AVIVA INVESTORS

AVIVA INVESTORS PROPERTY TRUST INTERIM REPORT AND FINANCIAL STATEMENTS

For the six months ended 30 November 2012 (unaudited)

avivainvestors.co.uk

Contents

TRUST INFORMATION

Manager
Aviva Investors UK Fund Services Limited
No. 1 Poultry
London, EC2R 8EJ

Until 20 July 2012, the Manager was 50% owned by Aviva Life Holdings UK Limited and 50% owned by Aviva Investors Holdings Limited, both of which are companies incorporated in the United Kingdom and are within the Aviva Group of Companies. From 20 July 2012, the Manager is wholly owned by Aviva Life Holdings UK Limited.

Aviva Investors UK Fund Services Limited is a member of the Investment Management Association and is authorised and regulated by the Financial Services Authority.

Directors
T Orton
E Gerth (resigned 20 July 2012)
G Boffey (resigned 5 December 2012)
P Neville (resigned 20 July 2012)
B A Curran (appointed 20 July 2012)
A Beswick (appointed 20 December 2012)

Administrator and Registrar
International Financial Data Services (UK) Limited
IFDS House
St Nicholas Lane
Basildon
Essex, SS15 5FS

Investment Adviser
Aviva Investors Global Services Limited
No.1 Poultry
London, EC2R 8EJ

Aviva Investors Global Services Limited, a wholly owned subsidiary of Aviva Plc, is a member of the Investment Management Association and is authorised and regulated by the Financial Services Authority.

Trustee
Citibank International Plc
Citigroup Centre
Canada Square
Canary Wharf
London, E14 5LB

Authorised and regulated by the Financial Services Authority.

Auditors
PricewaterhouseCoopers LLP
7 More London Riverside
London, SE1 2RT

PricewaterhouseCoopers LLP were appointed as auditors of the Trust on 14 December 2012. Prior to this date the auditors were Ernst & Young LLP.

Independent Property Valuer
Knight Frank LLP
55 Baker Street
London, W1U 8AN

Risk Information
Investors may not be able to switch or cash in their investment when they want because property in the Trust may not always be readily saleable. If this is the case we may suspend dealing in the Trust.

FUND MANAGER'S REPORT

For the six months ended 30 November 2012

Investment Objective
The investment objective of the Trust is to obtain optimum returns compatible with security via income and capital appreciation primarily through investment in certain kinds of real property, property related securities, government and other public securities and units in collective investment schemes.

Investment Approach
In order to achieve its objective the Trust will primarily invest in:

- approved immovables which will, initially, be properties within the United Kingdom but the Manager may, in due course, consider it appropriate to invest in real property in other countries permitted by the Regulations. The Trust may invest up to 100% of its property in approved immovables but will typically invest no more than 90% of its property in this way;
- transferable securities, with an emphasis on property-related securities. The Trust may hold up to 100% of its property in transferable securities but will typically hold not more than 30% in property company shares;
- government and other public securities to the extent permitted by the Regulations; and
- units in regulated and unregulated collective investment schemes, each to the extent permitted by the Regulations

The Trust also has maximum flexibility to invest in such other investments which the Manager deems appropriate, including money-market instruments, derivatives and forward transactions, deposits and gold, but subject always to the Regulations.

Full details of the Investment Approach can be found in the Full Prospectus.

It is the Trust's normal investment strategy to hold around 10% of its assets in cash or liquid securities (e.g. listed real estate equities), however at times of significant cash inflows or outflows this figure can vary. The Trust currently has around 86% of its assets in direct real estate.

Total performance
During the 6-month period under review, the Trust produced a negative total return (after the deduction of charges and non-recoverable expenses) of -0.22%[1].

The returns from the three main components of the Trust (before charges and non-recoverable expenses) held throughout the period under review were as follows:

Direct property: 0.8% (Investment Property Databank (IPD) Balanced Monthly Index Funds 0.7%[2]

Cash instruments/money held on deposit: 0.31%[3]

Listed real estate securities 15.7%[4]

The fund continues to experience negative cash flows and as a result remains on a cancellation price basis which reflects the full costs of buying and selling property (including Stamp Duty, valuation and legal costs).

This approach to valuing property funds reflects standard industry practice for all unit trust funds, though the impact on property funds is greater than it would be for equity and bond funds because of the higher buying costs associated with direct property. We believe that this is fair and equitable to both incoming and outgoing investors. The action taken is in line with the pricing policy.

Trust profile and portfolio review
The total assets of the Trust as at 30 November 2012 were £1,588.1m including accumulated income (£1,698.2m as at 31 May 2012). The asset split was 86.3% in direct property (67 properties), 3.3% in listed securities and 10.4% in cash[3].

As at the end of November, the asset split within the direct property portfolio as compared with the IPD Balanced Monthly Index Funds benchmark (shown in brackets) was offices 20.9% (29.7%), retail 56.1% (46.0%), industrial 10.1% (18.5%) and other 12.9% (5.8%)[2].

We sold three properties during the period under review for a total of just over £160m. Princes House, London W1, a mixed-use building, was sold in July for a yield of 4%, representing a significant premium over the 2011 year-end valuation, capitalising on the demand for high quality property in central London. This was an asset where we had doubled the retail rental tone over the six to seven years that we had owned it, delivering significant long-term performance for the fund. A shopping centre in Canterbury was sold in the following month, again for a premium over the previous year-end valuation and in the same month an office property in the City of London was sold. We are currently looking at opportunities for further selective sales but only in areas of the country, and of the market, where we believe that investor demand should attract competing offers.

There were no purchases during the period. The fund remains cautious about investing (just yet) in shorter-dated income (outside Central London or the core regional markets) expecting these assets to become cheaper over the near term. Instead, we are focusing capital on value-add to the existing portfolio, as well as being opportunistic on asset sales where we feel we have already added value through active management.

We now have almost no exposure to City of London offices where our in-house forecasts suggest that growth will be limited after a period of very robust returns. Overall our exposure to Central London has been refocused in recent months; selling those assets where capital and rental value has already been increased, and holding those assets where we believe we can continue to add significant value through lease extensions and/or redevelopment. Our in-house forecasts suggest that other areas of the market, where yields already have moved out, offer better value currently, given the strong performance of Central London of late.

We remain overweight to assets with income linked to RPI or fixed uplifts and favour properties with longer-than-average lease lengths. Our independent valuers, Knight Frank, reported that at 30 September just over 20% of the fund's income from rents incorporates automatic fixed or RPI-linked uplifts and while there is no way of independently verifying this, we believe that this is considerably higher than that of the benchmark. This is particularly highly valued at a time like the present when the outlook for the economy remains somewhat uncertain.

Trust profile and portfolio review (continued)
A few examples of asset management initiatives during the period under review have included:

- putting the letting of circa 11,000 sq. ft. of office space under offer in Dorking,
- agreeing terms on the letting of a large car park in Edinburgh,
- agreeing terms on the letting of the former JJB unit on the fund's retail park in Hayes,
- negotiating terms on the removal of tenant break options on office holdings in London and Scotland,
- finalising terms for the letting of industrial units in Eastleigh,
- progressing the removal of a tenant break option on a distribution unit in Manchester,
- Progressing (and subsequently completing) a 10 year lease extension on a retail warehouse unit in South West London, adding circa £1.5m to the value of the asset,
- agreeing a new lease on one of our regional office buildings,
- continuing to work on an option agreement for one of our retail warehouse investments in Greater London which could deliver significant upside in the event of an adjoining development being delivered,
- continuing discussions on one of our other retail warehouse holdings on taking the early surrender of a lease conditional on planning consent and re-letting (with significantly improved rents) to three other retailers.

The amount of un-let (void) accommodation as at 30 November stood at 9.3%, slightly above the 8.2% for the benchmark IPD Balanced Monthly Index[2].

Our portfolio of listed real estate securities remains focused on the large liquid UK quoted Real Estate Investment Trusts (REITs) that has the ability to deliver a reliable and attractive income stream from high-quality real estate portfolios. Our two largest positions are in British Land and Land Securities which together represent over half of the portfolio by value. During October we increased the fund's exposure to British Land which currently offers an attractive dividend yield of circa 4.7% with a 6% discount to net asset value. Land Securities similarly trades currently at a 7% discount to net asset value while paying a 3.7% dividend yield. Both British Land and Land Securities have made significant progress on pre-letting at their City office developments during the period illustrating continuing strong demand for new space, particularly within the insurance sector. Other large positions remain the central London focused REITs Derwent London and Great Portland Estates. We feel that the development pipelines of both companies show significant upside in a sector with some attractive fundamentals. We sold our holding in Development Securities in the summer, preferring the greater liquidity of the larger blue-chips.

We feel that currently the UK listed real estate sector is fairly valued; however there remain some undervalued companies within the sector. Over the near term our approach for an open-ended (and principally direct property) fund has remained selective and opportunistic. The UK FTSE EPRA/NAREIT UK Index showed a return of 16.6% for the six-month period to the end of November, reflecting a strong performance over the period. The sector outperformed the FTSE 100 Index's return of 11.5% over this period[5].

Economic background for UK real estate
Over the six-month period to 30 November 2012 the IPD UK Balanced Monthly Index Funds, the Trust's benchmark for the direct property portfolio, recorded a total return of 0.7%[2]. This compares with a 12.8% total return from UK equities (FTSE All-share Index)[5] and a 0.3% total return from UK Gilts (FT 5-15 Years Gilt Index)[5].

The UK commercial property market continued to slow over the period with modest capital value declines across most parts of the UK market. According to the November IPD UK Monthly Index values in aggregate have now fallen for thirteen consecutive months. The slide in values has been driven by a combination of modest rental falls and some upward pressure on yields as the difficult economic and financial backdrop have made their presence felt in the commercial property market. Modest rental decline is widespread, however by sector with Central London offices and Central London retail remain segments where rental values are still managing to move higher. Sliding capital values have not, however, been enough to totally erode the income return from the asset class and total returns remain very mildly positive overall. We have seen considerable divergence in performance by asset quality and by region however. In terms of quality, pricing for prime assets – well-located with a strong tenant and longer-than-average lease – generally remains well supported though even here some segments have seen a little slippage. Meanwhile investor demand for secondary remains very thin. By region, conditions remain considerably more buoyant in London than elsewhere across the country.

Prospects for UK real estate
Please note that the below reflects our general views on the market and individual sectors. We remain convinced that a bottom-up approach rather than a macro-driven strategy is right in the current economic climate, and therefore asset-level conditions may well be different to those described here.

Recent indicators for the labour market and price inflation suggest that the period of greatest weakness for household finances has probably passed. Though price inflation is declining a little more slowly than expected of late, recent indicators for the labour market have tended to bring positive surprises. Employment levels are rising as private sector jobs growth outpaces cuts in the public sector. Retail sales, though far from buoyant, continue to show resilience with sales on the high street seeing growth overall. Central London remains the most vibrant part of the retail market with rents and capital values advancing. In contrast rents and values in most other parts of the retail landscape continue to slip. While muted development levels for shopping centres and retail warehouses should help to provide downside protection to rental values, in the absence of sustained economic recovery, any meaningful uplift in rents looks to remain some way off.

Office occupier markets continue to show a wide divergence in conditions between Central London and the rest of the UK. Though Central London take-up has been muted of late, occupier demand nonetheless remains fairly well supported. Overall current availability is relatively well contained and, with development levels generally under control, a significant increase in supply does not look imminent. Though rental growth has become increasingly difficult to achieve, this relatively benign supply picture should mean that a significant reversal in rents is not a major risk. Outside of the capital, meanwhile, conditions in the major regional markets remain very subdued. Occupier demand is weak and development activity extremely limited.

FUND MANAGER'S REPORT (CONTINUED)

For the six months ended 30 November 2012

Prospects for UK real estate (continued)

While low levels of development are supporting rents for prime property, conditions remain more difficult for secondary stock in these markets. Overall, we continue to expect that rental growth will be slow to return to most regional markets.

Activity in the manufacturing sector remains under downward pressure, held back by weakness in domestic demand and in the UK's major trading partners notably the eurozone. Unsurprisingly, given the backdrop of economic and financial weakness, leasing activity in the industrial and logistics market is also subdued. The main source of good news for the industrial and logistics sector continues to be on the supply side. The ongoing economic uncertainty and a dearth of development finance are keeping a firm lid on speculative development with availability continuing to decline as a result. While rental decline is continuing in the sector, it is generally at a modest pace.

A positive point to note, however, is the fact that the general lack of development in most markets (save Central London) over the last few years means that alternative options for tenants are not as widespread as they might imagine when it comes to the expiry of their lease. Therefore, the propensity of those tenants to renew occupation of their existing accommodation remains high, and as companies start to become more willing to invest in new accommodation we expect to see rental growth for new/newly refurbished assets return.

With rents declining and capital values in most sectors of the market drifting lower for the time being, returns from the UK market overall, though still generally positive, are running at below long-run trend levels. Investor demand remains heavily focused on prime assets in London as investors seek to protect themselves against financing and income risks. By contrast, investor demand for secondary assets is very limited and pricing for such assets is showing significant signs of slippage. Scarcity of debt and weak occupier demand remain the key concerns for secondary assets and for this part of the market to stabilise requires signs of improvement in the broader economic and financial backdrop. For the moment, such signs remain tentative. Nonetheless, we believe that the period of greatest weakness has probably passed and that coming quarters should see the beginning of a slow recovery in economic performance and financial stability. For the real estate market, this implies that, following a weak 2012, return prospects should improve from next year onwards as improvements in the economy and financial markets feed through to real estate fundamentals.

January 2013

Any opinions expressed are those of the fund manager. They should not be viewed as a guarantee of return from an investment in the trust. The content of the commentary should not be viewed as a recommendation to invest. Past performance is not a guide to the future. Investors should be aware that the value of an investment and any income from it may go down as well as up and the investor may not get back the original amount invested.

Notes:

[1] Source: Lipper for Investment Management (performance calculated on a bid to bid basis, net income reinvested) as at 30 November 2012.

[2] Source: Investment Property Databank as at 30 November 2012.

[3] Source: Aviva Investors. Cash means money available to meet fund cashflow requirements. It excludes cash or cash-equivalent instruments which could not be accessed within the settlement period required to meet unit redemptions.

[4] Source: Aviva Investors as at 30 November 2012.

[5] Source: Bloomberg as at 30 November 2012.

Material Portfolio Changes

Property Related Securities Sales
Development Securities
Max Property

Property Related Securities Purchases
British Land
Land Securities
Hansteen
Hammerson
Segro
Safestore
Derwent London

Direct Property Sales
Princes House, 36-40 Jermyn Street & 192-196 Piccadilly, London, W1
Alder Castle, 10 Noble Street, London, EC2
Longmarket Shopping Centre, Canterbury

PERFORMANCE RECORD

Aviva Investors Property Trust income units were first offered on 2 September 1991 at an offer price of 80.84p per unit. Aviva Investors Property Trust accumulation units were first offered on 1 November 2003 at an offer price of 129.00p per unit. The Trust is a Non-UCITS Retail Scheme, in accordance with the classifications of the Collective Investment Schemes Sourcebook of the Financial Services Authority.

Net Asset Value – Income Units

As at	Net asset value* £000	Pence per unit	Units in issue
31 May 2010	1,005,895	103.93	967,841,430
31 May 2011	1,055,615	105.47	1,000,916,080
31 May 2012	906,354	105.48	859,242,623
30 November 2012	838,135	102.92	814,338,929

* Valued at bid market prices.

Net Asset Value – Accumulation Units

As at	Net asset value* £000	Pence per unit	Units in issue
31 May 2010	806,748	129.73	621,884,567
31 May 2011	855,073	135.23	632,301,385
31 May 2012	791,891	136.82	578,756,167
30 November 2012	749,921	137.45	545,611,269

* Valued at bid market prices.

Unit Price Record – Income Units

Calendar year	Highest offer price (p)*	Lowest bid price (p)**
2007	197.07	145.20
2008	162.05	109.07
2009	116.13	91.98
2010	116.84	102.90
2011	117.97	104.49
2012***	111.49	103.23

* These prices include revenue and initial charge.
** These prices include revenue.
*** Up to 30 November 2012.

Unit Price Record – Accumulation Units

Calendar year	Highest offer price (p)*	Lowest bid price (p)**
2007	218.01	164.54
2008	183.63	128.44
2009	136.75	111.05
2010	146.80	126.89
2011	150.17	133.38
2012***	145.10	135.93

* These prices include revenue and initial charge.
** These prices include revenue.
*** Up to 30 November 2012.

Ongoing Charges Figure

	OCF*	PER**
31 May 2012	1.37%	0.58%
30 November 2012	1.37%	0.60%

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Trust over the period. The OCF is made up of the Annual Management Charge and other operating costs deducted from the assets of the Trust during the period, except for those payments that are explicitly excluded (performance fees). The OCF includes transaction charges which were excluded from the Total Expense Ratios (TER) calculations provided previously. The OCF has replaced the TER.
** The Property Expense Ratio (PER) reflects any additional costs associated with the day-to-day operation of the direct property assets and is presented as a percentage of average net assets over the period.

Revenue Record – Income Units

The revenue record table below shows the net distribution rates per calender year on a payment date basis for an investment made on 2 January 2008.

Calendar year	Net revenue per unit (p)	Per £1,000 invested (£)
2008	4.9429	32.25
2009	5.0085	32.68
2010	3.3488	21.85
2011	2.9684	19.37
2012	2.9595	19.31
2013*	1.4544	9.49

* Up to 31 January 2013 (the interim distribution payment date).

Revenue Record – Accumulation Units

The revenue record table below shows the net distribution rates per calendar year on a payment date basis for an investment made on 2 January 2008.

Calendar year	Net revenue per unit (p)	Per £1,000 invested (£)
2008	5.5657	32.04
2009	5.8406	33.63
2010	4.0785	23.48
2011	3.7280	21.46
2012	3.8170	21.98
2013*	1.9151	11.03

* Up to 31 January 2013 (the interim distribution payment date).

Net Distribution

Distributions normally take place on 31 January and 31 July each year.

The interim distribution for the six months ended 30 November 2012 will be 1.4544 net per income unit and 1.9151 net per accumulation unit payable on 31 January 2013.

PORTFOLIO STATEMENT

As at 30 November 2012

Holding or nominal value		Market value £000	Total net assets %
	Property Related Assets (3.31%; 2012 2.54%)		
2,919,995	British Land	16,016	1.00
160,179	Derwent London	3,317	0.21
761,716	Great Portland Estates	3,571	0.22
1,298,291	Hammerson	6,118	0.39
2,726,981	Hansteen	2,137	0.14
1,524,139	Land Securities	12,345	0.78
1,475,000	Max Property	1,593	0.10
2,000,000	Metric Property Investment	1,995	0.13
1,280,685	Safestore	1,313	0.08
1,750,441	Segro	4,142	0.26
	Total property related assets	**52,547**	**3.31**
	Direct Properties (86.29%; 2012 91.72%)		
	Market values up to £65,000,000		
	Development Land, Dyce Drive, Aberdeen		
	35 Argyle Street, Glasgow		
	Beech House, 551 Avebury Boulevard, Milton Keynes		
	Unit 4A Dennis Way, Slyfield Industrial Estate, Guildford		
	Stryker House, Hambridge Road, Newbury		
	37 Sun Street, London, EC2		
	Premier Percussion House, Blaby Road, Wigston, Leicester		
	Barrasford House, Wollaton Street, Nottingham		
	11 Broadmoor Road, Southmarston Business Park, Swindon		
	139/139A North End, Croydon		
	198 & 200-201 High Street, 20 Waterbeer Street, Exeter		
	Stanstead Road Industrial Estate, Goodward Road, Eastleigh		
	90 & 92 Queen Street, Cardiff		
	Gaolgate Shopping Centre, Stafford		
	Units A & B, Teliske Industrial Estate, Treliske, Truro		
	MFI, Laira Bridge Road, Plymouth		
	Victoria Road, South Ruislip		
	Alfreds Way Industrial Estate, Alfreds Way, Barking		
	Cross Point, Coventry		
	Orbital 7, Orbital Park, Cannock		
	Beddington Industrial Estate, Beddington Lane, Croydon		
	32 Dover Street, London, W1		
	Castle Bromwich Business Park, Birmingham		
	Boyatt Wood Industrial Estate, Goodward Road, Eastleigh		
	Aberdeen Business Park, Aberdeen		
	Kew Retail Park, Southport		
	Leisure Complex, Exchange Street, Aylesbury		
	32/38 North Street, 40/44 Ship Street, Brighton		
	Specialist Vehicles Ltd, Slyfield Industrial Estate, Dennis Way, Guildford		
	Dorking Business Park, Station Road, Dorking		
	House of Fraser, 26-40 English Street, Carlisle		
	Great Western Arcade, Colmore Row, Birmingham		

PORTFOLIO STATEMENT (CONTINUED)

As at 30 November 2012

Holding or nominal value		Market value £000	Total net assets %
	Direct Properties (continued)		
	Burlington Road Retail Park, New Malden		
	10-46 & 53-63 Cornwall St, 135/47 & 152/58 Armada Way, Plymouth		
	Merlin Park, 310 Barton Dock Road, Trafford Park, Manchester		
	Malmaison Hotel, 49, 51 & 53 Queen's Road, Aberdeen		
	Guiseley Retail Park, Leeds		
	Knaves Beech Industrial Estate, High Wycombe		
	Visteon Headquarters, Endeavour Drive, Basildon		
	Units D & E Knaves Beech, High Wycombe		
	1-31 King Edward St, 39-55 Jameson St, 2-50 Paragon Street, Kingston-upon-Hull		
	City Park, Watchmead, Welwyn Garden City		
	Cheetham Hill Retail Park, Cheetham Hill, Manchester		
	London Road Retail Park, London Road, Maidstone		
	Corn Exchange, Manchester		
	Jurys Inn Hotel, South Shore Road, Gateshead, Tyne and Wear		
	100 Temple Street, Bristol		
	Instore Distribution Facility, Trident Business Park, Neptune Way, Huddersfield		
	Birstall Shopping Park, 17.5% co-ownership stake, Birstall, Leeds		
	Longus House, 40, 42 & 44 Eastgate Street, 42-52 Eastgate Row and 2, 4 & 6 Newgate Row, Chester		
	Ty Glass Shopping Park, Cardiff		
	Debenhams Store, Queens Buildings, Queens Way, Southampton		
	The Pavilion Centre, Brighton		
	Waterside House, Waterside Park, Longshot Lane, Bracknell		
	Units 1-3 The Purley Way Centre, Drury Crescent, Croydon		
	123 St Vincent Street, Glasgow		
	1 Quarter Mile, 15 Lauriston Place, Edinburgh		
	The Precinct, Coventry		
	Academy House, 161/7 Oxford Street & 36 Poland Street, London, W1		
	Broadway Plaza, Fiveways, Birmingham		
	Colmore Gate, 2-6 Colmore Row, Birmingham		
	Guildhall Shopping Centre, Exeter		
	20 Soho Square, London, W1		
	Tesco Superstore, Carina Road, Kettering Business Park		
	Total market values up to £65,000,000	**1,086,650**	**68.42**
	Market values over £65,000,000		
	Omni Centre, Greenside Place, Edinburgh		
	St George's Shopping Centre, Preston		
	Lombardy Retail Park, Hayes		
	Total market values over £65,000,000	**283,800**	**17.87**
	Total direct properties	**1,370,450**	**86.29**
	Adjustments for lease incentives	**(6,072)**	**(0.38)**
	Total direct properties after adjustments	**1,364,378**	**85.91**
	Portfolio of investments	**1,416,925**	**89.22**
	Net other assets	**171,131**	**10.78**
	Net assets	**1,588,056**	**100.00**

The comparative figures are as at 31 May 2012.

DIRECTOR'S STATEMENT

We hereby approve the Report and Financial Statements of Aviva Investors Property Trust for the six months ended 30 November 2012 on behalf of Aviva Investors UK Fund Services Limited in accordance with the requirements of the Collective Investment Schemes Sourcebook of the Financial Services Authority.

T Orton
Director

J Green
Authorised Signatory

Aviva Investors UK Fund Services Limited
London
24 January 2013

VALUER'S REPORT TO THE UNITHOLDERS

We confirm that we have valued the immovables of Aviva Investors Property Trust as at 30 November 2012 in accordance with the regulations and the Statements of Asset Valuation and Guidance Notes published by the Royal Institution of Chartered Surveyors. The reported figure represents the sum of the open market values of those individual immovables.

Each property is inspected by us at the time of purchase and subsequently at least once each year. We are of the opinion that, as at 30 November 2012, the aggregate of the open market value of the immovables of Aviva Investors Property Trust was £1,370,450,000.

The valuation of each immovable is considered individually and excludes any additional value which might arise by the aggregation of the entire portfolio or a group of properties for sale to one purchaser. No allowance has been made for any expenses of realisation or for any liability for taxation which might arise on disposal.

Knight Frank LLP
Chartered Surveyors, London
24 January 2013

STATEMENT OF TOTAL RETURN

For the six months ended 30 November 2012 (unaudited)

		Six months ended 30.11.12		Six months ended 30.11.11
	£000	£000	£000	£000
Income				
Net capital (losses)/gains		(28,107)		9,577
Revenue	47,389		42,774	
Expenses	(18,440)		(13,098)	
Finance costs: Interest	–		–	
Net revenue before taxation	28,949		29,676	
Taxation	(6,045)		(5,907)	
Net revenue after taxation		22,904		23,769
Total return before distributions		**(5,203)**		**33,346**
Finance costs: Distributions		(22,904)		(23,770)
Change in net assets attributable to unitholders from investment activities		**(28,107)**		**9,576**

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the six months ended 30 November 2012 (unaudited)

		Six months ended 30.11.12		Six months ended 30.11.11
	£000	£000	£000	£000
Opening net assets attributable to unitholders		**1,698,245**		**1,910,688**
Movement due to issue and cancellation of units:				
Amounts receivable on issue of units	395		1,917	
Less: Amounts payable on cancellation of units	(91,594)		(103,915)	
		(91,199)		(101,998)
Change in net assets attributable to unitholders from investment activities (see above)		(28,107)		9,576
Retained distribution on accumulation units		10,449		10,397
Stamp duty reserve tax		(1,332)		(323)
Unclaimed distribution monies		–		5
Closing net assets attributable to unitholders		**1,588,056**		**1,828,345**

The Statement of Recommended Practice (2010) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the Net Asset Value at the end of the previous period will not agree to the Net Asset Value at the start of this period. The published Net Asset Value as at 31 May 2012 was £1,698,245,000.

BALANCE SHEET

As at 30 November 2012 (unaudited)

		As at 30.11.12		As at 31.05.12
	£000	£000	£000	£000
ASSETS				
Investment assets		1,416,925		1,598,980
Debtors	17,872		15,779	
Cash and bank balances	207,328		135,448	
Total other assets		225,200		151,227
Total assets		**1,642,125**		**1,750,207**
LIABILITIES				
Creditors	(42,225)		(38,002)	
Distribution payable on income units	(11,844)		(13,960)	
Total liabilities		**(54,069)**		**(51,962)**
Net assets attributable to unitholders		**1,588,056**		**1,698,245**

CASH FLOW STATEMENT

For the six months ended 30 November 2012 (unaudited)

		Six months ended 30.11.12		Six months ended 30.11.11
	£000	£000	£000	£000
Net cash inflow from operating activities		30,248		29,027
Servicing of finance				
Distributions paid		(13,960)		(15,992)
Taxation				
Taxation paid		(5,823)		(2,129)
Financial investments				
Purchases of investments*	(9,890)		(28,120)	
Sales of investments**	164,325		26,779	
Capital expenditure	(1,369)		(13,669)	
		153,066		(15,010)
Financing				
Stamp duty reserve tax	(100)		(447)	
Amounts received on issue of units	397		1,926	
Amounts paid on cancellation of units	(91,948)		(101,724)	
		(91,651)		(100,245)
Increase/(Decrease) in cash in the period		**71,880**		**(104,349)**
Net cash at the start of the period		**135,448**		**333,888**
Net cash at the end of the period		**207,328**		**229,539**

* Includes purchases of £5,162,000 (2011; £5,318,000) in property related assets.
** Includes sales of £1,619,000 (2011; £2,129,500) in property related assets.

NOTES TO THE FINANCIAL STATEMENTS

Accounting policies

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in October 2010.

The accounting policies applied are consistent with those of the financial statements for the year ended 31 May 2012 and are described in those annual financial statements.

GENERAL INFORMATION

Our investments are intended to be medium to long term investments and should not be considered as a short term commitment.

Past performance is not a guide to the future.

The value of a Fund and the revenue from it may go down as well as up, and you may not get back the original amount invested.

Where Funds are invested abroad, the value of your investment may rise and fall purely on account of movement in exchange rates.

Any opinions expressed should not be relied upon as indicating any guarantee of return from investment in our Funds.

The information contained within this document should not be construed as a recommendation to purchase or sell stocks.

The value of capital and revenue will fluctuate as property values and rental revenue rise and fall and the value of dividends, Government and other public securities and units in collective investment schemes change.

Property valuations are a matter of the independent valuer's opinion and all properties are valued monthly by an independent valuer. Market conditions may mean certain property valuations are not easily realisable. Investors may not be able to switch or cash in their investment when they want because property in the Trust may not be readily saleable. If this is the case, we may suspend dealing in the Trust.

Stamp Duty Reserve Tax (SDRT)
The Manager's chosen policy on SDRT is to charge it directly against the property of the Trust. This is then reflected within the published prices of the Trust. However, the Manager reserves the right to charge SDRT on redemptions or switches of units in a Trust in excess of £15,000 to the investor rather than the relevant Trust.

Publication of Prices
Information on the prices of Units will be available by calling 0800 051 2003 or on the internet at www.avivainvestors.co.uk. Calls may be recorded for training or monitoring purposes.

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