

Monthly fact sheet

30 April 2006



CALEDONIA
INVESTMENTS

Caledonia is a self-managed investment trust company investing in and actively managing a focused portfolio of significant stakes in companies and situations where we believe there to be good opportunities for building value. We usually take a board position in our investee companies. Our objective is consistently to achieve a long term shareholder return in excess of the FTSE All-Share Total Return whilst maintaining a progressive annual dividend.

Whilst the source of funding for new investments generally comes from our own resources, the policy of the board is to allow the company to enhance returns by incurring third party borrowings when appropriate up to a maximum amount of 20% of net assets.

Review

During the month, we invested a total of £23.5m and realised £5.3m. We subscribed for a further £7.0m of loan stock in Edinmore, our wholly-owned property trading and development company, to provide finance for the purchase of a property in Devon. We invested £6.3m in the new Polar Capital European Conviction Fund, which invests in predominantly European equities. In addition, we invested £10.2m in a number of new and follow-on situations. Of the total realisations of £5.3m, a further £2.1m of loans was repaid by Easybox, our wholly-owned European self-storage company, and £3.2m arose from fund distributions.

As a result of the above transactions, our liquidity decreased to £164m at the month end.

Following its announcement in March that it had agreed a cash bid at \$76 per share, subject to a 45-day period for active solicitation of a higher offer, Kerzner International, the resorts owner and operator in which we have an 8% stake has now reported that the management-led investor group has raised its offer to \$81 per share and that, as a consequence, the solicitation process has been ended. On this basis, our holding is valued at \$236.7m (£130.2m). The transaction is subject to shareholder approval, but is expected by Kerzner to complete in mid 2006. We have a forward currency contract in place, equivalent to almost half the dollar investment value, to reduce the impact of currency movements pending realisation of the Kerzner shareholding.

Ten largest holdings

Name	Business	£m	%
Close Brothers	Merchant bank	193.1	14.7
British Empire	Investment trust	146.9	11.2
Kerzner International	Resorts operator	125.6	9.6
Quintain Estates	Property developer	55.6	4.2
Rathbone Brothers	Fund manager	53.2	4.1
Polar Capital funds	Managed funds	36.3	2.8
Sterling Industries	Engineering	33.1	2.5
Cobepa	Investment company	29.9	2.3
Edinmore	Property trading	28.5	2.2
Bristow Group	Helicopter services	26.6	2.0
		728.8	55.6
Other investments		438.8	33.4
Net current assets		144.2	11.0
Net assets		1,311.8	100.0

Sterling Industries includes cash proceeds from the sale of its hydraulics business, which is planned to be remitted to Caledonia in the near future.

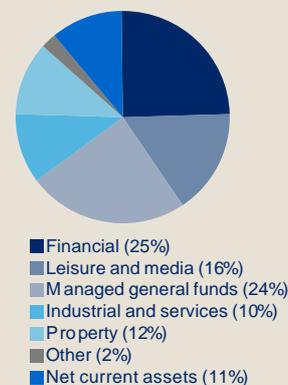
Caledonia Investments plc

All figures as at 30 April 2006. All sources Caledonia Investments plc unless otherwise stated. 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.

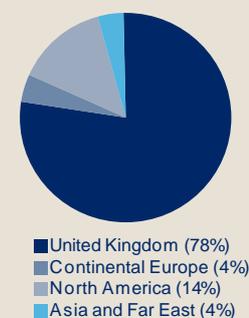
Total return growth



Sector analysis



Geographic analysis



Performance

	Value	Cumulative change %	
	30/04/06	5 yr	10 yr
NAV per share (p)	2069		
Share price (p)	1975		
FTSE All-Share	3074		
Share price total return		162.5	276.8
FTSE All-Share Total Return		25.5	116.4
Outperformance		137.0	160.4

Source: Caledonia Investments plc and FTSE/Datastream.

Investor information

Sector	Global Growth
Fund type	Investment Trust
Listing	London Stock Exchange (SEDOL 0163992, TIDM CLDN) New Zealand Exchange (code CDN)
Investing Contact	Direct, savings plan, ISA, PEP/ISA qualifying Cayzer House, 30 Buckingham Gate, London SW1E 6NN tel 020 7802 8080, fax 020 7802 8090 email enquiries@caledonia.com, web www.caledonia.com