



CALEDONIA INVESTMENTS

31 October 2012

Share price: 1524p

NAV/share: 2008p

Discount: 24.1%

About Caledonia

Caledonia is a self-managed investment trust with net assets of over £1bn. We take significant holdings in listed equities, private companies and funds. We take a long term investment approach – often over ten years – and have a predominantly ‘value’ style of investing, providing development capital for growing companies at sensible prices. We have a global outlook with a spread of currencies and economic exposure.

Our investment approach is underpinned by our extensive network from which we derive proprietary deal flow. We often involve ourselves with the boards of investee companies and always approach investments with a co-operative and long term mindset.

We aim to be a core investment for those seeking capital growth coupled to an increasing income stream over the long term.

Review

During the month, we invested a total of £0.4m and realised £32.2m, including £14.7m from the sale of part of our holding in Close Brothers, the UK listed financial services company, and £7.0m from the disposal of our stake in Serica Energy, the UK listed oil and gas producer.

At the end of the month, we held cash of £37.9m.

From 1 October until 26 November 2012, being the close period before the release of our half-year results planned for 27 November 2012, we have given an irrevocable mandate to J.P. Morgan Securities to purchase the company’s shares on our behalf, within certain parameters. During the month, 11,000 shares were purchased for cancellation under this mandate.

Ten largest holdings

Name	Business	£m	%
Close Brothers	Financial services	132.1	11.5
Cobehold	Investment company	83.4	7.3
Bristow Group	Helicopter services	75.6	6.6
AG Barr	Soft drinks	41.9	3.6
Avanti Communications	Satellite communications	41.0	3.6
London & Stamford Property	Property investment	38.6	3.4
Oval	Insurance broking	35.7	3.1
Satellite Information Services	Broadcasting services	29.8	2.6
Quintain Estates	Property services	29.6	2.6
Sterling Industries	Engineering	29.1	2.5
		536.8	46.8
Other investments		577.0	50.3
Cash and other items		32.7	2.9
Net assets		1,146.5	100.0

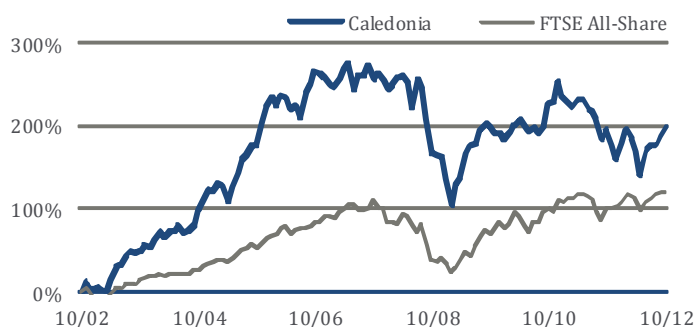
Caledonia Investments plc

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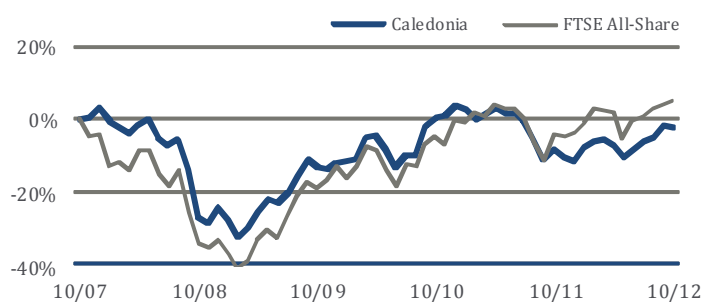
Caledonia reviews the valuation of its unquoted investments semi-annually, in March and September.

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.

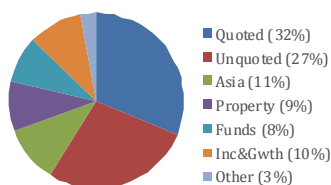
Total shareholder return performance over ten years



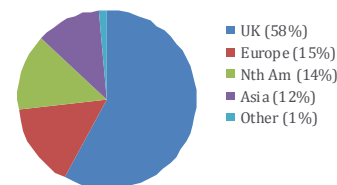
NAV total return performance over five years



Pool allocation



Geographic allocation



UK includes cash and other items.

Performance (%)

	1 year	3 years	5 years	10 years
NAV total return increase	6.2	12.3	(2.4)	
FTSE All-Share Total Return	9.8	29.8	5.2	
Out/(under) performance	(3.6)	(17.5)	(7.6)	
Total shareholder return	0.5	(0.7)	(16.4)	197.2
FTSE All-Share Total Return	9.8	29.8	5.2	121.0
Out/(under) performance	(9.3)	(30.5)	(21.6)	76.2

NAV per share is calculated on a diluted, cum-income basis.
Source: Caledonia and FTSE.

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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