392,789

Investment properties were revalued at the period end by Jones Lang LaSalle, independent international real estate consultants, on the basis of the market value. In order to arrive at fair value the market values of leasehold investment properties have been adjusted to reflect the value of finance lease obligations. The market value provided by Jones Lang LaSalle at the period end was £160,605,000 (31 December 2010: £154,965,000) however an adjustment has been made for lease incentives of £3,415,935 (31 December 2010: £3,578,805) that are already accounted for as an asset.

The valuations have been prepared in accordance with the RICS Valuation Standards (7th Edition) published by the Royal Institution of Chartered Surveyors.

Standard Life Investments Property Income Trust Limited

Notes to the Unaudited Condensed Consolidated Financial Statements for the period ended 30 June 2011

5. Dividends

The interim dividends paid to date in 2011 are as follows (30 June 2010: £2,688,400*) :

£1,258,400	(1.1p per ordinary share) paid in February relating to the quarter ending 31 December 2010
£1,269,400	(1.1p per ordinary share) paid in May relating to the quarter ending 31 March 2011

£2,527,800

* Includes special dividend paid in February 2010 relating to year ending 31 December 2009 of 0.25 pence per share.

6. Reconciliation of Consolidated Net Asset Value to Published Net Asset Value

The net asset value attributable to ordinary shares is published quarterly and is based on the most recent valuation of the investment properties and calculated on a basis which adjusts the underlying reported IFRS numbers. The adjustment made is to include a provision for payment of a dividend in respect of the quarter then ended.

	30 Jun 11 Number of Shares	31 Dec 10 Number of Shares
Number of ordinary shares at the reporting date	115,399,999	114,399,999
	30 Jun 11 £	31 Dec 10 £
Total equity per unaudited (audited 31 Dec 2010) consolidated financial statements	73,066,354	73,330,821
Net asset value per share	63.3p	64.1p
Adjustments:		
Provision for dividend in respect of the quarter ending 30 Jun 2011 (31 Dec 2010)	(1,269,400)	(1,258,400)
Published adjusted net asset value	71,796,954	72,072,421
Published adjusted net asset value per share	62.2p	63.0p

Standard Life Investments Property Income Trust Limited

Notes to the Unaudited Condensed Consolidated Financial Statements for the period ended 30 June 2011

7. Cash Generated From Operations

	01 Jan 11 to 30 Jun 11 £	01 Jan 10 to 30 Jun 10 £
Profit for the period	1,011,892	10,672,418
Movement in lease incentives	151,087	2,018,958
Movement in trade and other receivables	(286,918)	(396,713)
Movement in trade and other payables	988,627	(564,040)
Finance costs	2,770,566	2,762,832
Finance income	(15,076)	(41,874)
Loss / (gain) on valuation of investment properties	1,663,851	(7,310,916)
Loss / (gain) on disposal of investment properties	30,877	(1,812,387)
Cash generated from operations	6,314,906	5,328,278

8. Segmental Information

The Group has only one operating segment being property investments in the United Kingdom.

9. Commitments

As at 30 June 2011, the Group had agreed construction contracts with third parties and is committed to future expenditure of £0.1m (31 December 2010 : £1.0m) for Hydrasun, Aberdeen.

Standard Life Investments Property Income Trust Limited

Notes to the Unaudited Condensed Consolidated Financial Statements for the period ended 30 June 2011

10. Events After The Balance Sheet Date

Property Purchases

On 21 July 2011 the Group completed the purchase of an office investment in Southampton for £6.1m. The office was built in 2007 and is let to Grant Thornton, Santander and Michael Page. The purchase price reflects an initial yield of 7.9%.

Dividends and Shares

On 6 July 2011 the directors declared that an interim dividend be payable in respect of the quarter ended 30 June 2011 of 1.1p per share

On 21 July 2011 the directors announced the allotment of 21,231,747 ordinary shares of 1p each, which rank pari passu with the existing ordinary shares in issue, in connection with the conversion of the Company's six million redeemable preference shares into ordinary shares and the placing and open offer of new ordinary shares. The total number of ordinary shares in issue will be 136,641,746 and the total number of voting rights in the Company will be 136,631,746.

On 21 July 2011, Standard Life Investment Funds Limited held 34,151,690 of the issued ordinary shares. This equates to 25.0% of the ordinary share capital.

On 21 July 2011, Paul Orchard-Lisle purchased 9,275 ordinary shares via the Company's placing and open offer of new ordinary shares.

On 21 July 2011, Richard Barfield purchased 10,000 ordinary shares via the Company's placing and open offer of new ordinary shares.

On 21 July 2011, the fund manager, Jason Baggaley, purchased 22,917 ordinary shares via the Company's placing and open offer of ordinary shares.

Standard Life Investments Property Income Trust Limited

Information for Investors

Shareholders who hold their shares in certificated form can check their shareholding with the Registrars.

Notifications of changes of address and all enquiries regarding certificates or dividend cheques should be sent in writing to the Registrars.

Share Information

The Company's shares are listed on the London Stock Exchange and the share price is quoted daily in the Financial Times.

Details of the Company may also be found on the Investment Manager's website which can be found at: www.standardlifeinvestments.com/its, at Interactive Investor Investment Trust Service, website address: www.iii.co.uk and on TrustNet, website address: www.trustnet.co.uk.

Ordinary shares may be purchased or sold directly through a stockbroker or through your bank, solicitor, accountant, or other professional adviser or through the Company's Registrars or the Company's Savings Plan and Individual Savings Account, details of which are shown at the back of this report.

The net asset value per ordinary share is calculated on a quarterly basis and is published on the London Stock Exchange where the latest live ordinary share price is also displayed, subject to a delay of 15 minutes. "SLI" is the code for the ordinary shares which may be accessed at www.londonstockexchange.com.

Other Information

The Company is a member of the Association of Investment Companies. The Association publishes a Monthly Information Service which contains a wide range of detailed information including statistical and performance data on all its members. A sample copy can be obtained free of charge from The AIC, 9th Floor, 24 Chiswell Street, London, EC1Y 4YY (telephone: 020 7282 5555) along with full details of other publications available from the Association. Alternatively, visit their website on www.theaic.co.uk.

Certain statements in this report are forward looking statements. By their nature forward looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied in those statements. Forward looking statements regarding past trends or activities should not be taken as representation that such trends or activities will continue in the future. Accordingly, undue reliance should not be placed on forward looking statements.

Standard Life Investments Property Income Trust Limited

How to Make Future Investments

Introduction

Investors may subscribe to Standard Life Investments Property Income Trust Limited through Standard Life's Savings Scheme, Individual Savings Account ('ISA') or Individual Saving Account transfer ('ISA transfer'). Alternatively, investors may buy shares in the Company directly through a stockbroker or indirectly through a lawyer, accountant or financial adviser.

Investment Trust Savings Scheme

Standard Life's Savings Scheme is a straightforward way to invest in the Standard Life Investments Property Income Trust Limited. The minimum investment through Standard Life's Savings Scheme is £100 per month or a £1,000 lump sum. 0.5% Government stamp duty is currently payable on all share purchases. A commission payment to a financial adviser of up to 3% of each investment may also be deducted at an investor's request. There is no maximum amount that can be invested in the Company through Standard Life's Savings Scheme and there is no initial or annual management charge.

Investment Trust ISA

Standard Life's stocks and shares ISA is a tax efficient savings vehicle as investors pay no additional income tax or capital gains tax on any money generated by their investments. Investors can invest in the Standard Life Investments Property Income Trust Limited through the Stocks and Shares ISA. Investors have the opportunity to invest up to £10,200 up until 6 April 2011 and up to £10,680 thereafter when they subscribe to a Stocks and Shares ISA. As with Standard Life's Savings Scheme, the minimum investment in Standard Life's ISA is a £1,000 lump sum or £100 per month. 0.5% Government stamp duty is deducted from each investment made, however, there is no initial or annual management charge. ISA attract tax relief's which the Government may change in the future. The value of these reliefs to each investor depends on their own personal circumstances.

Investment Trust ISA Transfer

Investors may also gain access to the Company by transferring any existing ISA (including a former PEP 'Personal Equity Plan') investments to a Standard Life ISA. As with the Standard Life ISA, 0.5% Government stamp duty is deducted from each investment made, however, there is no initial or annual management charge.

How to invest

For further information on how to invest and an application pack containing full details of the products and their charges, please call Standard Life Investments on 0845 60 24 247, Lines are open from 9am to 5pm Monday to Friday.

For information on Standard Life Investments' range of Investment Trusts and Standard Life's views on the markets, please call 0845 60 60 062.

This is not a recommendation to buy, sell or hold shares in Standard Life Investments Property Income Trust Limited. Shareholders who are unsure of what action to take should contact a financial adviser authorised under the Financial Services and Markets Act 2000. Shares values may go down as well as up which way result in a shareholder receiving less than he/she originally invested.

Standard Life Investments Property Income Trust Limited

How to Make Future Investments (continued)

Risk Warnings - General

- Past performance is no guarantee of future performance.
- The value of your investment and any income from it may go down as well as up and you may not get back the amount invested. This is because the share price is determined by the changing conditions in the market in which the Company invests and by the supply and demand for the Company's shares.
- As the shares in an investment trust are traded on a stockmarket, the share price will fluctuate in accordance with supply and demand and may not reflect the underlying net asset value of shares; where the share price is less than the underlying value of the assets, the difference is known as the 'discount'. For these reasons, investors may not get back the original amount invested.
- Investors should note that tax rates and reliefs may change at any time in the future.
- The value of ISA and PEP tax advantages will depend on personal circumstances. The favourable tax treatment of OPEPs and ISAs may not be maintained.

Standard Life Investments Property Income Trust Limited

Directors and Company Information

Directors

Paul David Orchard-Lisle CBE (Chairman)
Richard Arthur Barfield
Sally-Ann Farnon
Shelagh Yvonne Mason
David Christopher Moore

Registered Office

Trafalgar Court
Les Banques
St. Peter Port
Guernsey GY1 3QL

Administrator & Secretary

Northern Trust International Administration
Services (Guernsey) Limited
Trafalgar Court
Les Banques
St. Peter Port
Guernsey GY1 3QL

Shareholder Registrar

Computershare Investor Services (Jersey) Limited
Queensway House
Hillgrove Street
St Helier JE1 1ES

Registered Number

41352

Investment Manager

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1 George Street
Edinburgh EH2 2LL

Independent Auditors

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GY1 4AF

Solicitors

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Principal Bankers

The Royal Bank Of Scotland Plc
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Property Valuers

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