

Standard Life Investments Property Income Trust

31 March 2009

- Dividend Yield of 14.4% on quarter end share price
- Q1 NAV decline of 15%, property values down by 7.7%
- New purchase completed 1st April 2009, raising dividend cover to 126%
- Interest cover 240%, LTV 43.8% post purchase

Investment Objective

To provide an attractive level of income along with the prospect of income and capital growth from investing in a diversified UK commercial property portfolio. The Company invests in the three principal commercial property sectors: office, retail (including leisure) and industrial but may also invest up to 10 per cent in other commercial property and undertake property development (including speculative property development) up to 10 per cent of gross assets.

The Company can invest up to 10 per cent in indirect property vehicles or funds but will not invest in other listed investment companies or investment trusts.

Company Description

Standard Life Investments Property Income Trust Limited is a closed-ended, Guernsey registered investment company managed by Standard Life Investments with an independent Board of Directors.

This communication is intended for investment professionals only and should not be relied upon by anyone else.



Fund Manager Jason Baggaley

Jason is a qualified chartered surveyor with 17 years Real Estate fund management experience. Jason has been with Standard Life Investments for 12 years, and for the last 5 years has been the fund manager of 2 segregated pension funds.

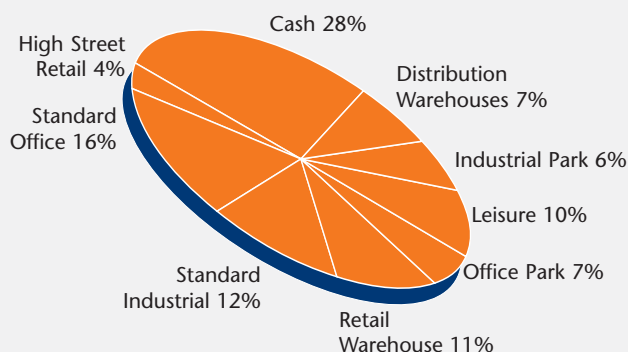
Fund Manager	Standard Life Investments
Launch Date	19 December 2003
Portfolio Market Value	£158.2m (at 31/03/2009)
Market Capitalisation	£28.86m (at 31/03/2009)
Management Fee	0.75% of gross assets per annum
	0.20% on cash above 10% of assets
Dividend*	Annual gross dividends
	4 pence per share
Ordinary Share Price	27.75 pence (as at 31/03/2009)
NAV per Ordinary Share	52.50 pence (as at 31/03/2009)
Current Gearing**	42.2%
Loan to Value***	38.5%

*Dividend payable quarterly in May, Aug, Nov, Feb

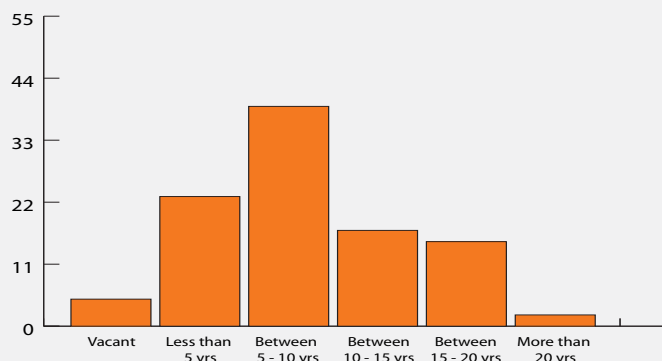
**Total debt (including preference shares), less cash on deposit as a percentage of gross assets

***Debt less cash on deposit as a percentage of the market value of the properties

UK Sub-Sector Weighting

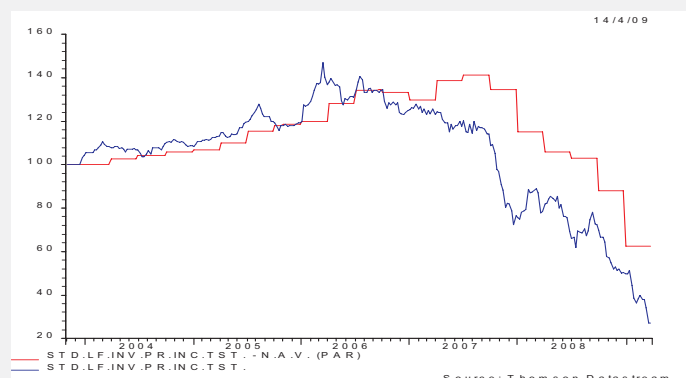


Lease Expiry/Break Profile



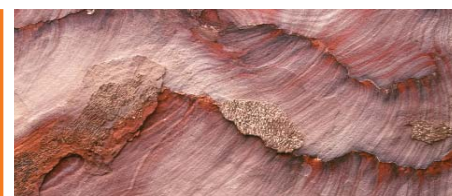
Average Unexpired Lease Term: 8.3 Years

Property Income Trust Ordinary Share Price vs NAV



Please note all figures as at 31/03/2009 unless otherwise indicated

Note: Past performance is not a guide to future performance and the value of shares can go down as well as up.



Investment Review & Outlook

Market Commentary

Values fell again in Q1 2009, however the pace of capital value declines has slowed markedly over the last three months. All Property recorded a total return of -7.1% in the three months to end March 2009 which although still firmly in negative territory, was an improvement on the -13.5% recorded in the previous quarter (IPD Monthly Index). There are some encouraging signs in the UK that the worst of the economic contraction may be behind as a range of economic indicators, despite continuing to signal weakness, look to be stabilizing at low levels.

The listed sector continues to be volatile and the large volume of capital raised to date in the sector should, to some extent, repair balance sheets and allow the stronger players to capitalize on the lower prices in the sector. The rights issues have generally been favourably received thus far. The sector is on a slight premium to bottom of the cycle NAV. The sector fell by 31.1% over the period end December 2008 to 31 March 2009. The offshore sector fell by -5.9% over the same period.

The continuing trend of retail underperforming the other sectors persisted again this month. At -27.1% p.a. in the twelve months to end March, the retail sector underperformed both

Market Commentary (Continued)

offices and industrials which recorded -25.9% p.a. and -21.4% p.a. respectively in the same period.

Investment Outlook

The property downturn has moved from a pricing driven correction to the next stage with occupier markets and consequently rents weakening sharply. One of the most severe synchronised global economic slowdowns this century is now having more of an adverse effect on tenant demand. Landlords have reacted quickly to the change in occupier markets with lower quoting rents, and greater incentives being offered. Recent changes to empty rates legislation have focused the minds on needing to retain or attract tenants. The highly volatile Central London markets are likely to continue to be most affected by the downturn. Generally, across markets, development activity has been curtailed and with relatively low supply in the main going into this downturn, there is the likelihood that when recovery materialises it will be at a more significant rate than witnessed in previous downturns due to the more positive demand/supply balance this time around.

Investment Outlook (Continued)

As investors pricing expectations change to take account of the extent of the occupier market weakness, pricing is moving closer to fair value and agents are reporting yields stabilising for some of the best quality assets. Whilst 2009 is likely to be another challenging year for commercial property, the prospects for 2010 and beyond are looking more promising. Income preservation is likely to be key for investors going forward and hence prime assets in the best locations with strong covenants on long leases will be at a premium.

Fund Manager Commentary

Although capital values fell again in 2009 by 8.9% in Q1 according to the IPD Monthly Index, this did show a slight improvement on the 15% fall in Q4 2008. The Company saw a 7.7% fall in the value of its property portfolio, once again outperforming the Monthly index. Over the quarter the occupier market continued to weaken with low levels of take up and falling rental values, however during the same period there was a noticeable improvement in sentiment in the investment market, with transaction levels increasing through the quarter. Pricing for well let prime assets appears to have stabilised, and there is even evidence of competitive bidding for some assets.

Fund Manager Commentary (Continued)

In March, the Company exchanged contracts for the purchase of a 54,000sqft office building in Uxbridge for £10.98m at a yield of 9.95% on the contracted income. The grade A office, built in 2001 is let to Manpower and IBB solicitors and has 7,500sqft vacant which when let will further enhance the level of income. The purchase adds over £1m to the revenue account, increasing the dividend cover to 126% and interest cover to 240%. The investment was bought at an attractive price (£200psf) that gives scope for strong future growth. The valuation on purchase was £11.35m. The purchase was made from cash resources held by the Company, with the result that post purchase the net LTV is 43.8% against a bank covenant of 55%. The

Fund Manager Commentary (Continued)

Company still holds £33.7m cash following the purchase, which completed on 1st April. Asset management continued over the quarter, with a lease renewal completed £35,000pa above ERV, terms agreed on another renewal due in September on a retail warehouse, and a central London office rent review completed £50,000 above ERV. The void level fell slightly over the quarter to 4.8%, however following the purchase has risen to 6.1%.

Tenant retention remains key in this market, and we continue to negotiate on a number of lease renewals due over the next 18 months and break options over the next 24 months. We had no tenant failures over the quarter.

Ten Largest Properties (by capital value 31 March 2009)

Name	Location	Capital Value (£) (OMV)	Type
Hollywood Green	London	£10-15m	Leisure
Clough Road	Hull	£10-15m	Retail Warehouse
Ocean Trade Centre	Aberdeen	£5-10m	Industrial Park
Bucknall Street	London	£5-10m	Standard Office
Drakes Way	Swindon	£5-10m	Standard Industrial
Century Plaza, Edgware	London	£5-10m	High Street Retail
Chancellors Place	Chelmsford	£5-10m	Standard Office
White Bear Yard, Clerkenwell	London	£5-10m	Standard Office
Bathgate Retail Park	Bathgate	£5-10m	Retail Warehousing
1/1A Marsh Way	Rainham	£5-10m	Standard Industrial

Investment Market Line

If you would like more details on our current market views please call:

0845 60 60 062

Note: Past performance is not a guide to future performance and the value of shares can go down as well as up.

Standard Life Investments Limited, tel. +44 131 225 2345, a company registered in Scotland (SC 123321) Registered Office 1 George Street Edinburgh EH2 2LL.

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