

Monthly fact sheet

31 October 2006



CALEDONIA
INVESTMENTS

Caledonia is one of the UK's largest investment trusts and is self-managed. We aim to be a core investment for those seeking a store of increasing value, by investing for the longer term in a range of assets.

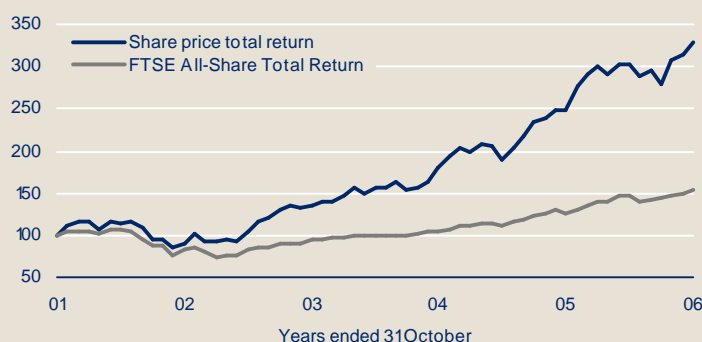
Our ability to identify opportunities through our extensive network, invest in significant stakes and involve ourselves with the managements of investee companies underpins our investment approach, through which we seek to deliver both a long term shareholder return in excess of the FTSE All-Share Total Return and a positive total return over rolling five year periods, whilst maintaining a progressive annual dividend.

Review

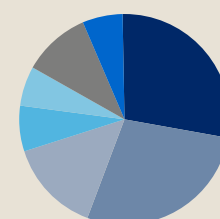
During the month, we invested a total of £11.2m and realised £20.2m. We invested a further £5.0m in Incisive Media, the UK listed business publisher, increasing our stake to 13.2% and made a further loan of €6.0m (£4.0m) to TGE, a private Germany-based liquefied natural gas process engineering business, in which we hold a 49% stake. We also increased our stake in Tribal Group, the UK quoted provider of professional support services to the public sector, to 9.3% at an additional cost of £1.7m and invested a further £0.5m in private equity funds and other follow-on investments. We received a further £9.0m of loan repayments from Edinmore, our wholly-owned property trading group, as a result of the sale of further properties and £6.1m from the redemption of our investment in the Polar Capital European Conviction Fund. We also received £4.9m from other realisations.

At the end of the month, we held net liquidity of £95.1m.

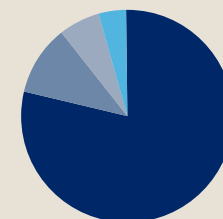
Total return growth



Business analysis



Geographic analysis



Ten largest holdings

Name	Business	£m	%
Close Brothers	Merchant bank	174.3	14.4
British Empire	Investment trust	134.2	11.1
Quintain Estates	Property developer	71.2	5.9
Rathbone Brothers	Fund manager	53.6	4.4
Polar Capital funds	Managed funds	42.0	3.5
Bristow Group	Helicopter services	36.7	3.0
Melrose Resources	Oil and gas exploration	33.1	2.7
Cobepa	Investment company	29.5	2.4
Incisive Media	Business publishing	25.8	2.1
Oval	Insurance broking	25.7	2.1
		626.1	51.6
Other investments		511.9	42.1
Net current liabilities		76.0	6.3
Net assets		1,214.0	100.0

Caledonia Investments plc

All figures as at 31 October 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.

Performance

	Value at 31/10/06	Cumulative change % 5 yr	10 yr
NAV per share – undiluted (p)	2094		
NAV per share – diluted (p)	2071		
Share price (p)	2128		
FTSE All-Share	3140		
Share price total return		229.5	323.3
FTSE All-Share Total Return		52.9	114.8
Outperformance		176.6	208.5

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