



CALEDONIA INVESTMENTS

31 December 2018

Share price: 2825p

NAV/share: 3441p

Discount: 17.9%

About Caledonia

Caledonia is a self-managed investment trust company with net assets of £1.9bn. Our aim is to grow net assets and dividends paid to shareholders, whilst managing risk to avoid permanent loss of capital. We achieve this by investing in proven well-managed businesses that combine long term growth characteristics with an ability to deliver increasing levels of income. Our investments cover both listed and private markets in broadly equal proportions, a range of sectors and, in particular through our fund investments, a global reach.

Review

During the month, we invested £11.3m and realised £30.8m, including £23.2m from the sale of holdings in the Income pool. At the end of the month, we held net cash totalling £54.5m.

We declared an interim dividend of 16.1p per share, amounting to £8.8m, on 21 November 2018, an increase of 3.9% over the equivalent dividend last year. This dividend will be paid on 10 January 2019 to shareholders registered on 30 November 2018 and has been included as a liability at the month end.

On 21 December 2018, Caledonia announced that it had agreed terms to acquire a 36.7% stake in Stonehage Fleming Family and Partners, one of the world's leading independently owned family offices, for approximately £92m, with potential deferred consideration of up to a further £20.6m, if certain financial targets are met. The transaction is conditional on obtaining regulatory approvals in a number of jurisdictions, which are expected within three months.

During the month, the Association of Investment Companies reclassified Caledonia from its Global to Flexible Investment sector.

Ten largest holdings

Name	Business	£m
Seven Investment Management	Investment management	121.7
Deep Sea Electronics	Control systems	117.2
Cobehold	Investment company	106.2
Cooke Optics	Cine lens manufacturer	92.6
Buzz Bingo	Bingo operator	89.1
Liberation Group	Pubs and restaurants	82.0
Aberdeen US funds	Funds of PE funds	79.8
Arlington AVM Ranger fund	Quoted market fund	44.0
Asia Alternatives funds	Funds of PE funds	42.9
NTAsset funds	Quoted market funds	40.6
		816.1
Other pool investments		1,020.1
Cash and other items		93.3
Net assets		1,929.5

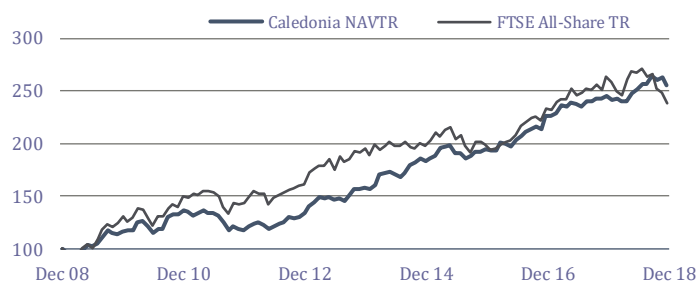
1. Caledonia reviews the valuation of its unquoted investments biannually, in March and September.

Caledonia Investments plc

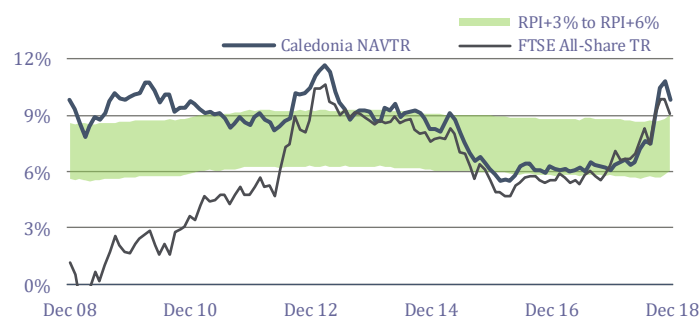
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The price of shares and the income from them may go down as well as up. Past performance is no indication of future performance. Under no circumstances should this information be considered as an offer, or solicitation, to deal in investments.

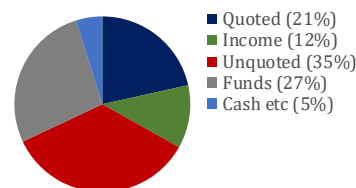
NAV total return index ten years



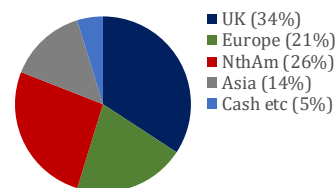
Annualised ten year rolling performance



Pool allocation



Geographic allocation



Performance to 31 December 2018

	9 mths %	1 year %	3 years %	5 years %	10 years %
NAV total return	6.5	4.3	31.7	61.7	155.6
<i>Annualised</i>					
NAV total return		4.3	9.6	10.1	9.8
Retail Prices Index		3.2	3.3	2.5	3.0
Caledonia vs RPI		1.1	6.3	7.6	6.8
FTSE All-Share Total Return				4.1	9.1
Caledonia vs FTSE				6.0	0.7

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

Investor information

Sector Flexible Investment
 Fund type Investment Trust
 Listing London Stock Exchange (SEDOL 0163992, TIDM CLDN)
 Investing Direct, Caledonia Savings Scheme and ISA
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