Interim Report

Standard Life Investments Property Income Trust Limited

Interim Report and Condensed Financial Statements 1 January 2014 to 30 June 2014

Standard Life Investments

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Standard Life Investments Property Income Trust Limited

Objective and Investment Policy

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 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 the Company may also invest in “other” commercial property such as hotels, nursing homes and student housing. Investment in property development and investment in co-investment vehicles is permitted up to a maximum 10% of the property portfolio.

In order to manage risk, 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) will be responsible for more than 20% of the Company’s rent roll.
- The Board’s current intention is that the loan to value (“LTV”) ratio (calculated as borrowings less all cash as a proportion of property portfolio valuation) will not exceed 45%. Borrowings as a percentage of gross assets may not exceed 65%.

An analysis of how the portfolio was invested as at 30 June 2014 is contained within the Investment Manager’s Report.

Standard Life Investments Property Income Trust Limited

Financial Highlights

- Net Asset Value total return of 11.7% for the six months ended 30 June 2014.
- Share price increased by 9.3% over the six months ended 30 June 2014 to 76.5p.
- Dividend yield of 6.1% based on 30 June 2014 share price of 76.5p.
- 2 properties purchased for £18.5m excluding costs and 4 properties sold for £27.0m excluding costs.
- Share capital increased 3.7% over the six months ended 30 June 2014.
- 50m new ordinary shares issued at a price of 72.9p per share on 30 July 2014.

Total Returns (with dividends re-invested)	6 months to 30 June 2014
Net Asset Value per share*	+11.7%
Share Price total return*	+12.7%

*Source: Morningstar

Capital Values	30 June 2014	31 December 2013	% Change
Net Asset Value per share [1]	70.6p	65.5p	+7.8%
EPRA* Net Asset Value per share [2]	70.7p	65.6p	+7.8%
Share Price	76.5p	70.0p	+9.3%
Premium of Share Price to Net Asset Value	8.4%	6.9%	–
Total Assets	£204.7m	£191.6m	+6.8%
Loan to Value [3]	34.2%	40.9%	–
Cash Balance	£23.2m	£12.3m	–

Dividends	30 June 2014	30 June 2013
Dividends per share [4]	2.294p	2.266p
Dividend yield [5]	6.1%	7.5%

Property Returns	6 months to 30 June 2014	12 months to 31 December 2013
Property income return [6]	4.0%	7.7%
IPD property income monthly index [7]	2.8%	6.1%
Property total return (property only) [8]	7.4%	11.7%
IPD property total return monthly index [7]	8.4%	9.9%

1 Calculated under International Financial Reporting Standards.
2 EPRA NAV represents the value of an entity's equity on a long-term basis. Some items, such as fair value of derivatives, are therefore excluded.
3 Calculated as bank borrowings less all cash as a percentage of the open market value of the property portfolio as at 30 June 2014.
4 Dividends paid during the 6 months to 30 June 2014.
5 Calculated using 30 June quarterly dividend compounded over a year.
6 The net income receivable for the period expressed as a percentage of the capital employed. Quarterly figures are compounded over the period to give the rate over six months.
7 Source: IPD quarterly version of the monthly index funds (excludes cash).
8 The sum of capital growth and net income for the period expressed as a percentage of capital employed excluding cash.
* The European Public Real Estate Association (EPRA) is a common interest group, which aims to promote, develop and represent the European public real estate sector.

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Strategic Report: Chairman's Statement

Richard Barfield
Chairman

I have pleasure presenting my first statement as chairman of your Company. I would like to pay tribute to my predecessor Paul Orchard Lisle for his wise counsel and leadership of the Company over the last three years and wish him well in his retirement. Robert Peto joined the Board at the AGM and has taken over the chairmanship of the Property Valuation Committee, where his extensive property knowledge is proving extremely useful.

Last year Paul predicted that there would be a general increase in property values in the next twelve months and I am delighted that this has indeed been the actual outcome as the recovery in the UK economy has continued and broadened outside London and the South East.

Your Company's income return has been maintained. We were able to collect 97.8% of the rents due to us within 14 days of the end of each quarter, excluding administrations. During the period, we increased the quarterly dividend by 2.5% to 1.161p per share reflecting a combination of lower interest costs, improving outlook for rents and lower void rates. The shares provided a dividend yield of 6.1% on our share price at the end of the six month period. The Company's net asset value per share ("NAV") rose by 7.8% in the period largely due a strong performance from the London and South East office properties. The value of our properties rose by 8.2% in the same period, based on the standing portfolio.

An important part of our property investment strategy is to buy into assets where astute asset management can enhance rental and capital values and to buy properties that are out of favour but which we think should show some capital appreciation. With that in mind, we have bought a Grade A office in the Farnborough Aerospace Centre for £14.9m reflecting a yield of 8.1% and two industrial units in Livingston for £3.6m with an initial yield of 10.65%.

On the reverse side, we have a policy of taking profits from investments that we consider have served their purpose and, if necessary, in cutting losses where the performance has been below our expectations and the potential for gain looks uncertain. Accordingly we have sold the Company's largest asset for £16m reflecting a yield of 7.25%. The logistics unit in Bolton is let to Tesco until September 2016 and was sold to reduce expiry risk in that year. In addition a portfolio of three retail warehouses was sold for a total of £11.2m. Details of these transactions and of other changes to the property portfolio are in the Investment Manager's report.

The elimination of all voids was a priority target stated in last year's interim report and I am delighted to report that through active management initiatives and the sale of the retail warehouse portfolio the void rate has been reduced to 0.6%. Other portfolio matters are covered in the Investment Manager's report.

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Strategic Report: Chairman's Statement
(continued)

I am pleased to report that the Company's equity base was increased by 3.7% in the six months ended 30 June 2014 through the issue of 5.7m new ordinary shares at a premium to NAV. At 30 June, the Company's shares were priced at 76.5p in contrast to 70.0p at the start of the reporting year. On 1 July 2014 the Company published a prospectus to seek to raise 100m new shares through an initial placing, offer for subscription and placing programme over the next twelve months.

I am pleased to report that the first tranche of 50m shares was issued on 30 July 2014 and provides additional equity capital of £36.4m. The Manager has identified a pipeline of appropriate UK commercial properties for investment.

As previously reported the Board agreed to appoint its Investment Manager as the Company's AIFM and Standard Life Investments (Corporate Funds) Limited received its authorisation on 7 July 2014. There will be additional expenses to the Company in the form of depositary costs. However I am pleased that the Investment Manager will not be increasing their fees for their additional regulatory responsibilities. Indeed as disclosed in the recent prospectus the Board has negotiated a new tiered investment management fee structure that will reduce the total expense ratio ("TER") in future years following the successful fund raising referred to above.

As stated in the 2013 accounts the Board has concluded that it would be in the best interests of shareholders if the Company was to convert to a REIT. The Board expects to send details to shareholders in the coming months and to put proposals to shareholders in November 2014.

Since 30 June 2014, the Company has completed the purchase of three modern logistics units in the Midlands for a total price of £28.65m, reflecting a yield of 7%. The three units were built in 2008/9 and are fully let.

There are risks to the UK economic recovery but it seems likely that tenant demand should improve. For some types of property there has been very little increase in supply over the last few years so that rents should continue to rise. There has already been an increase in capital values but UK property remains an attractive asset class, given the yield differential over bonds and equities.

Richard Barfield
Chairman
29 August 2014

Standard Life Investments Property Income Trust Limited

Strategic Report: Principal Risks and 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 Board and the Investment Manager seek to mitigate these risks through a strong initial due diligence process, continual review of the portfolio and active asset management initiatives. All of the properties in the portfolio are insured, providing protection against risks to the properties and also protection in case of injury to third parties in relation to the properties.

The Board has also identified a number of other specific risks that are reviewed at each Board meeting. These are as follows:

- The Company and its objectives become unattractive to investors. This is mitigated through regular contact with shareholders, a regular review of share price performance and the level of the discount or premium at which the shares trade to net asset value and regular meetings with the Company's broker to discuss these points and address any issues that arise.

- Poor selection of new properties for investment. A comprehensive and documented initial due diligence process, which will filter out properties that do not fit required criteria, is carried out by the Investment Manager prior to making a recommendation to the Board in relation to a proposed property purchase. This is followed by detailed review and challenge by the Board prior to a decision being made to proceed with a purchase. This process is designed to mitigate the risk of poor property selection.

- Tenant failure or inability to let property. Due diligence work on potential tenants is undertaken before entering into new lease arrangements. In addition, tenants are kept under constant review through regular contact and various reports both from the managing agents and the Manager's own reporting process. Contingency plans are put in place at units that have tenants that are believed to be in financial trouble.
  The Company subscribes to the Investment Property Databank Iris Report which updates the credit and risk ranking of the tenants and income stream, and compares it to the rest of the UK real estate market.

- Loss on financial instruments. The Company has entered into two interest rate swap arrangements. These swap instruments are valued and monitored on a monthly basis by the counterparty bank. The Investment Manager checks the valuation of the swap instruments internally to ensure they are accurate. In addition, the credit rating of the bank that the swaps are taken out with is assessed regularly.

Other risks faced by the Company include the following:

- Strategic – incorrect strategy, including sector and property allocation and use of gearing, could all lead to a poor return for shareholders.

- Tax efficiency – the structure of the Company or changes to legislation could result in the Company no longer being a tax efficient investment vehicle for shareholders.

- Regulatory – breach of regulatory rules could lead to the suspension of the Company's Stock Exchange Listing, financial penalties or a qualified audit report.

- Financial – inadequate controls by the Investment Manager or third party service providers could lead to misappropriation of assets. Inappropriate accounting policies or failure to comply with accounting standards could lead to misreporting or breaches of regulations.

- Operational – failure of the Investment Manager's accounting systems or disruption to the Investment Manager's business, or that of third party service providers, could lead to an inability to provide accurate

Standard Life Investments Property Income Trust Limited

Strategic Report: Principal Risks and Uncertainties

(continued)

reporting and monitoring, leading to loss of shareholder confidence.

- Economic – inflation or deflation, economic recessions and movements in interest rates could affect property valuations and also bank borrowings.

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, levels of gearing and the overall structure of the Company.

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Investment Manager's Report

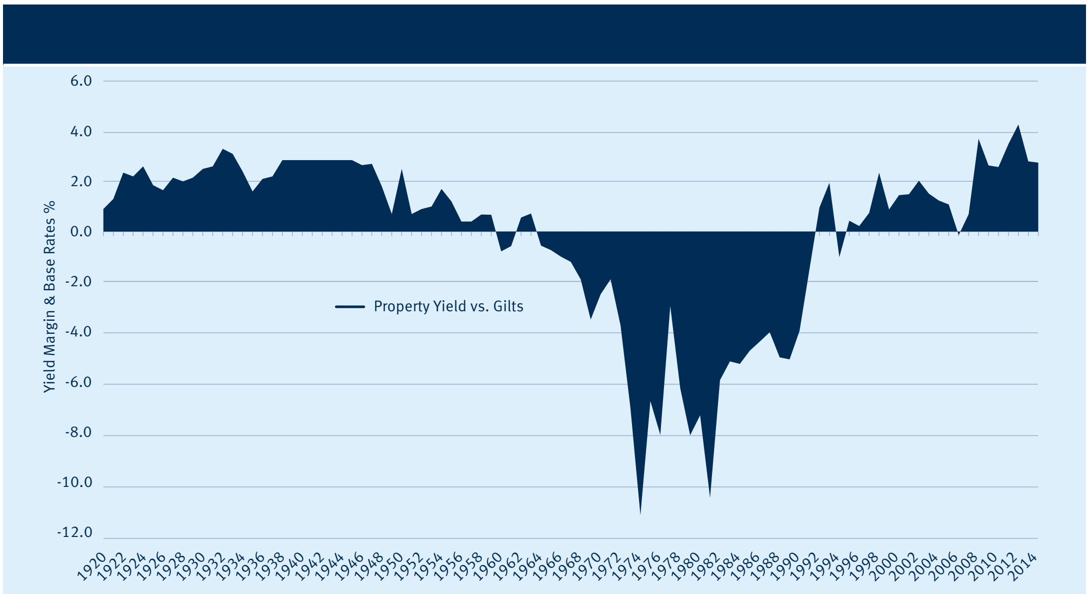
Jason Baggaley
Fund Manager

UK real estate continues to benefit from an economy that is growing at its fastest pace since 2007 and a recovery that is becoming increasingly broad based. Total return according to the IPD index was a healthy 8.4% for the six months to end June. Capital values rose by 5.8% over the same period. An improvement in capital growth continues to be driven by increased investor allocations to the asset class which shows no sign of abating. Rental growth continues to improve at a broad level with rents expected to pick up further into the recovery cycle. Rents rose by 1.3% in the six months to end June.

Returns for the UK listed real estate equities sector remained positive over the six month period with the FTSE EPRA/NAREIT UK rising by 8.4%. By comparison, the FTSE All Share Index rose by 1.6% over the same timeframe. The UK listed real estate sector was relatively volatile following changes in expectations for UK interest rate rises, although performance did recover towards the end of the period.

Over the period, real estate's positive margin over the risk free rate (using gilts as a proxy) remained relatively stable at around 300 basis points. The margin remains well above the historical average of around 200 basis points.

Property Margin over Bonds



Source: Thomson Reuters Datastream, Scott

Note: data prior to 1950 collected directly from institutions and therefore may be subject to smoothing

Standard Life Investments Property Income Trust Limited

Investment Manager's Report
(continued)

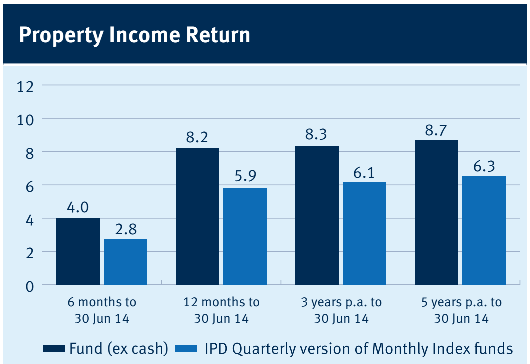
The outperformance of the office sector against All Property remained in place in this reporting period with offices recording returns of 11.6% in the six months to end June 2014 against 8.4% for All Property. The industrial sector remains marginally behind the office sector returning 11.2% over the same period. The retail sector continues to be the weakest performing sector returning 6.8% in the six months to end June, an improvement on the 5.9% in the six months to end March. For the second consecutive quarter all sectors experienced positive capital value growth. Offices once again recorded the highest growth of 8.6% whilst industrial values experienced further strong upward momentum with growth of 7.5% in the six months to end June. Retail values continue to recover rising by 3.5% in the latest six month period compared to growth of 2.6% in the six months to end March. The office sector continues to provide the highest rental growth with rents rising by 3.4% p.a., exceeding the 1.3% p.a. for All Property. Rental growth in the office market is largely driven by London, but there are signs that a recovery in rental growth is beginning to spread outside the capital. Industrial rental growth improved modestly with rents rising by 1.9% p.a. against 1.1% p.a. previously. Retail rents continued to decline but fell at a slower rate. Retail rents fell by -0.1% p.a., an improvement on the -0.4% decline in the year to end March.

Investment Outlook

In the favourable environment of improving confidence and reducing void rates, investors are allocating more capital to the sector and consequently, given the increased weight of capital, risk appetite is increasing. Our view remains that poorer quality secondary and tertiary assets remain unattractive at a broad level although there will be opportunities for repositioning assets or generating reasonably good returns on a comparable basis from some poorer quality secondary assets. This is likely to involve much hard work and effort on the asset management side and the risk of an extended void period continues to be high for these types of assets. In terms of outlook, we expect reasonable positive total returns on a three year holding period due to the high yield and capital appreciation expectations.

The asset class remains attractive from a fundamental point of view because of the strengthening economy and a limited pipeline of future new developments. Rising interest rates are an emerging risk although there is a reasonable buffer in pricing to compensate if the market prices in a further acceleration of rate rises. The retail sector continues to face a series of headwinds that may hold back recovery in weaker locations due to oversupply and structural issues but the prospects for retail towards the South East and Central London are expected to improve further as economic recovery gains more traction. Opportunities are arising for reasonable quality secondary buildings where these assets can be repositioned as prime. There is also likely to be a short term rebound for secondary asset prices due to the elevated margin in pricing between prime and secondary reducing as risk appetite improves. We continue to expect locational choices to be the defining characteristics contributing to returns over the remainder of 2014. We expect income to be a reasonable contributor to returns over the latter half of the year although capital values are expected to provide stronger growth over this period. Prime and good quality secondary assets and selective poorer quality secondary assets in stronger locations are likely to provide the best opportunities in the improving economic environment we anticipate for the rest of 2014.

Performance



Source: Standard Life Investments / IPD

The Company's investment portfolio has continued to provide an attractive income

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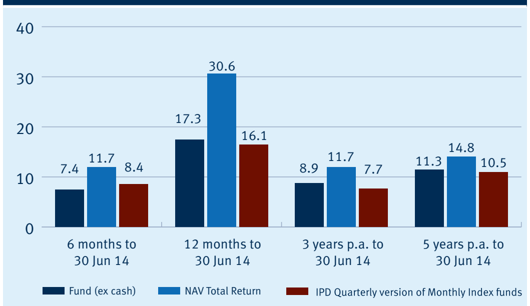
Investment Manager's Report
(continued)

return, ahead of the general UK real estate market, as shown on page 8.

The above average income return is not at the expense of total return from the portfolio as shown on the chart below. The chart also shows the Company's NAV total return, which the Board considers to be a key performance indicator. For the 6 months to end June 2014 the Company had a NAV total return of 11.7%.

Property Total Return



Source: Standard Life Investments / IPD

Investment Strategy

The Investment Manager and the Board are focused on providing an attractive level of income to investors, but also on seeking opportunities that will enable growth in the income and capital value of the assets. We believe that by investing in good quality buildings in good locations, let to good tenants we can meet this objective, and we take an active approach to asset management and investment activity.

We target a covered dividend, and for the first six months of 2014 the cover was 115%.

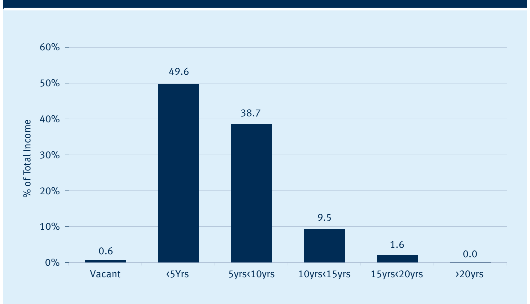
Lease Expiry Profile

Over the last three years we have targeted short leases on new purchases where we believed the real estate fundamentals were good, as this strategy provided attractive income yields. As a result, the Company has an average weighted lease expiry (to earlier of lease end or break) of 5.6 years, lower than the equivalent for IPD of 7.2 years (if leases of over 35 years are excluded). In an environment of low supply levels in most markets and virtually no new development over the last 5 years, it is possible to retain tenants where the property meets their needs. By early July this year we had secured 90% of the income at risk due to lease expiries or breaks in 2014, in line with retention levels over the last few years.

Portfolio Valuation

The investment portfolio is valued on a quarterly basis by Jones Lang La Salle. As at 30 June 2014 the real estate portfolio was valued at £178.8m and the Company held cash of £23.2m. This compares to £176.4m and £12.3m respectively at the end of December 2013. After removing the effect of purchases and sales, the real estate portfolio increased by 8.2% over the period.

Lease Expiry Profile



Source: Standard Life Investments

SLIPIT Sector Weights

IPD Sectors	Value £	%
South East Offices	53,745,000	30%
Rest of UK Industrial	29,925,000	17%
Rest of UK Offices	28,095,000	15%
Retail Warehouses	24,525,000	14%
Central London Offices	22,750,000	13%
South East Std Retail	10,950,000	6%
South East Industrial	8,805,000	5%
Total	**178,795,000**	**100%**

Source: Standard Life Investments

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Investment Manager's Report
(continued)

The investment portfolio has an initial yield of 7.5% and a true equivalent yield of 7.6% as at 30 June 2014.

Investment Activity

Purchases

During the period the Company acquired the following investments:

Cullen Square Livingston: The Company acquired two logistics units for £3.6m at a yield of 10.6%. The units are let to Crown Worldwide and UK Mail for just over 5 years.

Chester House Farnborough: The Company acquired a grade A office building let to BAE Systems Ltd for a further 9 years. The purchase price of £14.9m reflected an initial yield of 8.1%.

After the period end the Company completed the purchase of three separate logistics units built in 2008/9 for a price of £28.65m at an initial net yield of 7.1%. The three units are Tetron 93 in Swadlincote, let at £431,000 p.a. until 2021, Tetron 141 Swadlincote, let at £670,500 p.a. until 2022 (but with a tenant break in 2018), and Denby 242, let at £1,032,000 p.a. until 2025 (with a tenant break in 2020). All three units were built in 2008/2009 and provide good quality modern accommodation.

At the period end the Company had agreed terms (but not contractually bound) to purchase two other investments for a total of £24m and is actively looking at a number of opportunities that meet the Company objective of investing in good quality assets at an attractive yield.

Sales

During the reporting period the Company disposed of its largest unit, a logistics unit in Bolton let to Tesco until September 2016 for £16.1m, a yield of 7.25%. The sale was in order to manage expiry risk in 2016.

The Company also sold a portfolio of three retail warehouse investments for £11m. These assets did not meet our performance expectations and we had completed asset management initiatives on two of them.

Asset Management

At the period end the Company had a low void rate of 0.6% (IPD 7.6%). This compares to a void rate of 10.3% at the same time last year, and 6.5% at year end.

During the period the key asset management transactions were:

- Letting of Bourne House Staines – In Q1 an agreement for lease was signed with Ricoh for a new 10 year lease (with a break in year 7), the lease will start in early September once the refurbishment works have been completed.
- Lease extension at Drakes Way Swindon – In Q2 we extended the lease on Drakes Way Swindon by 12 months. Although the tenant wanted a longer lease we are exploring a redevelopment of the site with solicitors having been instructed on a new lease to a food store operator.
- St James House Cheltenham – The 4th floor was let to a new tenant and a lease regear completed on part of the 3rd floor, providing new rental evidence for the upcoming rent reviews.

Debt

The Company has a debt facility with RBS for £84m which is fully drawn down. The facility is due to expire in December 2018. The all in cost of the debt has been fixed at 3.8% by way of a hedge to the end of the facility. The facility provides for a maximum LTV of 65% (as at 30 June 2014 the Company had an LTV of 34%) and an interest cover ratio of 150%.

Equity Raise

In early July, after the end of the reporting period, the Company issued a prospectus for the issue of up to a maximum of 100m shares. The first tranche was oversubscribed and 50m shares were issued on 30 July 2014. The £36.4m of equity raised is being used to fund the acquisitions detailed above (or others in line with the investment strategy if those detailed do not proceed to completion). Further shares, up to the maximum, may be issued under the prospectus until July 2015 if further investment opportunities are identified.

Standard Life Investments Property Income Trust Limited

Investment Manager's Report
(continued)

Interest Rate Swaps

Start Date	Maturity Date	Notional Principal Amount £	Effective Interest Rate	30-Jun-14 Valuation £	31-Dec-13 Valuation £
20-Jan-12	16-Dec-18	12,432,692	1.77125%	102,481	137,469
29-Dec-13	16-Dec-18	72,000,000	2.05150%	(275,415)	(168,466)
				(172,934)	**(30,997)**

Source: Standard Life Investments

Voids

Property	ERV	% ERV	Comment
Unit 1b Mansfield	£77,000	0.6%	
Kiosk 1 Monck St	£11,322	0.1%	Solicitors instructed
Total voids - as a % of rent	**£88,322**	**0.6%**	
Total rent	**£14,195,443**		
ERV	**£13,954,522**		

Source: Standard Life Investments

Ten Largest Properties

Name	Location	Market Value £	Income Yield	Type
Chester House Farnborough	Farnborough	14 - 16m	8.0%	Office Park
White Bear Yard , Clerkenwell	London	12 - 14m	4.3%	Standard Office
Hertford Place Rickmansworth	Rickmansworth	12 - 14m	9.0%	Office Park
St James Cheltenham	Cheltenham	10 - 12m	6.8%	Standard Office
Hollywood Green, London	London	10 - 12m	6.1%	High St Retail
Ocean Trade Centre Aberdeen	Aberdeen	8 - 10m	7.7%	Industrial Park
Monck St London	London	8 - 10m	5.0%	Standard Office
Bourne House Staines	Staines	8 - 10m	0.0%	Standard Office
Explorer Crawley	Crawley	6 - 8m	9.3%	Standard Office
Bathgate Retail Park	Bathgate	6 - 8m	7.6%	Retail Warehouse

Source: Standard Life Investments

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Investment Manager's Report
(continued)

Top Ten Tenants

Company Name	Rent Passing £	% of Rent
BAE Systems	1,257,640	8.8%
Trebor Bassett Limited	1,156,900	8.1%
Norcross Group (Holdings) Ltd	825,723	5.8%
Matalan Retail Limited	696,778	4.9%
Grant Thornton UK LLP	680,371	4.8%
Yusen Logistics (UK) Ltd	450,000	3.2%
B&Q PLC	392,150	2.8%
Interfleet Technology ltd	390,000	2.7%
Emcor Group (UK) Plc	340,850	2.4%
Amey OWR Ltd	300,000	2.1%

Source: Standard Life Investments

Geographic Weightings

Regional Split	Value £	%
South East	62,550,000	31%
Northern England	28,445,000	14%
Scotland	23,375,000	12%
Cash	23,214,217	11%
South West	19,700,000	10%
London Mid-Town	13,700,000	7%
Rest of London	10,950,000	5%
Midlands	9,175,000	5%
London West End	9,050,000	4%
Wales	1,850,000	1%
London City	–	0%
Total	**202,009,217**	**100%**

Source: Standard Life Investments

Sub Sector Weightings

Sub Sectors	Value £	%
Standard Office	68,525,000	34%
Office Park	36,065,000	18%
Retail Warehouse	24,525,000	12%
Cash	23,214,217	11%
Standard Industrial	22,280,000	11%
High St Retail	10,950,000	5%
Industrial Park	9,100,000	5%
Distn Warehouses	7,350,000	4%
Leisure	–	0%
Total	**202,009,217**	**100.00%**

Source: Standard Life Investments

Sector Weightings

Sectors	Value £	%
Office	104,590,000	52%
Industrial	38,730,000	19%
Retail	35,475,000	18%
Cash	23,214,217	11%
Other	–	0%
Total	**202,009,217**	**100%**

Source: Standard Life Investments

Standard Life Investments Property Income Trust Limited

Investment Manager's Report
(continued)

Property Investments as at 30 June 2014

Name	Location	Sub-sector	Market Value £	Tenure	Area sq ft	Occupancy Rate (sq. ft.)
Chester House	Farnborough	Offices - South East	14-16m	Leasehold	49,861	100%
White Bear Yard	London	Offices - London West End	12-14m	Freehold	21,361	100%
Hertford Place	Rickmansworth	Offices - South East	12-14m	Freehold	55,545	100%
St James's House	Cheltenham	Offices - Rest of UK	10-12m	Freehold	83,825	96%
Hollywood Green	London	Retail - South East	10-12m	Freehold	64,003	100%
Ocean Trade Centre	Aberdeen	Industrial - Rest of UK	8-10m	Freehold	104,703	100%
Monck Street	London	Offices - West End	8-10m	Leasehold	18,596	99%
Bourne House	Staines	Offices - South East	8-10m	Freehold	25,779	0%
Explorer 1 & 2, Mitre Court	Crawley	Offices - South East	6-8m	Freehold	46,205	100%
Bathgate Retail Park	Bathgate	Retail Warehouses	6-8m	Freehold	45,168	100%
Dorset Street	Southampton	Offices - South East	6-8m	Freehold	25,101	100%
Marsh Way	Rainham	Industrial - South East	4-6m	Leasehold	82,090	100%
Drakes Way	Swindon	Industrial - Rest of UK	4-6m	Freehold	140,557	100%
Crostons Retail Park	Bury	Retail Warehouses	4-6m	Freehold	49,210	100%
Homebase & Argos	Leyland	Retail Warehouses	4-6m	Leasehold	31,781	100%
Matalan	Kings Lynn	Retail Warehouses	4-6m	Leasehold	33,991	100%
140 West George Street	Glasgow	Offices - Rest of UK	4-6m	Freehold	22,931	100%
Matalan	Bradford	Retail Warehouses	4-6m	Leasehold	25,282	100%
Interfleet House	Derby	Offices - Rest of UK	4-6m	Freehold	28,735	100%
Units 1 & 2 Cullen Square	Livingston	Industrial - Rest of UK	2-4m	Freehold	81,735	100%
Chancellors Place	Chelmsford	Offices - South East	2-4m	Freehold	22,096	100%
Windsor Court & Crown Farm	Mansfield	Industrial - Rest of UK	2-4m	Leasehold	88,859	100%
Coal Road	Leeds	Industrial - Rest of UK	2-4m	Freehold	57,775	100%
Turin Court South	Manchester	Offices - Rest of UK	2-4m	Freehold	23,881	100%
31 / 32 Queen Square	Bristol	Offices - Rest of UK	2-4m	Freehold	13,124	100%
Farah Unit, Crittal Road	Witham	Industrial - South East	2-4m	Freehold	57,328	100%
Easter Park	Bolton	Industrial - Rest of UK	2-4m	Freehold	35,534	100%
De Ville Court	Weybridge	Offices - South East	2-4m	Freehold	10,810	100%
Unit 14 Interlink Park	Bardon	Industrial - Rest of UK	1-2m	Freehold	32,747	100%
Phase II, Telelink	Swansea	Offices - Rest of UK	1-2m	Leasehold	38,084	100%
Portrack Lane	Stockton on Tees	Industrial - Rest of UK	1-2m	Freehold	32,693	100%
Total property portfolio			**178,795,000***			**98.0%**

* This is the open market value unadjusted for lease incentives or finance lease obligations

Standard Life Investments Property Income Trust Limited

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 2014, 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.

The Directors each confirm to the best of their knowledge that:

a. the Unaudited Consolidated Financial Statements, prepared in accordance with IFRSs as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group; and

b. the Interim Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties faced.

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

Richard Barfield
Chairman
29 August 2014

Standard Life Investments Property Income Trust Limited

Unaudited Consolidated Statement of Comprehensive Income

for the period ended 30 June 2014

	Notes	1 Jan 14 to 30 Jun 14 £	1 Jan 13 to 30 Jun 13 £
Rental income		7,462,953	6,520,056
Surrender premium income		18,154	–
Valuation gain / (loss) from investment properties	5	9,176,100	(2,016,259)
(Loss) / Profit on disposal of investment properties		(2,032,950)	7,232
Investment management fees	3	(735,457)	(649,986)
Other direct property operating expenses		(483,017)	(588,174)
Directors' fees and expenses		(68,052)	(69,030)
Valuer's fee		(22,787)	(13,771)
Auditor's fee		(22,900)	(19,500)
Other administration expenses		(110,643)	(109,111)
Operating profit		**13,181,401**	**3,061,457**
Finance income		25,420	30,118
Finance costs		(1,636,315)	(2,685,413)
Profit for the period		**11,570,506**	**406,162**
Other comprehensive income			
Valuation (loss) / gain on cash flow hedges		(141,937)	3,752,184
Total comprehensive income for the period, net of tax		**11,428,569**	**4,158,346**
Earnings per share:		pence	pence
Basic and diluted earnings per share		7.31	0.28
Adjusted (EPRA) earnings per share		2.80	1.68

All items in the above Unaudited Consolidated Statement of Comprehensive Income derive from continuing operations.

The notes on pages 21 to 31 are an integral part of these Consolidated Financial Statements.

Standard Life Investments Property Income Trust Limited

Unaudited Consolidated Balance Sheet

as at 30 June 2014

	Notes	30 Jun 2014 £	31 Dec 2013 £
ASSETS			
Non-current assets			
Investment properties	5	177,457,102	172,886,556
Lease incentives		1,102,407	3,269,593
Interest rate swaps		917,670	1,207,299
Deferred Tax		587,315	587,315
		180,064,494	177,950,763
Current assets			
Trade and other receivables		1,447,459	1,305,524
Cash and cash equivalents		23,214,217	12,303,310
		24,661,676	13,608,834
Total assets		**204,726,170**	**191,559,597**
EQUITY			
Capital and reserves attributable to Company's equity holders			
Share capital		35,369,964	31,337,024
Retained earnings		7,366,290	6,560,853
Capital reserves		(27,143,241)	(34,144,454)
Other distributable reserves		97,838,372	97,838,372
Total equity		113,431,385	101,591,795
LIABILITIES			
Non-current liabilities			
Bank borrowings		83,923,001	83,866,594
Other liabilities		6,094	6,094
Rent deposits due to tenants		588,730	336,596
		84,517,825	84,209,284
Current liabilities			
Trade and other payables		5,685,856	4,519,722
Interest rate swaps		1,090,604	1,238,296
Other liabilities		500	500
		6,776,960	5,758,518
Total liabilities		**91,294,785**	**89,967,802**
Total equity and liabilities		**204,726,170**	**191,559,597**

Standard Life Investments Property Income Trust Limited

Unaudited Consolidated Balance Sheet

as at 30 June 2014 (continued)

Net Asset Value (NAV) per share		
NAV	70.6p	65.5p
EPRA NAV	70.7p	65.6p

Approved by the Board of Directors on 29 August 2014 and signed on its behalf by:

Sally-Ann Farnon
Director

The notes on pages 21 to 31 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 2014

	Notes	Share capital £	Retained earnings £	Capital reserves £	Other distributable reserves £	Total equity £
Opening balance 1 January 2014		31,337,024	6,560,853	(34,144,454)	97,838,372	101,591,795
Profit for the period		–	11,570,506	–	–	11,570,506
Valuation loss on cash flow hedges		–	–	(141,937)	–	(141,937)
Total comprehensive gain for the period		–	11,570,506	(141,937)	–	11,428,569
Dividends paid	7	–	(3,621,919)	–	–	(3,621,919)
Ordinary shares issued*		4,032,940	–	–	–	4,032,940
Valuation gain of investment properties	5	–	(9,176,100)	9,176,100	–	–
Loss on disposal of investment properties		–	2,032,950	(2,032,950)	–	–
Balance at 30 June 2014		**35,369,964**	**7,366,290**	**(27,143,241)**	**97,838,372**	**113,431,385**

* this value represents both the nominal and the premium raised on issuing the ordinary shares.

The notes on pages 21 to 31 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 2013

	Notes	Share capital £	Retained earnings £	Capital reserves £	Other distributable reserves £	Total equity £
Opening balance 1 January 2013		22,280,186	7,711,894	(47,199,621)	97,838,372	80,630,831
Profit for the period		–	406,162	–	–	406,162
Valuation gain on cash flow hedges		–	–	3,752,184	–	3,752,184
Total comprehensive gain for the period		–	406,162	3,752,184	–	4,158,346
Dividends paid	7	–	(3,264,892)	–	–	(3,264,892)
Ordinary shares issued*		6,709,663	–	–	–	6,709,663
Valuation loss of investment properties		–	2,016,259	(2,016,259)	–	–
Profit on disposal of investment properties		–	(7,232)	7,232	–	–
Balance at 30 June 2013		**28,989,849**	**6,862,191**	**(45,456,464)**	**97,838,372**	**88,233,948**

* this value represents both the nominal and the premium raised on issuing the ordinary shares.

The notes on pages 21 to 31 are an integral part of these Unaudited Consolidated Financial Statements.

Standard Life Investments Property Income Trust Limited

Unaudited Consolidated Cash Flow Statement

for the period ended 30 June 2014

	Notes	1 Jan 14 to 30 Jun 14 £	1 Jan 13 to 30 Jun 13 £
Cash generated from operating activities	9	7,362,202	3,962,710
Cash flows from investing activities			
Interest received		25,420	30,118
Purchase of investment properties	5	(19,611,648)	(10,354,650)
Capital expenditure on investment properties	5	(2,206,823)	(287,416)
Net proceeds from disposal of investment properties		26,567,050	907,232
Net cash used in investing activities		4,773,999	(9,704,716)
Cash flows from financing activities			
Ordinary shares issued net of issue costs		4,032,940	6,709,663
Interest paid on bank borrowing		(1,010,693)	(885,749)
Payments on interest rate swaps		(625,622)	(1,743,332)
Dividends paid to the Company's shareholders	7	(3,621,919)	(3,264,892)
Net cash used in financing activities		(1,225,294)	815,690
Net increase / (decrease) in cash and cash equivalents in the period		**10,910,907**	**(4,926,316)**
Cash and cash equivalents at beginning of period		12,303,310	13,527,186
Cash and cash equivalents at end of period		**23,214,217**	**8,600,870**

The notes on pages 21 to 31 are an integral part of these Unaudited Consolidated Financial Statements.

Standard Life Investments Property Income Trust Limited

Notes to the Unaudited Consolidated Financial Statements
for the period ended 30 June 2014

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 listing on the London 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 29 August 2014.

The Audited Consolidated Financial Statements of the company for the year ended 31 December 2013 are available on 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 IAS 34 Interim Financial Reporting, 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 Unaudited 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 2013. The accounting policies adopted in the preparation of the Interim Condensed Consolidated Financial Statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2013, except for the adoption of new standards and interpretations effective as of 1 January 2014.

New standards and amendments apply for the first time in 2014 and are detailed below:

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 sets out the requirements for disclosures relating to an entity's interest in subsidiaries, joint arrangements, associates and structured entities. The additional disclosure requirements in IFRS 12 are set out in these Unaudited Condensed Financial Statements (see note 6).

Several other new standards and amendments apply for the first time in 2014. However, they do not impact the Interim Condensed Consolidated Financial Statements of the Group and are listed below:

- IFRS 10 Consolidated Financial Statements
- IFRS 11 Joint Arrangements
- IAS 27 Separate Financial Statements
- IAS 28 Investments in Associates and Joint Ventures
- IAS 39 Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting (Amendments)
- Amendment to IAS 32 Financial Instruments: Presentation
- Amendment to IAS 36 Impairment of Assets
- Amendments to IFRS 10, IFRS 12 and IAS 27: Investment Entities
- Amendments to IFRS 10, IFRS 11 and IFRS 12 on transitional guidance
- IFRIC 21 Levies

Standard Life Investments Property Income Trust Limited

Notes to the Unaudited Consolidated Financial Statements

for the period ended 30 June 2014 (continued)

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

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.

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. A new Investment Management Agreement ("IMA") was entered into on 7 July 2014, appointing the Investment Manager as the AIFM.

Under the terms of the IMA dated 19 December 2003, the Investment Manager was entitled to receive a fee at the annual rate of 0.85% of the total assets, payable quarterly in arrears except where cash balances exceed 10% of the total assets. The fee applicable to the amount of cash exceeding 10% of total assets was altered to be 0.20% per annum, payable quarterly in arrears. The Investment Manager 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 was applicable from the quarter ending 31 December 2008 onwards and did 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 2014 amounted to £735,457 (period ended 30 June 2013: £649,986). The amount due and payable at the period end amounted to £373,266 excluding VAT (period ended 30 June 2013: £329,025 excluding VAT).

Under the terms of the IMA dated 7 July 2014, the above fee arrangements apply up to 31 July 2014. From 1 August 2014, the fee has been changed to 0.75% of total assets up to £200 million, 0.70% of total assets between £200 million and £300 million and 0.65% of total assets in excess of £300 million.

Notes to the Unaudited Consolidated Financial Statements
for the period ended 30 June 2014 (continued)

4 Taxation

Current income tax

A reconciliation of the product of accounting profit multiplied by the applicable tax rate for the period ended 30 June 2014 and 2013 is as follows:

	30 Jun 2014 £	30 Jun 2013 £
Profit before income tax	11,570,506	406,162
Tax calculated at UK statutory income tax rate of 20% (30 June 2013: 20%)	2,314,101	81,232
Valuation (gain) / loss from investment properties not subject to tax	(1,428,630)	401,806
Income not subject to tax	(289,189)	(75,539)
Expenditure not allowed for income tax purposes	74,720	34,481
Tax loss utilised	(671,002)	(441,980)
Current income tax charge	–	–

	Unaudited Consolidated Balance Sheet		Unaudited Consolidated Income Statement	
	30 Jun 2014 £	30 Jun 2013 £	30 Jun 2014 £	30 Jun 2013 £
Defered income tax assets				
Losses available for offset against future taxable income	587,315	–	–	–
Deferred income tax asset	**587,315**	**–**	**–**	**–**

The Group has available deferred tax assets of £2,366,832 (30 June 2013: £2,606,977) due to tax losses which arose in Guernsey that are available for offset against future taxable profits of the Company in which the losses arose. A deferred tax asset of £587,315 (30 June 2013: £Nil) has been recognised in respect of these losses. The remaining £1,779,517 of deferred tax assets have not been recognised as the Company expects to convert from a Guernsey Investment Company to a Real Estate Investment Trust (REIT) by the end of 2014 and as a result these tax losses would not be utilised. As a REIT, any future profit generated by the Company would not be taxable in the Company. Due to the expected REIT conversion, the Group plans to amortise the deferred tax asset of £587,315 over the coming 6 months as a tax charge in the Consolidated Statement of Comprehensive Income.

The Company and its subsidiary have obtained exempt company status in Guernsey so that they are exempt from Guernsey taxation on income arising outside Guernsey and bank interest receivable in Guernsey. The Board intend to conduct the Group's affairs such that the Company and its subsidiary continue to remain eligible for exemption.

5 Investment Properties

Country	UK	UK	UK	Total	Total
Class	Industrial	Office	Retail	30 June 2014	31 Dec 2013
	£	£	£	£	£
Market value as at 1 January	48,175,000	79,945,000	48,295,000	176,415,000	161,600,000
Purchase of investment property	3,817,040	15,794,608	–	19,611,648	23,840,453
Capital expenditure on investment properties	2,389	2,316,945	(112,511)	2,206,823	326,840
Carrying value of disposed investment properties	(14,550,000)	–	(14,050,000)	(28,600,000)	(15,150,000)
Valuation gain from investment properties	1,310,371	6,508,869	1,356,860	9,176,100	5,795,851
Movement in lease incentives receivable	(24,800)	24,578	(14,349)	(14,571)	1,856
Closing market value	38,730,000	104,590,000	35,475,000	178,795,000	176,415,000
Adjustment for lease incentives*				(1,344,492)	(3,535,038)
Adjustment for finance lease obligations				6,594	6,594
Closing carrying value				177,457,102	172,886,556

*Lease incentives are split between non-current of £1,102,407 and current of £242,085.

Valuation gains and losses from investment properties are recognised in profit and loss for the period and are attributable to changes in unrealised gains or losses relating to investment property (completed and under construction) held at the end of the reporting period.

Notes to the Unaudited Consolidated Financial Statements
for the period ended 30 June 2014 (continued)

	30 June 2014 Number of properties	31 Dec 2013 Number of properties	30 June 2014 £	31 Dec 2013 £
Freehold	22	25	127,705,000	141,970,000
Leasehold	9	8	51,090,000	34,445,000
Closing market value	31	33	178,795,000	176,415,000

The fair value of the Group's completed investment property, apart from the industrial estate in Swindon, is determined using the income capitalisation method.

The income capitalisation method is based on capitalising the net income stream at an appropriate yield. In establishing the net income stream the valuer has reflected the current rent (the gross rent) payable to lease expiry, at which point the valuer has assumed that each unit will be re-let at their opinion of ERV. The valuer has made allowances for voids and rent free periods where appropriate, as well as deducting non recoverable costs where applicable. The appropriate yield is selected on the basis of the location of the building, its quality, tenant credit quality and lease terms amongst other factors.

In the case of Swindon the alternative technique used by the valuer was the development appraisal approach as this is the technique most suited to valuing this asset. Although the development appraisal technique was used the property in Swindon is not considered to be a development property. The property has development potential in the future but it is still generating income for the Group therefore it continues to be categorized as an investment property and is therefore not shown separately as properties under construction and has been included as investment property in the table on page 24.

In the case of the development appraisal method, estimates of capital outlays and construction cost, development costs, and anticipated sales income are estimated to arrive at a series of net cash flows. Specific development risks such as planning, zoning, licences, and building permits are separately valued. Allowances for developers profit and finance costs during construction and marketing periods are also reflected.

One property has changed valuation technique since 31 December 2013 when Bourne House in Staines was valued using the development appraisal approach. The change in valuation technique was due to the timing of the completion of the refurbishment project and the fact it was close to completion at 30 June 2014.

The Company appoints a suitable valuer (such appointment is reviewed on a periodic basis) to undertake a valuation of all the direct real estate investments on a quarterly basis. The valuation is undertaken in accordance with the then current RICS guidelines and requirements as mentioned above. The Investment Manager meets with the valuer on a quarterly basis to ensure the valuer is aware of all relevant information for the valuation and any change in the investment over the quarter. The Investment Manager then reviews and discusses the draft valuations with the valuer to ensure correct factual assumptions are made. The Valuer reports a final valuation that is then reported to the Board.

Notes to the Unaudited Consolidated Financial Statements

for the period ended 30 June 2014 (continued)

The management group that determines the Company's valuation policies and procedures for property valuations is the Property Valuation Committee. The Committee reviews the quarterly property valuation report produced by the Valuer (or such other person as may from time to time provide such property valuation services to the Company) before its submission to the Board, focussing in particular on:

- significant adjustments from the previous property valuation report
- reviewing the individual valuations of each property
- compliance with applicable standards and guidelines including those issued by RICS and the UKLA Listing Rules
- reviewing the findings and any recommendations or statements made by the Valuer
- considering any further matters relating to the valuation of the properties

The Chairman of the Committee makes a brief report of the findings and recommendations of the Committee to the Board after each Committee meeting. The minutes of the Committee meetings are circulated to the Board. The Chairman submits an annual report to the Board summarising the Committee's activities during the year and the related significant results and findings.

All investment property is classified as Level 3 in the fair value hierarchy. There were no movements between levels during the period.

There are currently no restrictions on the realisability of investment property or the remittance of income and proceeds of disposal.

The table on page 27 outlines the valuation techniques used to derive Level 3 fair values for each class of investment property:

- The fair value measurements at the end of the reporting period.
- The level of the fair value hierarchy (e.g. Level 3) within which the fair value measurements are categorised in their entirety.
- A description of the valuation techniques applied.
- Fair value measurements, quantitative information about the significant unobservable inputs used in the fair value measurement.
- The inputs used in the fair value measurement, including the ranges of rent charged to different units within the same building.

Notes to the Unaudited Consolidated Financial Statements
for the period ended 30 June 2014 (continued)

Country & Class	Fair Value £	Valuation Technique	Key Unobservable input	Range (weighted average)
UK Industrial	38,251,429	▸ Income Capitalisation	▸ Initial Yield	▸ 0% to 10.42% (6.81%)
Level 3			▸ Reversionary Yield	▸ 0% to 10.42% (7.12%)
			▸ Equivalent Yield	▸ 4.70% to 9.34% (7.48%)
			▸ Estimated rental value per square metre	▸ £37.59 to £191.06 (£76.11)
		▸ Development Appraisal (Swindon Property Only)	▸ Construction cost per Sq. m (exclude fees)	▸ £1,291.68
			▸ Profit on cost %	▸ 30%
UK Office	104,082,009	▸ Income Capitalisation	▸ Initial Yield	▸ 0% to 13.48% (7.17%)
Level 3			▸ Reversionary Yield	▸ 5.54% to 14.54% (7.36%)
			▸ Equivalent Yield	▸ 5.48% to 10.79% (7.14%)
			▸ Estimated rental value per square metre	▸ £80.55 to £418.87 (£175.64)
UK Retail	35,123,664	▸ Income Capitalisation	▸ Initial Yield	▸ 6.05% to 7.61% (7.06%)
Level 3			▸ Reversionary Yield	▸ 6.38% to 7.61% (6.99%)
			▸ Equivalent Yield	▸ 6.55% to 7.58% (7.12%)
			▸ Estimated rental value per square metre	▸ £76.56 to £135.51 (£114.61)
	177,457,102			

Standard Life Investments Property Income Trust Limited

Notes to the Unaudited Consolidated Financial Statements
for the period ended 30 June 2014 (continued)

Descriptions and definitions

The table on page 27 includes the following descriptions and definitions relating to valuation techniques and key unobservable inputs made in determining the fair values:

Estimated rental value (ERV)

The rent at which space could be let in the market conditions prevailing at the date of valuation.

Equivalent yield

The equivalent yield is defined as the internal rate of return of the cash flow from the property, assuming a rise to ERV at the next review, but with no further rental growth.

Initial yield

Initial yield is the annualised rents of a property expressed as a percentage of the property value.

Reversionary yield

Reversionary yield is the anticipated yield to which the initial yield will rise (or fall) once the rent reaches the ERV.

The table below shows the ERV per annum, area per square foot, average ERV per square foot, initial yield and reversionary yield as at the Balance Sheet date.

	30 Jun 2014	31 Dec 2013
	£	£
ERV p.a.	13,954,522	15,202,884
Area sq. ft.	1,449,391	1,734,445
Average ERV per sq. ft.	£9.63	£8.77
Initial Yield	7.50%	7.67%
Reversionary Yield	5.33%	6.59%

The table below presents the sensitivity of the valuation to changes in the most significant assumptions underlying the valuation of completed investment property.

	30 Jun 2014	31 Dec 2013
	£	£
Increase in equivalent yield of 25 bps	(6,460,000)	(6,200,000)
Decrease in rental rates of 5% (ERV)	(6,780,000)	(6,700,000)

Below is a list of how the interrelationships in the sensitivity analysis above can be explained. In both cases outlined in the sensitivity table the estimated Fair Value would increase (decrease) if:

- The ERV is higher (lower)
- Void periods were shorter (longer)
- The occupancy rate was higher (lower)
- Rent free periods were shorter (longer)
- The capitalisation rates were lower (higher)

Standard Life Investments Property Income Trust Limited

Notes to the Unaudited Consolidated Financial Statements
for the period ended 30 June 2014 (continued)

6 Investment in Other Entities

The Group, through its subsidiary, owns 100 per cent of the issued ordinary share capital of Huris (Farnborough) Limited, a company incorporated in the Cayman Islands whose principal business is property investment.

7 Dividends

	30 Jun 2014 £	30 Jun 2013 £
1.133p per ordinary share paid in February relating to the quarter ending 31 December 2013 (30 June 2013: 1.133p)	1,756,085	1,599,022
1.161p per ordinary share paid in May relating to the quarter ending 31 March 2014 (30 June 2013: 1.133p)	1,865,834	1,665,870
	3,621,919	**3,264,892**

On 22 August 2014 a dividend of £1,865,834, 1.161p per ordinary share (30 June 2013: £1,728,043, 1.133p per ordinary share) in respect of the quarter to 30 June 2014 was paid.

8 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 2014 Number of Shares	31 Dec 2013 Number of Shares
Number of ordinary shares at the reporting date	160,709,237	154,994,237

	30 Jun 2014 £	31 Dec 2013 £
Total equity per consolidated financial statements	113,431,385	101,591,795
Net asset value per share	**70.6p**	**65.5p**
Adjustments:		
Adjustment for dividend in respect of the quarter ending on the reporting date	(1,865,834)	(1,756,085)
Published adjusted net asset value	**111,565,551**	**99,835,710**
Published adjusted net asset value per share	**69.4p**	**64.4p**

The EPRA publishes guidelines for calculating adjusted NAV. EPRA NAV represents the fair value of an entity's equity on a long-term basis. Items that EPRA considers will have no impact on the long term, such as fair value of derivatives, are therefore excluded.

Notes to the Unaudited Consolidated Financial Statements
for the period ended 30 June 2014 (continued)

	30 Jun 2014 £	31 Dec 2013 £
Total equity per consolidated financial statements	113,431,385	101,591,795
Adjustments:		
Less: fair value of derivatives	172,934	30,997
Published adjusted EPRA net asset value	**113,604,319**	**101,622,792**
Published adjusted EPRA net asset value per share	**70.7p**	**65.6p**
Adjustments:		
Adjustment for dividend in respect of the quarter ending on the reporting date	(1,865,834)	(1,756,085)
Published adjusted EPRA net asset value	**111,738,485**	**99,866,707**
Published adjusted EPRA net asset value per share	**69.5p**	**64.4p**

9 Cash Generated from Operations

	1 Jan 14 to 30 Jun 14 £	1 Jan 13 to 30 Jun 13 £
Profit for the period	11,570,506	406,162
Movement in lease incentives	(67,274)	(11,898)
Movement in trade and other receivables	(141,935)	(670,077)
Movement in trade and other payables	1,533,160	(425,799)
Finance costs	1,636,315	2,685,413
Finance income	(25,420)	(30,118)
Valuation (gain) / loss from investment properties	(9,176,100)	2,016,259
Loss / (profit) on disposal of investment properties	2,032,950	(7,232)
Cash generated from operations	**7,362,202**	**3,962,710**

In the Consolidated Cash Flow Statement, proceeds from disposal of investment properties comprise:

	1 Jan 14 to 30 Jun 14 £	1 Jan 13 to 30 Jun 13 £
Carrying value of disposed investment properties (Note 5)	28,600,000	900,000
(Loss) / profit on disposal of investment properties	(2,032,950)	7,232
Proceeds from disposal of investment properties	**26,567,050**	**907,232**

Standard Life Investments Property Income Trust Limited

Notes to the Unaudited Consolidated Financial Statements
for the period ended 30 June 2014 (continued)

10 Segmental Information

The board has considered the requirements of IFRS 8 'operating segments'. The board is of the view that the Group is engaged in a single segment of business, being property investment and in one geographical area, the United Kingdom.

11 Events after the Balance Sheet Date

Property Sales and Purchases

On 11 August 2014 the Group completed the purchase of Tetron 93 and Tetron 141, two industrial investments in Swadlincote for £14.35m excluding costs.

On 11 August 2014 the Group completed the purchase of Denby 242, an industrial investment in Derby for £12.9m excluding costs.

Shares and Dividends

On 22 August 2014 a dividend of £1,865,834 in respect of the quarter to 30 June 2014 was paid.

On 30 July 2014 the Group allotted 50m ordinary shares of 1p each, which rank parri passu with the existing shares in issue, at a price of 72.9p per share.

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.

The Company is registered with the IRS for the purposes of the Foreign Account Tax Compliance Act ("FATCA"). The Company's Global Intermediary Identification Number ("GIIN") is N5Q3C7.99999.SL.831.

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. There is no maximum amount that can be invested in the Company through Standard Life's Savings Scheme and there is no initial, exit 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 £15,000 in the tax year 2014/2015. 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. There is no initial, exit or annual management charge. ISAs attract tax reliefs 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. There is no initial, exit 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 may result in a shareholder receiving less than he/she originally invested.

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 tax advantages will depend on personal circumstances. The favourable tax treatment of ISAs may not be maintained.

Standard Life Investments Property Income Trust Limited

Directors and Company Information

Directors

Richard Arthur Barfield (Chairman) [1]
Huw Griffith Evans [2]
Sally-Ann Farnon [3]
Shelagh Yvonne Mason [4]
Robert Peto [5]

Registered Office

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St. Peter Port
Guernsey GY1 3QL

Registered Number

41352

Administrator & Secretary

Northern Trust International Fund Administration Services (Guernsey) Limited
PO Box 255
Trafalgar Court
Les Banques
St. Peter Port
Guernsey GY1 3QL

Registrar

Computershare Investor Services (Guernsey) Limited
Le Truchot
St. Peter Port
Guernsey GY1 1WD

Investment Manager

Standard Life Investments (Corporate Funds) Limited
1 George Street
Edinburgh EH2 2LL
Telephone: 0845 60 60 062

1 Chairman of the Nomination Committee
2 Chairman of the Remuneration Committee
3 Chairman of the Audit Committee and designated as Senior Independent Director.
4 Chairman of the Management Engagement Committee
5 Chairman of the Property Valuation Committee

Independent Auditors

Ernst & Young LLP
Royal Chambers
St Julian's Avenue
St Peter Port
Guernsey GY1 4AF

Solicitors

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Principal Bankers

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Property Valuers

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Depositary

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