

Monthly fact sheet

31 August 2010



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.

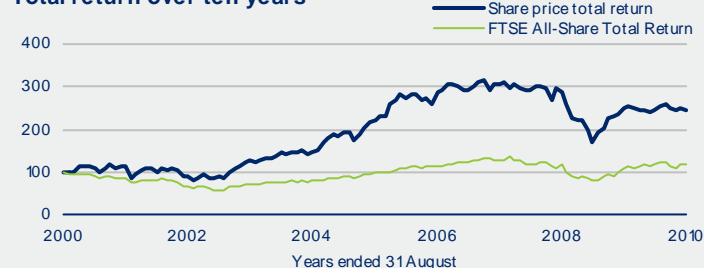
Review

During the month, we invested a total of £6.0m and realised £4.2m. We invested £5.1m in De La Rue, the UK listed commercial security printer and papermaker. We also invested £0.9m in other investments and fund drawdowns. We realised £4.2m from fund distributions and other investment realisations.

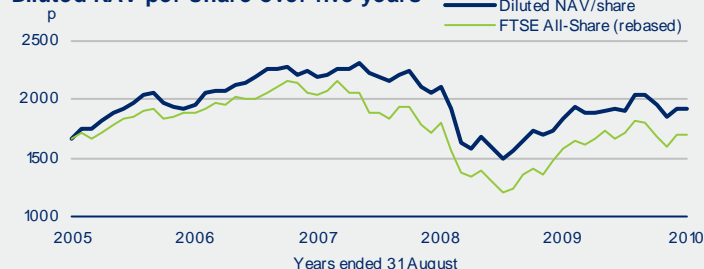
Due to the significant decline in the FTSE All-Share during the period since our latest review of unquoted investment valuations at 31 March 2010, we had reduced net assets by £47.8m at 30 June 2010, based on the 12.6% fall in this index. This reduction has been adjusted at each subsequent month end to reflect the change in the FTSE All-Share from 31 March 2010 to that point and at 31 August 2010 it amounted to £28.0m, representing the 7.3% decline in the index over the relevant period applied to the aggregate valuation of unquoted investments for which market prices were not readily available.

At the end of the month, we held net liquidity of £13.5m.

Total return over ten years



Diluted NAV per share over five years



Ten largest holdings

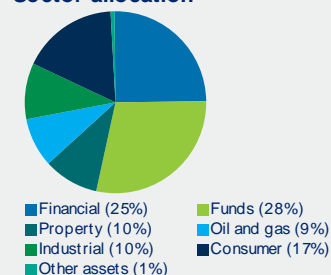
Name	Business	£m	%
Close Brothers	Merchant banking	130.6	11.7
British Empire Securities	Investment trust	116.5	10.4
Cobepa	Investment company	67.8	6.1
Avanti Communications	Satellite communications	61.0	5.5
Bristow Group	Helicopter services	52.5	4.7
Oval	Insurance broking	43.9	3.9
AG Barr	Soft drinks	42.4	3.8
Dewan Housing Finance	Housing finance	37.4	3.3
Melrose Resources	Oil and gas E&P	35.6	3.2
London & Stamford Property	Property investment	35.6	3.2
		623.3	55.8
Other investments		513.4	45.9
Valuation adjustment		(28.0)	(2.5)
Cash and other net assets		9.1	0.8
Net assets		1,117.8	100.0

In addition to British Empire Securities shown above, Caledonia has the following holdings in other investment companies: Polar Capital Global Healthcare (£1.5m).

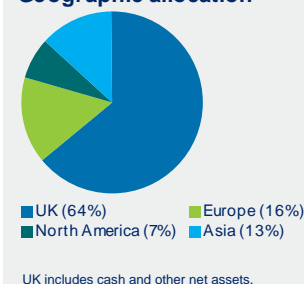
Caledonia Investments plc

All figures as at 31 August 2010. 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.

Sector allocation



Geographic allocation



Allocations exclude valuation adjustment.

Performance

	Value at 31/08/10	Cumulative change % 5 yr	10 yr
Diluted NAV per share (p)	1922	15.3	n/a
Share price (p)	1571	0.1	94.3
FTSE All-Share	2697	1.4	(15.9)
Share price total return		9.7	144.5
FTSE All-Share Total Return		21.0	17.1
Relative TSR performance		(11.3)	127.4
Relative NAV performance		13.9	n/a

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

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 Direct, Caledonia Savings Scheme and ISA
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