



F&C Commercial Property Trust Limited

Interim Report

For the six months ended

30 June 2011

Company Summary

The Company

F&C Commercial Property Trust Limited ('the Company') is an authorised closed-ended Guernsey incorporated investment company. Its shares have a premium listing on the Official List of the UK Listing Authority and are traded on the main market of the London Stock Exchange.

Objective

To provide ordinary shareholders with an attractive level of income together with the potential for capital and income growth from investing in a diversified UK commercial property portfolio.

Management

The Company's investment managers and property managers are, respectively, F&C Investment Business Limited and F&C REIT Property Asset Management plc, both of which are part of the F&C Asset Management plc group and, collectively, are referred to in this document as 'the Managers'.

Total Assets Less Current Liabilities

£951.4 million at 30 June 2011.

Shareholders' Funds

£671.5 million at 30 June 2011.

Capital Structure

The Company's equity capital structure consists of Ordinary Shares.

Subject to the solvency test provided for in The Companies (Guernsey) Law, 2008 being satisfied, ordinary shareholders are entitled to all dividends declared by the Company and to all the Company's assets after repayment of its borrowings and ordinary creditors.

How to Invest

The Managers operate a number of investment plans which facilitate investment in the shares of the Company. Details are contained on page 21.

ISA Status

The Company's shares are eligible for Individual Savings Accounts ('ISAs').

Website

The Company's internet address is:
www.fccpt.co.uk

Financial Highlights and Performance Summary

- Net asset value total return of 5.7 per cent
- Dividend yield of 5.7 per cent
- Continued outperformance of the portfolio compared with the IPD All Quarterly and Monthly Valued Funds

	Six months to 30 June 2011
Total Return	
Net asset value per share*	5.7%
Ordinary Share price	3.4%
Investment Property Databank All Quarterly and Monthly Valued Funds	4.5%
FTSE All-Share Index	3.0%

	30 June 2011	31 December 2010	% Change
Capital Values			
Total assets less current liabilities (£'000)*	951,354	934,223	+1.8%
Net asset value per share*	98.7p	96.3p	+2.5%
Ordinary Share price	106.1p	105.6p	+0.5%
FTSE All-Share Index	3,096.72	3,062.85	+1.1%
Premium to net asset value per share	7.5%	9.7%	
Gearing†	29.4%	29.9%	
Net gearing‡	20.8%	20.4%	

* Based on net assets calculated under International Financial Reporting Standards. Net asset value total return is calculated assuming dividends are re-invested.

† Gearing: Borrowings ÷ total assets (less current liabilities).

‡ Net gearing: (Borrowings – cash) ÷ total assets (less current liabilities and cash).

Sources: F&C Investment Business, Investment Property Databank ('IPD') and Datastream.

Chairman's Statement

The Company's net asset value ('NAV') total return for the six month period ended 30 June 2011 was 5.7 per cent. This compares with a market return of 4.5 per cent, as measured by the Investment Property Databank ('IPD') All Quarterly and Monthly Valued Funds. The total return from the portfolio during the period was also 5.7 per cent, placing it in the top decile of returns in the IPD universe. The share price at the end of the period was 106.1p, representing a premium of 7.5 per cent to the NAV per share of 98.7p.

During the period total returns from the UK commercial property market were driven by income, supplemented by modest growth in capital values. Rental growth has been narrowly based and the yield compression that drove the market recovery initially has moderated. There were significant differences in performance within the market, with London outperforming the regions and prime stock generally outperforming secondary assets. Investors have been attracted to the sector by its relatively high yield and as a perceived hedge against inflation, but investment activity remains constrained by a lack of prime stock as well as the restricted availability of credit.

The Company benefited from its exposure to Central London offices, and in particular to the West End, which was one of the strongest performing sectors during the period. The performance of the Company's developments at Revolution Park, Chorley and Great Pulteney Street, London W1 also merit mention.

The following table provides an analysis of the movement in the NAV per share for the period:

	Pence
NAV per share as at 31 December 2010	96.3
Unrealised increase in valuation of direct property portfolio	2.8
Movement in interest rate swap	(0.1)
Net revenue	2.7
Dividends paid	(3.0)
	<hr/>
NAV per share as at 30 June 2011	98.7

Dividends

Six monthly interim dividends, each of 0.5p per share, were paid during the period. This maintains the annual dividend rate of 6.0p per share and provides a dividend yield of 5.7 per cent based on the share price of 106.1p per share as at 30 June 2011.

Borrowings and Cash Balances

The Company's borrowings comprise £230 million of Secured Bonds, which have been assigned an 'Aaa' rating by Moodys' Investor Services and mature in 2015, and a £50 million secured bank loan which is repayable in 2017.

As at 30 June 2011 the Company held cash balances of £103.5 million. Gearing net of cash was 20.8 per cent, which compares with 20.4 per cent as at 31 December 2010.

Since the end of the period the Company has added to its holding at St. Christopher's Place Estate, London W1, having spent £2.3 million

on the acquisition of four residential units. In addition, the Company continues to invest within the portfolio to generate value through asset management activities.

Board Composition

As previously announced, Martin Moore was appointed as an independent non-executive Director on 31 March 2011. In addition, my predecessor, John Stephen, retired from the Board at the Annual General Meeting on 19 May 2011. On behalf of the Board I would like to thank John for his significant contribution to the Company since his appointment to the Board in 2005 and as Chairman since 2009.

Outlook

Since the end of the period the global economic outlook has become more uncertain, with little recovery momentum and growing concerns about the impact of sovereign debt. This, coupled with fiscal austerity in the UK, is expected to affect the prospects for property across all parts of the market. With consumers, occupiers and investors becoming increasingly cautious, the outlook for property is one of positive but

subdued total returns, which will be derived principally from income. This is expected to be a characteristic of the market for at least the next 12 months and possibly longer as the economy re-balances. While prime property in affluent locations is likely to be resilient, weaker locations and secondary assets could still be vulnerable to rent and capital value declines. Stock selection, risk control and the protection of income are expected to be the key focus of your company during this period.

Despite the significant macro uncertainties, the Board believes that the quality and weighting of the portfolio, the low levels of voids and bad debts and the opportunities for asset management and careful acquisitions mean that the Company is well placed to make further progress in the second half of the year.

Chris Russell

Chairman
30 August 2011

Managers' Review

Highlights

- Top decile performance of the portfolio against the benchmark universe during the period.
- Continuing top quartile performance of the portfolio against the benchmark universe over one, three and five years.
- Outperformance of all three sectors: office, retail and industrial.
- Continued benefit from overweight positions in Central London.
- Continued investment of cash into asset management activities within the portfolio.
- Continuing high level of occupancy rates.

Property Market Review

The six month period ended 30 June 2011 witnessed continued positive total returns and rising capital values but at a slower pace than the first half of 2010. The market, as measured by the benchmark Investment Property Databank ('IPD') All Quarterly and Monthly Valued Funds, recorded a 4.5 per cent total return during the period and a 1.5 per cent rise in capital values and therefore income return was the main driver of performance over the period.

The recovery in the market which began in 2009 was initially yield driven but this has slowed over time and the current reporting period saw a marginal inward yield movement of only 0.1 percentage points. Transaction levels in the period were lower than in the previous six months and there still remains a strong level of demand but a shortage of prime properties. Rental growth was 0.5 per cent during the six month period. The

aggregate IPD data obscures considerable variations in performance by market segment, region and between prime and secondary stock.

Property Portfolio

The property portfolio was externally valued at £864.6 million as at 30 June 2011, up from £838.3 million at the start of the period. This represents an ungeared uplift, net of transactions and capital expenditure, of 2.4 per cent compared with the increase of 1.5 per cent recorded by the benchmark.

The total return from the portfolio during the period was 5.7 per cent, outperforming the 4.5 per cent benchmark return. This places the portfolio in the top decile against the benchmark over the six month period. The portfolio has maintained top quartile performance against the benchmark over one, three and five years to 30 June 2011.

The portfolio continues to benefit from being overweight to Central London and the South East regions. Central London offices remain one of the strongest sub-sectors and the Company is well represented there, especially to London's West End which benefits from a wider variety of buildings and a more diverse occupier base.

The portfolio has not been affected by retail tenant defaults over the period and the Company's positioning means that the retail exposure is weighted towards the more resilient Central and Greater London markets, with St. Christopher's Place Estate, London W1 remaining the Company's largest single asset.

Retail

The total return from the Company's retail properties during the period was 5.2 per cent which compares with the IPD All Quarterly and Monthly Valued Funds total return for the sector of 4.2 per cent.

The portfolio benefited from its exposure to Central London shops, which recorded a total return of 7.2 per cent during the period and the lack of shopping centre holdings, a sector which delivered a sub-par total return of 3.6 per cent. The retail sector has been affected by fiscal austerity measures resulting in some high profile retail administrations and this may have contributed to total returns dipping to 3.0 per cent for shops outside the South East, although retail warehousing proved relatively resilient, delivering total returns of 4.9 per cent. Capital values rose by 1.3 per cent during the six month period, with Central London shops leading the way.

The Company's Central London retail properties continue to outperform. This has been evidenced at St. Christopher's Place Estate where the rental tone of retail units has increased and the estimated rental value of the Estate as a whole has risen by 1.0 per cent. The reletting of 372 Oxford Street to footwear retailer, Aldo, at an uplift of £124,000 per annum over the previous passing rent, has already been reported. Following on from this letting the Company has completed a signature letting to Kurt Geiger at 28/32 St. Christopher's Place Estate on a turnover lease and 14 Gees Court has recently been let to Elliot Rhodes. The quality of these new tenants will further enhance the retail mix and

it is hoped will lead to similar lettings in the future.

At The Piazza, Wimbledon Broadway, London SW19 the rent review with Morrisons Supermarket was agreed, reflecting an uplift of £213,500 per annum over the previous rent passing and £23,100 higher than the current estimated rental value.

During the period, the rent-free periods on the lettings to Matalan Retail and Marks & Spencer Simply Food at Newbury Retail Park both expired. Both units are now income-producing and contributing an aggregate rent of £790,000 per annum. Other asset management opportunities continue to be worked up at both the Newbury and Solihull retail parks.

Offices

The total return from the Company's office properties during the period was 6.6 per cent which compares with the IPD All Quarterly and Monthly Valued Funds total return for the sector of 5.3 per cent.

Offices were once again the strongest performing sector within the benchmark but there was a wide divergence in performance between the sub-markets. The Central London office market benefited from constrained supply, strong investor interest and rental growth to deliver a 7.3 per cent total return over the period. In contrast, offices outside London saw rental decline, negative income growth and falls in capital values, with secondary properties particularly badly affected.

Managers' Review (continued)

The Company's main development exposure is at 24/27 Great Pulteney Street, London W1 where the construction of approximately 34,000 sq ft of Grade A specification offices is progressing well. It is anticipated the development will complete in mid-September 2011 both on budget and programme. This is an exciting opportunity for the Company and it is anticipated that when the property is launched to the market it will generate significant occupational interest.

Industrial

The total return from the Company's industrial properties during the period was 5.2 per cent which compares with the IPD All Quarterly and Monthly Valued Funds total return for the sector of 3.6 per cent.

There were no major differences between the total return performances of distribution warehouses and standard industrials during the period. Capital values for the sector as a whole rose by a modest 0.3 per cent while rental values edged lower during the period. The sector suffers from relatively high voids which has an impact on income, making stock selection critical. While net income growth was 0.4 per cent for prime stock, secondary assets registered a 5.7 per cent fall during the period.

During the period the contract to fit out Kimberly Clark's unit at Revolution Park, Chorley completed. These works were completed both on budget and programme and Kimberly Clark has taken occupation until June 2020. The rent free period expired in June 2011 and the property is now generating £2.3 million of rent per annum.

Purchases and Disposals

During the period the Company completed the sale of 40-42 Albion Street, Leeds at a price of £1.125 million, reflecting a net initial yield of 7.69 per cent. The sale price reflected a small reduction on the last external valuation of £1.19 million. This property was sold because it was considered ex-growth and too small for the portfolio.

Since the end of the period the Company has acquired the long leasehold of four residential units at 28-30 James Street (St. Christopher's Place Estate) for a price of £2.3 million. The flats are located in one of the Company's freehold properties at St. Christopher's Place Estate but were subject to a lease, in excess of 65 years, at a peppercorn rent. The acquisition of this leasehold interest brings these units directly under the Company's control and is in line with the strategy of making further accretive investments on the Estate and will enable other asset management opportunities to be progressed.

During the period we reviewed a number of properties for acquisition and made some offers, but were unable to acquire properties at acceptable prices. The Company is still seeking to acquire good quality investments at attractive yields with an emphasis on the sustainability and longevity of income which will be of increasing importance in the future.

Property Management

The sustainability and protection of rental income from the portfolio continues to be the cornerstone of strategy. The level of voids in the portfolio remains significantly below the IPD benchmark average and there is a number of important initiatives in place which

it is hoped will reduce this further. Arrears of rent and provision for overdue debt at 0.5 per cent remain extremely low for a portfolio of this size, which reflects the quality of the assets held and our proactive management approach.

Outlook

Property is still fairly priced against gilts given the historic risk premium, but the impact of fiscal policy tightening, slow growth, higher prices and restricted credit is being felt, and concerns about international growth prospects and debt are making investors increasingly cautious about both the speed of economic recovery and the duration of the adjustment period. For at least the next 12 months, and

quite possibly beyond, total returns are likely to be dominated by income returns with some capital values weakening and rental growth remaining patchy. The divergence in performance between stronger and weaker assets is expected to persist, governed by location, segment and quality of property. Prime property is generally expected to outperform with the protection and enhancement of income paramount.

Richard Kirby

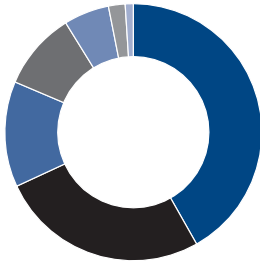
Investment Manager

F&C REIT Property Asset Management plc

30 August 2011

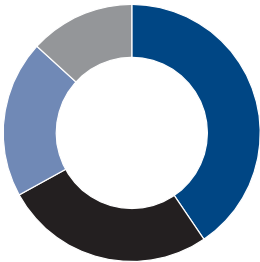
Portfolio Statistics

Geographical Analysis as at 30 June 2011 (% of total property portfolio)



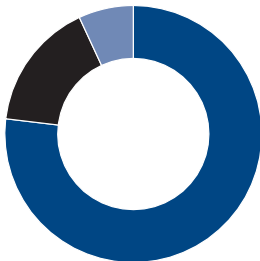
London - West End	41.8%
South East	26.3%
Midlands	13.3%
North West	9.8%
Scotland	5.7%
Eastern	2.1%
Rest of London	1.0%

Sector Analysis as at 30 June 2011 (% of total property portfolio)



Offices	40.5%
Retail	26.5%
Retail Warehouses	19.8%
Industrial	13.2%

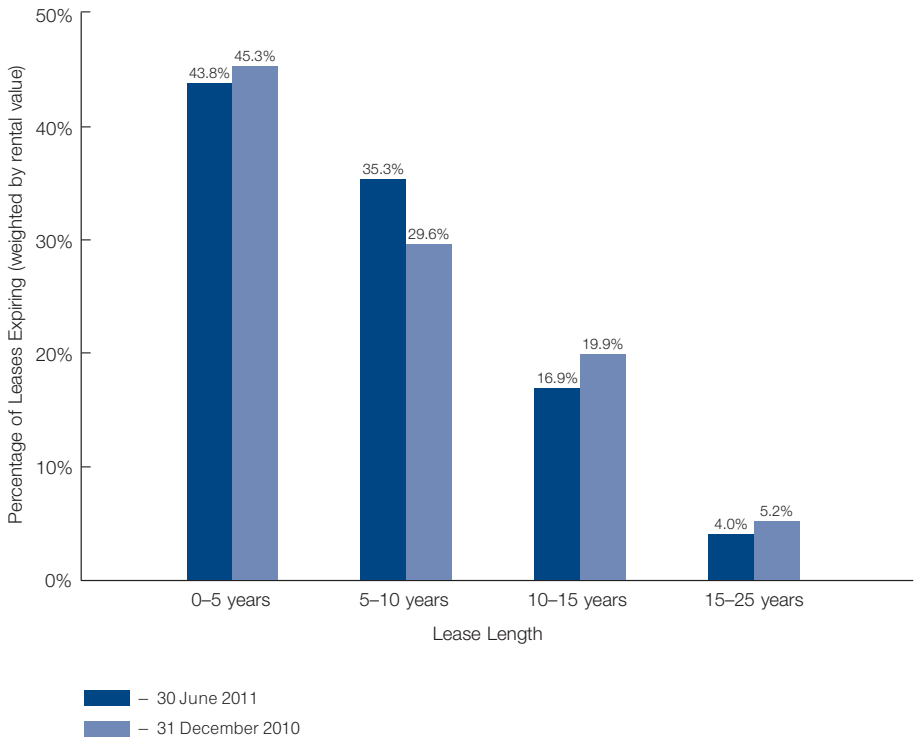
Tenure Analysis as at 30 June 2011 (% of total property portfolio)



Freehold	76.9%
Mixed Freehold/Leasehold	16.2%
Leasehold	6.9%

Lease Expiry Profile

At 30 June 2011 the weighted average lease length for the portfolio, assuming all break options are exercised, was 6.7 years (31 December 2010: 6.8 years).



Property Portfolio

as at 30 June 2011

	Sector
Properties valued in excess of £100 million	
London W1, St. Christopher's Place Estate (notes 2 and 3)	Retail
Properties valued between £75 million and £100 million	
Newbury, Newbury Retail Park	Retail Warehouses
Properties valued between £50 million and £75 million	
London SW1, Cassini House, St James's Street	Offices
Solihull, Sears Retail Park	Retail Warehouses
London SW19, Wimbledon Broadway	Retail
Properties valued between £40 million and £50 million	
London SW1, 84 Eccleston Square	Offices
Properties valued between £30 million and £40 million	
Uxbridge, 3 The Square, Stockley Park	Offices
Rochdale, Dane Street	Retail Warehouses
London SW1, Charles House, 5-11 Regent Street (note 1)	Offices
Properties valued between £20 million and £30 million	
Glasgow, Alhambra House, Wellington Street	Offices
Chorley, Units 6 and 8 Revolution Park	Industrial
London W1, 24/27 Great Pulteney Street	Offices
Manchester, 82 King Street	Offices
Reading, Thames Valley One, Thames Valley Park	Offices
London W1, 385/389 Oxford Street (note 1)	Retail
Properties valued between £10 million and £20 million	
Daventry, Site E4, Daventry International Rail Freight Terminal	Industrial
Birmingham, Unit 8 Hams Hall Distribution Park	Industrial
London W1, 17a Curzon Street	Offices
Reading, Thames Valley Two, Thames Valley Park	Offices
Colchester, The Cowdray Centre, Cowdray Avenue	Industrial
London SW1, 2/4 King Street	Offices
Edinburgh, 124/125 Princes Street	Retail
Birmingham, Unit 10a Hams Hall Distribution Park	Industrial
Camberley, Watchmoor Park	Offices
Properties valued under £10 million	
Edinburgh, Nevis/Ness Houses, 11/12 Lochside Place	Offices
London EC3, 7 Birchin Lane	Offices
Birmingham, Unit 6a Hams Hall Distribution Park	Industrial
Southampton, Upper Northam Road, Hedge End	Industrial
Camberley, Affinity Point, Glebeland Road	Industrial
Colchester, Ozalid Works, Cowdray Avenue	Industrial
London W1, 16 Conduit Street (note 1)	Offices

Notes:

¹ Leasehold property

² Mixed freehold/leasehold property

³ For the purposes of the Company's investment policy, St. Christopher's Place Estate is treated as more than one property.

Condensed Consolidated Statement of Comprehensive Income

(unaudited) for the six months to 30 June 2011

	Notes	Six months to 30 June 2011 £'000	Six months to 30 June 2010 £'000	Year ended 31 December 2010* £'000
Revenue				
Rental income and income from indirect property funds		31,725	26,508	53,722
Gains/(losses) on investments				
Unrealised gains on revaluation of investment properties		18,995	51,945	75,601
(Losses)/gains on sale of investment properties realised		(82)	19	19
Gains on sale of indirect property funds realised		–	2,931	2,905
Total income		50,638	81,403	132,247
Expenditure				
Investment management fee		(1,660)	(2,484)	(4,594)
Investment performance fee		(1,159)	(1,947)	(3,543)
Direct operating expenses of let rental property		(1,780)	(1,015)	(2,763)
Merger abort costs		–	(780)	(893)
Valuation and other professional fees		(251)	(259)	(609)
Directors' fees		(120)	(85)	(245)
Administration fee		(65)	(56)	(118)
Other expenses		(190)	(170)	(390)
Total expenditure		(5,225)	(6,796)	(13,155)
Operating profit before finance costs and taxation		45,413	74,607	119,092
Net finance costs				
Interest receivable		286	207	481
Finance costs		(7,343)	(6,073)	(13,450)
		(7,057)	(5,866)	(12,969)
Profit before taxation		38,356	68,741	106,123
Taxation		(926)	9	791
Profit for the period		37,430	68,750	106,914
Other comprehensive income				
Movement in fair value of interest rate swap		(632)	(813)	(389)
Total comprehensive income for the period		36,798	67,937	106,525
Basic and diluted earnings per share	2	5.5p	10.1p	15.7p

All of the total comprehensive income for the period is attributable to the owners of the Company.

All items in the above statement derive from continuing operations.

*these figures are audited

Condensed Consolidated Balance Sheet

(unaudited) as at 30 June 2011

	Notes	30 June 2011 £'000	30 June 2010 £'000	31 December 2010* £'000
Non-current assets				
Investment properties	5	856,670	797,947	832,003
		856,670	797,947	832,003
Current assets				
Trade and other receivables		9,552	6,658	8,377
Cash and cash equivalents		103,545	129,698	111,578
		113,097	136,356	119,955
Total assets		969,767	934,303	951,958
Current liabilities				
Trade and other payables		(18,413)	(17,120)	(17,735)
Non-current liabilities				
Interest-bearing bonds		(229,485)	(229,367)	(229,424)
Interest-bearing bank loan		(49,385)	(49,252)	(49,329)
Interest rate swap		(1,021)	(813)	(389)
Deferred taxation		-	(842)	-
		(279,891)	(280,274)	(279,142)
Total liabilities		(298,304)	(297,394)	(296,877)
Net assets		671,463	636,909	655,081
Represented by:				
Share capital		6,805	6,805	6,805
Reverse acquisition reserve		831	831	831
Special reserve		573,383	599,645	576,729
Capital reserve – investments sold		(48,813)	(48,244)	(48,271)
Capital reserve – investments held		53,307	10,195	33,852
Hedging reserve		(1,021)	(813)	(389)
Revenue reserve		86,971	68,490	85,524
Equity shareholders' funds		671,463	636,909	655,081
Net asset value per share	6	98.7p	93.6p	96.3p

*these figures are audited

Condensed Consolidated Statement of Changes in Equity

(unaudited) for the six months to 30 June 2011

	Notes	Share Capital £'000	Reverse	Special	Capital	Capital	Hedging Reserve £'000	Revenue	Total £'000
			Acquisition Reserve £'000	Reserve £'000	Investments Sold £'000	Reserve – Investments Held £'000		Reserve – Investments £'000	
At 1 January 2011		6,805	831	576,729	(48,271)	33,852	(389)	85,524	655,081
Total comprehensive income for the period									
Profit for the period		–	–	–	–	–	–	37,430	37,430
Movement in fair value of interest rate swap		–	–	–	–	–	(632)	–	(632)
Transfer in respect of unrealised gains on investment properties		–	–	–	–	18,995	–	(18,995)	–
Losses on sale of investment properties realised		–	–	–	(82)	–	–	82	–
Transfer of prior years' revaluation to realised reserve		–	–	–	(460)	460	–	–	–
Transfer from special reserve		–	–	(3,346)	–	–	–	3,346	–
Total comprehensive income for the period		–	–	(3,346)	(542)	19,455	(632)	21,863	36,798
Transactions with owners of the Company recognised directly in equity									
Dividends paid	4	–	–	–	–	–	–	(20,416)	(20,416)
At 30 June 2011		6,805	831	573,383	(48,813)	53,307	(1,021)	86,971	671,463

for the six months to 30 June 2010

	Notes	Share Capital £'000	Reverse	Special	Capital	Capital	Hedging Reserve £'000	Revenue	Total £'000
			Acquisition Reserve £'000	Reserve £'000	Investments Sold £'000	Reserve – Investments Held £'000		Reserve – Investments £'000	
At 1 January 2010		6,805	831	664,063	(20,974)	(71,970)	–	10,633	589,388
Total comprehensive income for the period									
Profit for the period		–	–	–	–	–	–	68,750	68,750
Movement in fair value of interest rate swap		–	–	–	–	–	(813)	–	(813)
Transfer in respect of unrealised gains on investment properties		–	–	–	–	51,945	–	(51,945)	–
Gains on sale of investment properties realised		–	–	–	19	–	–	(19)	–
Gains on sale of indirect property funds realised		–	–	–	2,931	–	–	(2,931)	–
Transfer of prior years' revaluation to realised reserve		–	–	–	(30,220)	30,220	–	–	–
Transfer from special reserve		–	–	(64,418)	–	–	–	64,418	–
Total comprehensive income for the period		–	–	(64,418)	(27,270)	82,165	(813)	78,273	67,937
Transactions with owners of the Company recognised directly in equity									
Dividends paid	4	–	–	–	–	–	–	(20,416)	(20,416)
At 30 June 2010		6,805	831	599,645	(48,244)	10,195	(813)	68,490	636,909

Condensed Consolidated Statement of Changes in Equity (continued)

(unaudited) for the six months to 30 June 2011

for the year to 31 December 2010*

	Notes	Share Capital	Reverse Acquisition Reserve	Special Reserve	Capital Reserve – Investments Sold	Capital Reserve – Investments Held	Hedging Reserve	Revenue Reserve	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2010		6,805	831	664,063	(20,974)	(71,970)	–	10,633	589,388
Total comprehensive income for the year									
Profit for the year		–	–	–	–	–	–	106,914	106,914
Movement in fair value of interest rate swap		–	–	–	–	–	(389)	–	(389)
Transfer in respect of unrealised gains on investment properties		–	–	–	–	75,601	–	(75,601)	–
Gains on sale of investment properties realised		–	–	–	19	–	–	(19)	–
Gains on sale of indirect property funds realised		–	–	–	2,905	–	–	(2,905)	–
Transfer of prior years' revaluation to realised reserve		–	–	–	(30,221)	30,221	–	–	–
Transfer from special reserve		–	–	(87,334)	–	–	–	87,334	–
Total comprehensive income for the year		–	–	(87,334)	(27,297)	105,822	(389)	115,723	106,525
Transactions with owners of the Company recognised directly in equity									
Dividends paid	4	–	–	–	–	–	–	(40,832)	(40,832)
At 31 December 2010		6,805	831	576,729	(48,271)	33,852	(389)	85,524	655,081

*these figures are audited

Condensed Consolidated Statement of Cash Flows

(unaudited) for the six months to 30 June 2011

	Notes	Six months to 30 June 2011 £'000	Six months to 30 June 2010 £'000	Year to 31 December 2010* £'000
Cash flows from operating activities				
Profit for the period before taxation		38,356	68,741	106,123
Adjustments for:				
Finance costs		7,343	6,073	13,450
Interest receivable		(286)	(207)	(481)
Unrealised gains on revaluation of investment properties		(18,995)	(51,945)	(75,601)
Losses/(gains) on sale of investment properties realised		82	(19)	(19)
Gains on sale of indirect property funds realised		–	(2,931)	(2,905)
Increase in operating trade and other receivables		(1,175)	(1,058)	(2,977)
Decrease in operating trade and other payables		(245)	(1,173)	(625)
		25,080	17,481	36,965
Interest received		286	207	481
Interest paid		(7,225)	(6,014)	(13,272)
Taxation paid		(4)	(201)	–
		(6,943)	(6,008)	(12,791)
Net cash inflow from operating activities		18,137	11,473	24,174
Cash flows from investing activities				
Purchase/development of investment properties		(2,761)	(19,808)	(24,315)
Sale of investment properties		1,176	8,801	8,801
Sale of indirect property funds		–	9,003	8,978
Capital expenditure		(4,169)	(3,745)	(9,639)
Net cash outflow from investing activities		(5,754)	(5,749)	(16,175)
Cash flows from financing activities				
Dividends paid	4	(20,416)	(20,416)	(40,832)
Bank loan drawn down (net of costs)		–	49,252	49,273
Net cash (outflow)/inflow from financing activities		(20,416)	28,836	8,441
Net (decrease)/increase in cash and cash equivalents		(8,033)	34,560	16,440
Opening cash and cash equivalents		111,578	95,138	95,138
Closing cash and cash equivalents		103,545	129,698	111,578

*these figures are audited

Notes to the Interim Report

1. The condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standard ('IFRS') IAS 34 'Interim Financial Reporting' and the accounting policies set out in the statutory accounts of the Group for the year ended 31 December 2010. The condensed consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2010, which were prepared under full IFRS requirements.

2. Earnings per Ordinary Share are based on 680,537,003 shares, being the weighted average number of shares in issue during the period (period to 30 June 2010 – 680,537,003; year to 31 December 2010 – 680,537,003).

3. Earnings for the six months to 30 June 2011 should not be taken as a guide to the results for the year to 31 December 2011.

4. Dividends	Six months to 30 June 2011 £'000	Six months to 30 June 2010 £'000	Year to 31 December 2010 £'000
In respect of the previous period:			
Ninth interim (0.5p per share)	3,403	3,403	3,403
Tenth interim (0.5p per share)	3,402	3,402	3,402
Eleventh interim (0.5p per share)	3,403	3,403	3,403
Twelfth interim (0.5p per share)	3,402	3,402	3,402
In respect of the period under review:			
First interim (0.5p per share)	3,403	3,403	3,403
Second interim (0.5p per share)	3,403	3,403	3,402
Third interim (0.5p per share)	–	–	3,403
Fourth interim (0.5p per share)	–	–	3,402
Fifth interim (0.5p per share)	–	–	3,403
Sixth interim (0.5p per share)	–	–	3,403
Seventh interim (0.5p per share)	–	–	3,403
Eighth interim (0.5p per share)	–	–	3,403
	20,416	20,416	40,832

A third interim dividend for the year to 31 December 2011, of 0.5 pence per share totalling £3,403,000, was paid on 29 July 2011. A fourth interim dividend of 0.5 pence per share was paid on 26 August 2011 to shareholders on the register on 12 August 2011, and a fifth interim dividend of 0.5 pence per share will be paid on 30 September 2011 to shareholders on the register on 16 September 2011.

Although these payments relate to the period ended 30 June 2011, under IFRS they will be accounted for in the six months ending 31 December 2011, being the period during which they are paid.

5. As at 30 June 2011, the market value of the Group's investment properties amounted to £864,570,000 (30 June 2010 – £799,495,000; 31 December 2010 – £838,300,000) and the fair value amounted to £856,670,000 (30 June 2010 – £797,947,000; 31 December 2010 – £832,003,000). The difference between the market value and the fair value at 30 June 2011 consists of capital incentives paid to tenants totalling £3,655,000 and accrued income relating to the pre-payment for rent-free periods recognised over the life of the lease totalling £4,245,000, both of which are separately recorded in the accounts within current assets.

6. There were 680,537,003 Ordinary Shares in issue at 30 June 2011 (30 June 2010 – 680,537,003; 31 December 2010 – 680,537,003).

7. Resolution Limited, through a number of subsidiaries, owned 34.15 per cent of the Company's ordinary share capital at 30 June 2011. The Directors consider Resolution Limited to be a related party of the Company. Mr P Niven, a non-executive Director of the Company, is also an independent non-executive director of Resolution Limited.

8. The Group results consolidate the results of the following companies:

- FCPT Holdings Limited (the parent company of F&C Commercial Property Holdings Limited)
- F&C Commercial Property Holdings Limited (a company which invests in properties)
- SCP Estate Holdings Limited (the parent company of SCP Estate Limited)
- SCP Estate Limited (a company which invests in properties)
- F&C Commercial Property Finance Limited (a special purpose company which has issued the £230 million Secured Bonds)

The Group's ultimate parent company is F&C Commercial Property Trust Limited.

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

10. 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, and that therefore the Company has only a single operating segment. The Board of Directors, as a whole, has been identified as constituting the chief operating decision maker of the Company. The key measure of performance used by the Board to assess the Company's performance is the total return on the Company's net asset value, as calculated under IFRS, and therefore no reconciliation is required between the measure of profit or loss used by the Board and that contained in the condensed consolidated financial statements.

Independent Review Report to F&C Commercial Property Trust Limited

Introduction

We have been engaged by the Company to review the condensed set of consolidated financial statements in the Interim Report for the six months ended 30 June 2011 which comprises the Unaudited Condensed Consolidated Statement of Comprehensive Income, the Unaudited Condensed Consolidated Balance Sheet, the Unaudited Condensed Consolidated Statement of Changes in Equity, the Unaudited Condensed Consolidated Statement of Cash Flows and the related notes. We have read the other information contained in the Interim Report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Disclosure and Transparency Rules ('the DTR') of the UK's Financial Services Authority ('the UK FSA'). Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

Directors' Responsibilities

The Interim Report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the Interim Report in accordance with the DTR of the UK FSA.

As disclosed in note 1, the annual financial statements of the Company are prepared in accordance with IFRS. The condensed set of financial statements included in this Interim Report has been prepared in accordance with IAS 34, 'Interim Financial Reporting'.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the Interim Report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the Interim Report for the six months ended 30 June 2011 is not prepared, in all material respects, in accordance with IAS 34 and the DTR of the UK FSA.

Steven D Stormonth

For and on behalf of

KPMG Channel Islands Limited
Chartered Accountants and Recognised Auditors
Guernsey

30 August 2011

Statement of Principal Risks and Uncertainties

The Company's assets comprise mainly direct investments in UK commercial property. Its principal risks are therefore related to the commercial property market in general and its investment properties. Other risks faced by the Company include economic, investment and strategic, regulatory, management and control, operational, and financial risks. These risks, and the way in which they are managed, are

described in more detail under the heading 'Principal Risks and Uncertainties' within the Report of the Directors in the Company's Annual Report for the year ended 31 December 2010. The Company's principal risks and uncertainties have not changed materially since the date of that report and are not expected to change materially for the remainder of the Group's financial year.

Statement of Directors' Responsibilities in Respect of the Interim Report

We confirm that to the best of our knowledge:

- the condensed set of consolidated financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting';
- the Chairman's Statement and Managers' Review (together constituting the Interim Management Report) together with the Statement of Principal Risks and Uncertainties above include a fair review of the information required by the Disclosure and Transparency Rules ('DTR') 4.2.7R, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of consolidated financial statements; and
- the Chairman's Statement together with the condensed set of consolidated financial statements include a fair review of the information required by DTR 4.2.8R, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Company during that period, and any changes in the related party transactions described in the last Annual Report that could do so.

On behalf of the Board

Chris Russell

Director

30 August 2011

Shareholder Information

Dividends

Ordinary dividends are paid monthly. Shareholders who wish to have dividends paid directly into a bank account rather than by cheque to their registered address can complete a mandate form for the purpose. Mandates may be obtained from Computershare Investor Services (Jersey) Limited, Queensway House, Hilgrove Street, St. Helier, Jersey JE1 1ES on request. Where dividends are paid directly to shareholders' bank accounts, dividend tax vouchers are sent to shareholders' registered addresses.

Share Price

The Company's Ordinary Shares are listed on the London Stock Exchange. Prices are given daily in the *Financial Times* under "Investment Companies" and in other newspapers.

Change of Address

Communications with shareholders are mailed to the address held on the share register. In the event of a change of address or other amendment this should be notified to Computershare Investor Services (Jersey) Limited, Queensway House, Hilgrove Street, St. Helier, Jersey JE1 1ES under the signature of the registered holder.

Shareholder Enquiries

Contact Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St. Peter Port, Guernsey, Channel Islands. Additional information regarding the Company may also be found at its website address which is: www.fccpt.co.uk

Warning to Shareholders – Boiler Room Scams

In recent years, many companies have become aware that their shareholders have been targeted by unauthorised overseas-based brokers selling what turn out to be non-existent or high risk shares, or expressing a wish to buy their shares. If you receive unsolicited investment advice or requests:

- Make sure you get the correct name of the person or organisation
- Check that they are properly authorised by the FSA before getting involved by visiting www.fsa.gov.uk/pages/register/
- Report the matter to the FSA by calling **0845 606 1234**
- If the calls persist, hang up.

More detailed information on this can be found on the CFEB website www.moneymadeclear.fsa.gov.uk

How to Invest

As well as investing in F&C Commercial Property Trust Limited directly through a stockbroker, there are some additional benefits of investing through one of the savings plans run by F&C Management Limited ('F&C').

You can enjoy the convenience of making regular savings by Direct Debit, take advantage of our tax-efficient ISA wrapper, receive a simple statement every six months and let us automatically reinvest your dividends for you.

F&C Private Investor Plan

A flexible, low cost way to invest with a lump sum from £500 or regular savings from £50 a month. You can also make additional lump sum top-ups at anytime from £250.

F&C Investment Trust ISA

Use your ISA allowance to invest up to £10,680 tax efficiently each year with a lump sum from £500 or regular savings from £50 a month. You can also make additional lump sum top-ups at anytime from £250 and transfer any existing ISAs to us whilst maintaining all the tax benefits.

F&C Child Trust Fund ('CTF')

F&C is a leading provider of CTFs which can be opened for all children born between 1 September 2002 and 31 December 2010, using the government's CTF voucher. The maximum that can be invested annually is £1,200 and, with an investment trust CTF, investments can start from as little as £25 a month.

F&C Children's Investment Plan

Aimed at older children ineligible for a CTF, or if you need access to the funds before the child is 18. This flexible plan can easily be written under trust to help reduce inheritance tax liability. Investments can be made from a £250 lump sum or £25 a month. You can also make additional lump sum top-ups at anytime from £100.

Potential investors are reminded that the value of investments and the income from them may go down as well as up and you may not receive back the full amount originally invested. Tax rates and reliefs depend on the circumstances of the individual.

Low Charges

All the plans are low cost and flexible. When you buy or sell shares in these plans the dealing fee is only 0.2 per cent. Government stamp duty of 0.5 per cent also applies on purchases (where applicable). There are no initial or exit charges. The only annual management fee is on the ISA, which is £60 + VAT (no matter how many ISAs you take out annually with F&C, or how many ISAs you transfer). The CTF has no initial charges, dealing charges or annual management fee.

How to Invest

You can invest in all our savings plans online, except for the CTF. It's simple to register and invest using your debit card. Alternatively, please contact us for application forms.

New Customers:

Contact our Investor Services Team:

Call: **0800 136 420**

Email: **info@fandc.com**

Investing online: **www.fandc.com**

Existing Plan Holders:

Contact our Investor Services Team:

Call: **0845 600 3030**

Email: **investor.enquiries@fandc.com**

By post: F&C Plan Administration Centre
Block C, Western House
Lynch Wood Business Park
Peterborough, PE2 6BP

Calls may be recorded.

If you have trouble reading small print, please let us know. We can provide literature in alternative formats, for example large print or on audiotape. Please call 0845 600 3030.

The above has been approved by F&C Management Limited which is a member of the F&C Asset Management Group and is authorised and regulated by the Financial Services Authority.

Corporate Information

Directors

Christopher Russell (Chairman)*
Jonathan G Hooley†
Martin Moore (appointed 31 March 2011)
Peter Niven
Brian W Sweetland
Nicholas J M Tostevin‡

Secretary and Registrars

Northern Trust International Fund
Administration Services (Guernsey) Limited
Trafalgar Court
Les Banques
St. Peter Port
Guernsey, Channel Islands

Registered Office

Trafalgar Court
Les Banques
St. Peter Port
Guernsey, Channel Islands

Investment Managers

F&C Investment Business Limited
80 George Street
Edinburgh EH2 3BU

Property Managers

F&C REIT Property Asset Management plc
5 Wigmore Street
London W1U 1PB

*Chairman of the Nomination Committee

†Chairman of the Management Engagement Committee

‡Chairman of the Audit Committee

Website

www.fccpt.co.uk

Property Valuers

DTZ Debenham Tie Leung Limited
48 Warwick Street
London W1B 5NL

Auditor

KPMG Channel Islands Limited
20 New Street
St. Peter Port
Guernsey GY1 4AN

Guernsey Legal Advisers

Mourant Ozannes
1 Le Marchant Street
St. Peter Port
Guernsey GY1 4HP

UK Legal Advisers

Dickson Minto WS
16 Charlotte Square
Edinburgh EH2 4DF

Bond Trustee

The Bank of New York
One Canada Square
London E14 5AL

Broker and Financial Adviser

Winterflood Securities Limited
The Atrium Building
Cannon Bridge House
25 Dowgate Hill
London EC4R 2GA

**Registered Office**

Trafalgar Court
Les Banques
St. Peter Port
Guernsey, Channel Islands

Registrars

Northern Trust International Fund Administration
Services (Guernsey) Limited
Trafalgar Court
Les Banques
St. Peter Port
Guernsey, Channel Islands
Telephone: 01481 745001