

Monthly fact sheet

31 July 2011



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

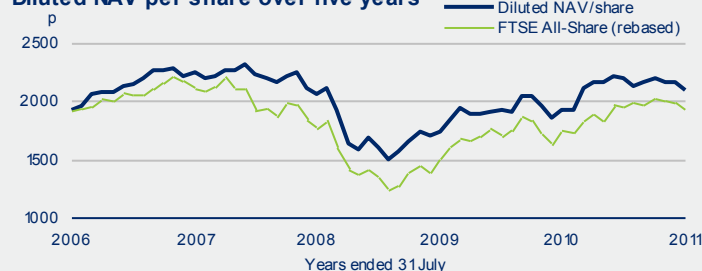
During the month, we invested a total of £14.0m and realised £20.4m. We invested a further £7.4m in a range of large and mid-cap global securities in support of our newly established Income and Growth pool of investments which has been established to increase the overall level of income we receive from our portfolio. We also invested a further £3.4m in Real Estate Investors plc, the AIM quoted property investment company, through participation in its share placing, thereby maintaining our stake at 28.2% and £3.2m in fund drawdowns. We received an initial capital distribution of £10.6m from Nova Capital Guernsey, a private equity fund, on sale of Meetingzone, the conferencing and collaboration service provider, to GMT communications. We also realised £9.8m from other fund distributions and realisations.

At the end of the month, net liquidity totalled £40.5m. Other net assets included a £15.1m accrual for the proposed final dividend of 26.0p per share, which will be paid on 11 August 2011.

Share price total return over ten years



Diluted NAV per share over five years



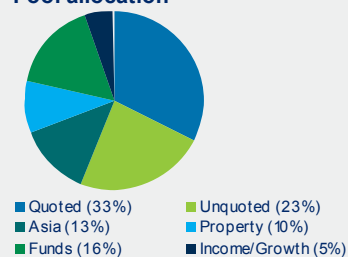
Ten largest holdings

| Name | Business | £m | % |
|--------------------------------|--------------------------|---------|-------|
| Close Brothers | Financial services | 146.1 | 12.0 |
| British Empire Securities | Investment trust | 106.0 | 8.7 |
| Cobepa | Investment company | 85.3 | 7.0 |
| Bristow Group | Helicopter services | 72.1 | 5.9 |
| AG Barr | Soft drinks | 43.5 | 3.5 |
| Avanti Communications | Satellite communications | 42.1 | 3.5 |
| Oval | Insurance broking | 41.6 | 3.4 |
| London & Stamford Property | Property investment | 39.9 | 3.3 |
| Satellite Information Services | Broadcasting services | 38.5 | 3.2 |
| Quintain Estates | Property services | 32.7 | 2.7 |
| | | 647.8 | 53.2 |
| Other investments | | 555.2 | 45.5 |
| Cash and other net assets | | 16.2 | 1.3 |
| Net assets | | 1,219.2 | 100.0 |

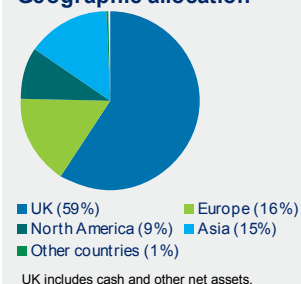
Caledonia Investments plc

All figures as at 31 July 2011. 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.

Pool allocation



Geographic allocation



Performance

| | Value at 31/07/11 | Cumulative change % 5 years | 10 years |
|-----------------------------|-------------------|-----------------------------|----------|
| Diluted NAV per share (p) | 2093 | 8.6 | |
| FTSE All-Share | 3026 | 0.7 | |
| Relative NAV performance | | 7.9 | |
| Share price (p) | 1679 | (6.9) | 91.6 |
| Share price total return | | 2.6 | 139.5 |
| FTSE All-Share Total Return | | 20.2 | 59.3 |
| Relative TSR performance | | (17.6) | 80.2 |

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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