



CALEDONIA INVESTMENTS

31 August 2016

Share price: 2420p

NAV/share: 3034p

Discount: 20.2%

About Caledonia

Caledonia is a self-managed investment trust, with net assets of £1.7bn. We invest in well-managed, long term businesses and funds, both listed and private, in a range of sectors and regions. We have a long term investment horizon – often over ten years – and a predominantly value investment style.

We focus on established businesses, where return on capital employed is a differentiator of longer term performance and where underlying real assets provide risk mitigation to the balance sheet.

We aim to be a core investment for those seeking capital growth coupled to an increasing income stream over the long term.

Review

During the month, we invested £7.9m and realised £21.9m. At the end of the month, we held cash of £85.7m.

In July 2016, we agreed terms to acquire 98% of the equity of Liberation Group, a Channel Islands pub, restaurant and drinks business, from LGV Capital for £70.6m, valuing the business at £118m. Completion, which is subject to the approval of the Channel Islands Competition and Regulatory Authorities, is expected in early September.

Our unquoted holdings will be revalued in September in accordance with our accounting policies.

Ten largest holdings

Name	Business	Aug 2016 £m	Mar 2016 £m
Park Holidays	Caravan parks operator	123.7	150.4
Cobehold	Investment company	119.3	111.2
Gala Bingo	Bingo operator	92.3	92.3
Seven Investment Management	Investment management	73.6	73.6
The Sloane Club	Residential club	58.8	58.8
Choice Care Group	Care homes provider	54.7	54.0
British American Tobacco	Tobacco	42.2	36.6
AG Barr	Soft drinks	41.4	50.1
Capital Today China	Private equity fund	39.0	59.2
Macquarie Asia New Stars	Quoted market fund	38.1	32.6
		683.1	718.8
Other investments		905.1	879.3
Cash and other items		110.0	46.2
Net assets		1,698.2	1,644.3
		5 mth	Year
		Aug 2016	Mar 2016
NAV total return (note 1)		5.0%	2.6%

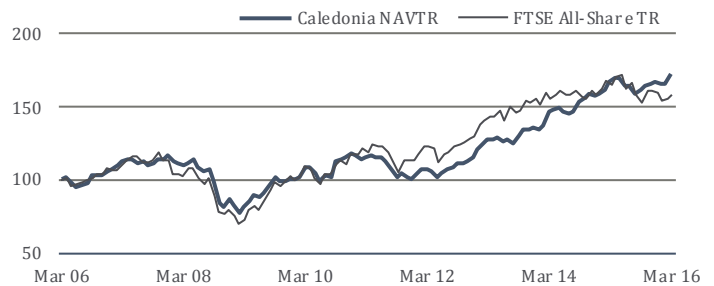
1. Caledonia reviews the valuation of its unquoted investments biannually, in March and September.

Caledonia Investments plc

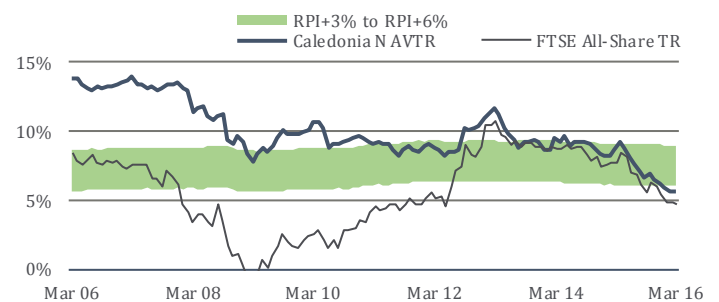
Sources: Caledonia Investments plc ('Caledonia') and FTSE International Limited ('FTSE') © FTSE 2016. 'FTSE®' is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. All rights in the FTSE indices and/or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and/or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

The price of shares and the income from them may go down as well as up. Past performance is no indication of future performance. Under no circumstances should this information be considered as an offer, or solicitation, to deal in investments.

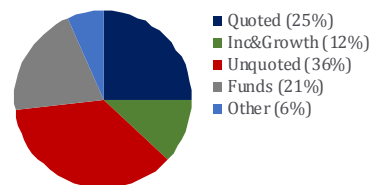
NAV total return index ten years



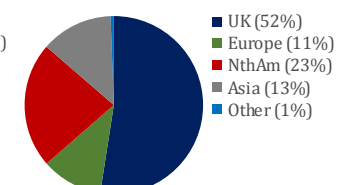
Annualised ten year rolling performance



Pool allocation



Geographic allocation



Performance to 31 March 2016

	1 year %	3 years %	5 years %	10 years %
NAV total return	2.6	34.9	49.2	71.6
<i>Annualised</i>				
NAV total return	2.6	10.5	8.3	5.5
Retail Prices Index	1.6	1.6	2.3	3.0
Performance against RPI	1.0	8.9	6.0	2.5
FTSE All-Share Total Return				4.7
Performance against FTSE				0.8

1. NAV per share is calculated on a diluted, cum-income basis.

2. The performance record is updated biannually, concurrent with the revaluation of unquoted investments and funds. Pool and geographic allocation charts are updated monthly.

Investor information

Sector: Global
 Fund type: Investment Trust
 Listing: London Stock Exchange (SEDOL 0163992, TIDM CLDN)
 Investing: Direct, Caledonia Savings Scheme and ISA
 Contact: 2nd Floor Stratton House, 5 Stratton Street, London W1J 8LA
 tel +44 20 7802 8080, fax +44 20 7802 8090
 enquiries@caledonia.com, www.caledonia.com