

Monthly fact sheet

31 December 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.

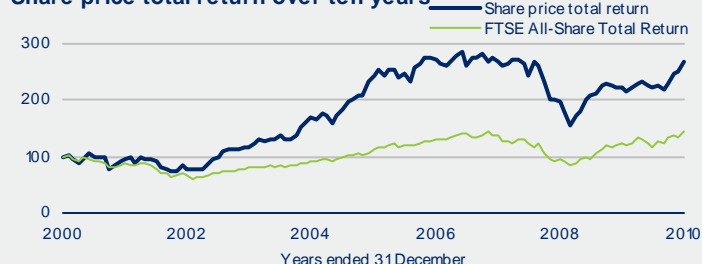
Our ability to identify opportunities through our extensive network, invest in significant stakes and involve ourselves with the managements of investee companies underpins our investment approach, through which we seek to deliver both a long term shareholder return in excess of the FTSE All-Share Total 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 £7.9m, mostly in fund drawdowns, and realised £36.9m. We realised £11.3m on the sale of our investment in De La Rue, the UK quoted commercial security printer and papermaker. We realised £11.3m from sale of part of our holding in British Empire Securities, the UK quoted investment trust company, reducing our stake to 14.6%. We received a capital distribution of £14.1m from Penta Geronimo, a UK private equity fund, on the sale of Geronimo Inns to Youngs & Co. We also realised £0.2m from other disposals.

At the end of the month, we held net liquidity of £104.2m. Other net assets included a £6.4m accrual for the interim dividend of 11.1p per share, declared on 23 November 2010. The dividend was paid on 6 January 2011 to shareholders registered on 3 December 2010.

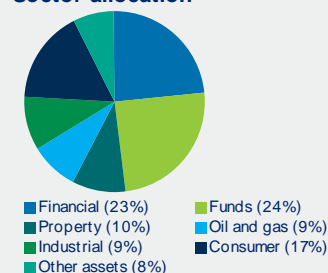
Share price total return over ten years



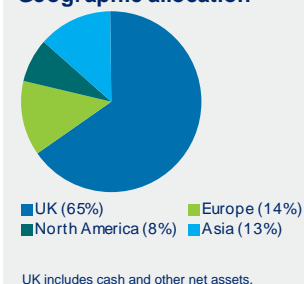
Diluted NAV per share over five years



Sector allocation



Geographic allocation



Ten largest holdings

Name	Business	£m	%
Close Brothers	Merchant banking	166.7	12.9
British Empire Securities	Investment trust	114.0	8.9
Avanti Communications	Satellite communications	78.1	6.1
Cobepa	Investment company	74.5	5.8
Bristow Group	Helicopter services	73.6	5.7
Oval	Insurance broking	42.4	3.3
Dewan Housing Finance	Housing finance	42.4	3.3
London & Stamford Property	Property investment	41.3	3.2
AG Barr	Soft drinks	37.3	2.9
Alok Industries	Textiles manufacturer	37.1	2.9
		707.4	55.0
Other investments		482.4	37.5
Cash and other net assets		96.7	7.5
Net assets		1,286.5	100.0

Performance

	Value at 31/12/10	Cumulative change % 5 yr	10 yr
Diluted NAV per share (p)	2209	17.6	n/a
Share price (p)	1900	0.3	113.7
FTSE All-Share	3063	7.6	2.7
Share price total return		10.1	168.2
FTSE All-Share Total Return		28.4	43.2
Relative TSR performance		(18.3)	125.0
Relative NAV performance		10.0	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
 Contact Cayzer House, 30 Buckingham Gate, London SW1E 6NN
 tel 020 7802 8080, fax 020 7802 8090
 email enquiries@caledonia.com, web www.caledonia.com

Caledonia Investments plc

All figures as at 31 December 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.