



CALEDONIA
INVESTMENTS

Presentation of final results
for the year ended 31 March 2013





CALEDONIA
INVESTMENTS

Introduction and highlights of the year

Will Wyatt
Chief Executive

Financial highlights

Year ended 31 March 2013



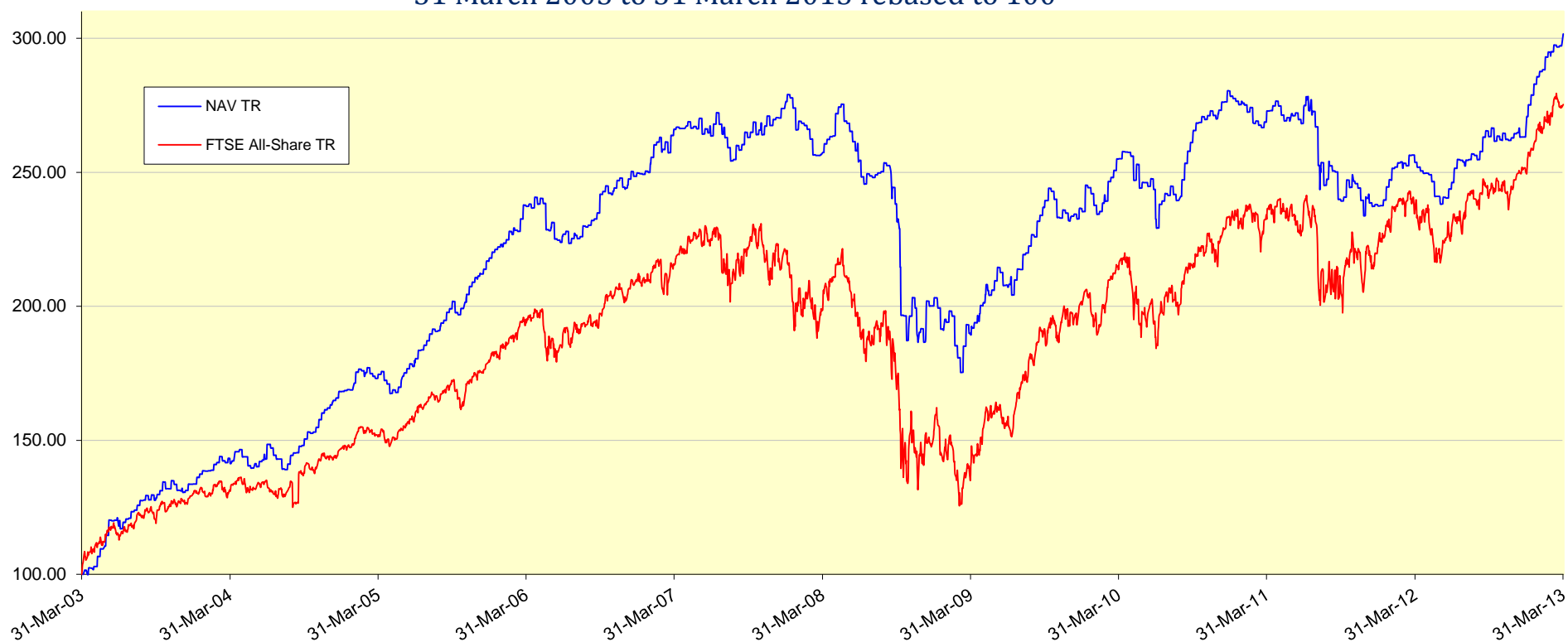
- 18.9% NAV per share total return for year
- 201.7% ten year NAV total return; 26.4% outperformance of FTSE All-Share TR
- 10% increase in dividend; 46th consecutive year of annual dividend growth

Summary of the year	31 Mar 2013	31 Mar 2012	Change %
NAV per share	2299p	1977p	+16.3
FTSE All-Share index	3381	3003	+12.6
Discount to NAV	20.0%	24.8%	-4.8
Annual dividend per share	47.2	42.9	+10.0

Key points

- Successful delivery of long term growth objectives
- Successful completion of 2010 strategic review recommendations

10-year cumulative total returns as against FTSE All-Share TR
31 March 2003 to 31 March 2013 rebased to 100



Strategic priorities

- Increased overall portfolio yield
- Reduced number of sub-scale investments
- Reduced concentration risk
- Increased liquidity
- Refreshed management team focussed on distinct investment pools
- Retained Caledonia's unique characteristics

Reshaping the portfolio for long term outperformance

Strategic allocation

Investment Pool	Allocation 31 Mar 2013 %	Description	Strategic Allocation Range %
Quoted	40	Large holdings in high quality companies	35-55
Unquoted	27	8-10 direct stakes in private companies >£25m	20-35
Funds	13	Listed and PE funds, (US & Asia focus)	15-25
Income & Growth	12	Mega cap, 5% yield, global equity portfolio	15-25
Cash/borrowings	8		(10) - 10
TOTAL	100%		

Reshaping the portfolio for long term outperformance

NAV summary performance by investment pool

Six months ended 31 March 2013



Investment Pool	Value 31 Mar 2013 £m	Value 31 Mar 2012 £m	Investment income £m	Total return £m	Total return %
Quoted	517.2	552.1	16.0	120.9	24.6
Unquoted	348.1	311.7	14.8	52.8	17.7
Funds	166.8	209.6	1.9	12.9	7.7
Income & Growth	162.0	110.6	5.0	27.5	23.7
Portfolio	1,194.1	1,184.0	37.7	214.1	19.9
Net cash/(debt)	96.5	(36.6)	0.6	0.6	
Other items	8.2	(13.4)	1.7	(7.9)	
Net Asset Value	1,298.8	1,134.0	40.0	206.8	

Reshaping the portfolio for long term outperformance

Investment activity during the year

Total investments of £142m

£m

Income & Growth pool (net)

29

Latshaw Group

27

Funds

14

Other listed and follow on investments

31

Total realisations of £297m

 Proceeds
 £m

Close Brothers

101

British Empire Securities

49

Celerant

35

Fund redemptions

16

Other

55

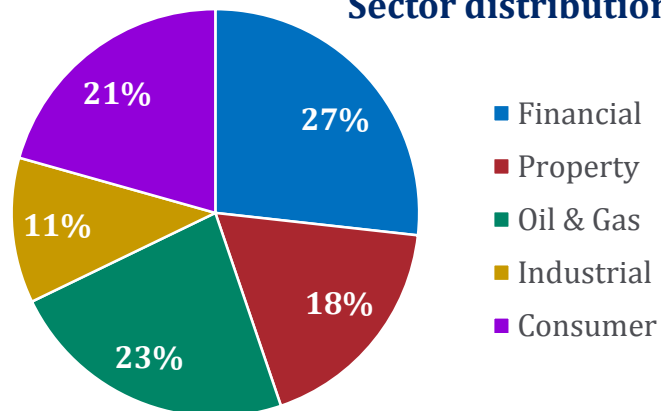
Significant contributors to performance 2013

Investment	Investment Pool	Value 31 Mar 2013 £m	Value 31 Mar 2012 £m	Income £m	Total return £m
Significant outperformers					
Close Brothers	Quoted	86.7	154.2	5.7	39.6
Bristow	Quoted	105.7	72.9	1.0	33.8
Celerant	Unquoted	9.0	20.7	-	27.1
A G Barr	Quoted	51.5	40.2	1.7	16.6
Quintain Estates	Quoted	36.7	21.3	-	15.4
Polar Capital	Quoted	24.1	21.4	1.0	8.5
Significant underperformers					
Dewan Housing Finance	Quoted	27.7	43.3	0.9	(13.5)

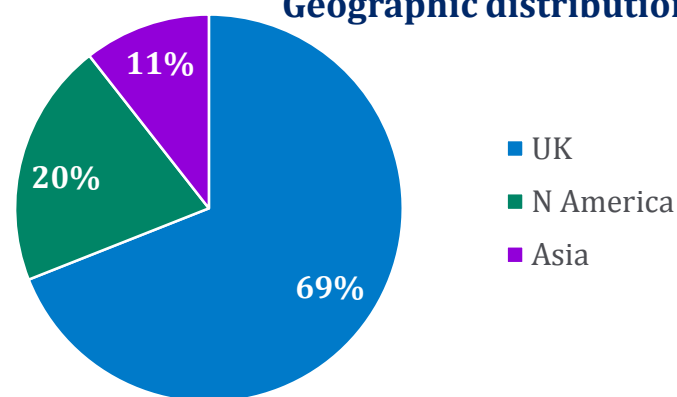
Quoted pool

Significant investments	Value 31 Mar 2013 £m	Value 31 Mar 2012 £m	Income £m	Capital Gain/(loss) £m	Total return %
Bristow Group	105.7	72.9	1.0	32.8	47
Close Brothers	86.7	154.2	5.7	33.9	33
AG Barr	51.5	40.2	1.7	14.9	44
Avanti Communication	47.2	39.9	-	7.4	18
Quintain Estates	36.7	21.3	-	15.4	72
Dewan Housing Finance	27.8	43.3	0.6	(14.4)	(31)
Other	161.6	180.3	7.0	14.9	
Total	517.2	552.1	16.0	104.9	25

Sector distribution



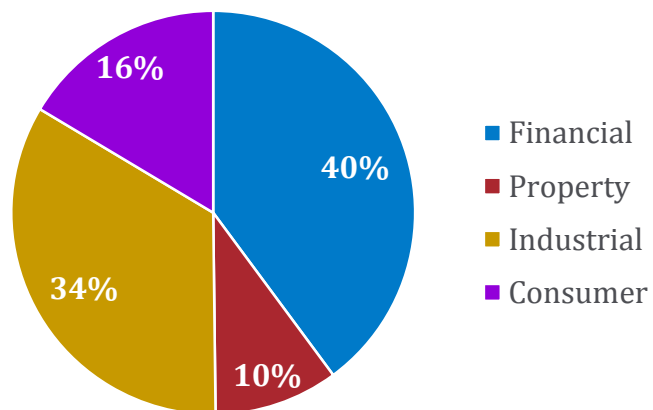
Geographic distribution



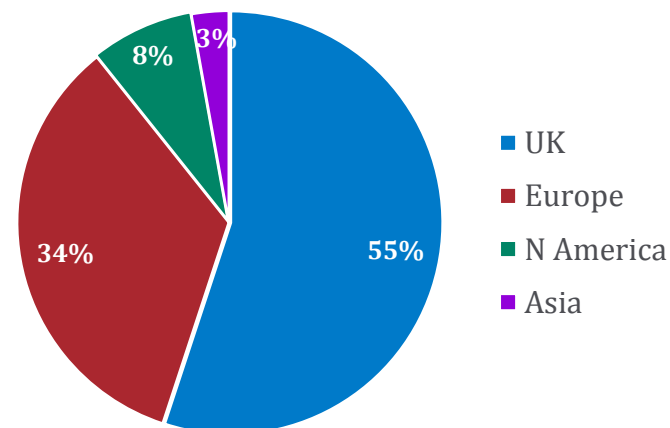
Unquoted pool

Significant investments	Value 31 Mar 2013 £m	Value 31 Mar 2012 £m	Income £m	Gain/(loss) £m	Total return %
Cobehold	91.6	85.0	1.7	5.9	9
Oval	37.8	32.2	1.4	3.0	18
Sterling Industries	30.7	29.0	3.0	1.7	17
Sloane Club	28.8	26.1	3.0	(0.1)	11
Satellite Information Services	28.5	29.8	3.0	(1.3)	7
Other	130.7	109.6	2.7	28.7	
Total	348.1	311.7	14.8	37.9	18

Sector distribution



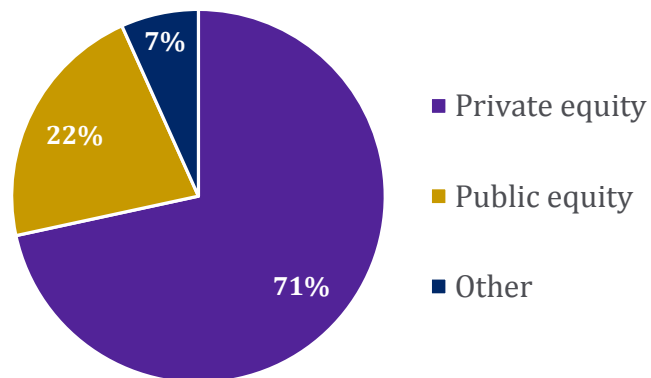
Geographic distribution



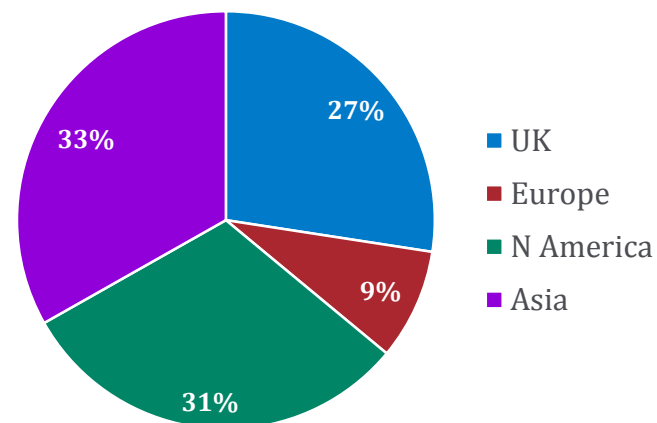
Funds pool

Significant investments	Value 31 Mar 2013 £m	Value 31 Mar 2012 £m	Income £m	Capital Gain/(loss) £m	Total return %
Capital Today China	29.2	29.6	-	4.9	19
Perlus Microcap	22.2	19.5	-	2.7	14
Pragma Capital funds	14.3	15.6	-	0.1	1
Nova Springboard	12.9	12.2	-	0.5	4
British Empire Securities		50.0	0.2	(1.5)	(8)
Other	88.2	82.7	1.7	4.3	
Total	166.8	209.6	1.9	11.0	8

Fund investment style



Geographic distribution



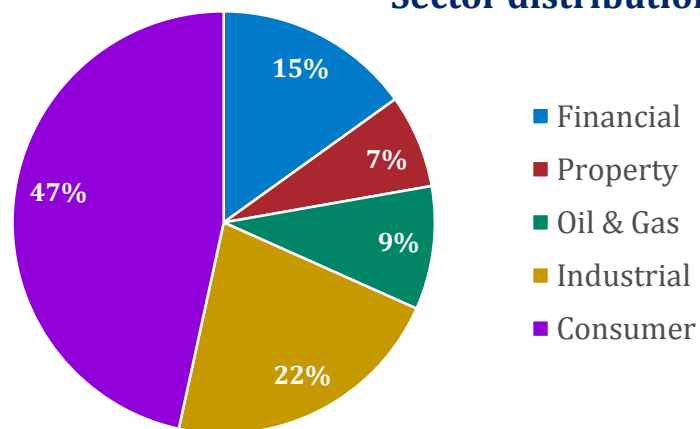
Income & Growth pool

As at 31 March 2013

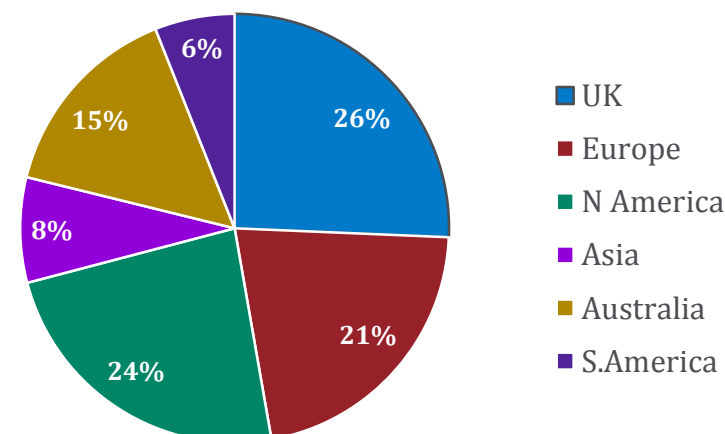


Top five holdings	Country	Value 31 Mar 2013 £m	Total return %
Pfizer Inc.	US	5.3	38
Standard Life	UK	5.3	39
Nestlé	Switzerland	5.2	25
SSE	UK	5.1	18
Starwood Properties	US	4.9	52
Other		136.2	
TOTAL		162.0	24

Sector distribution

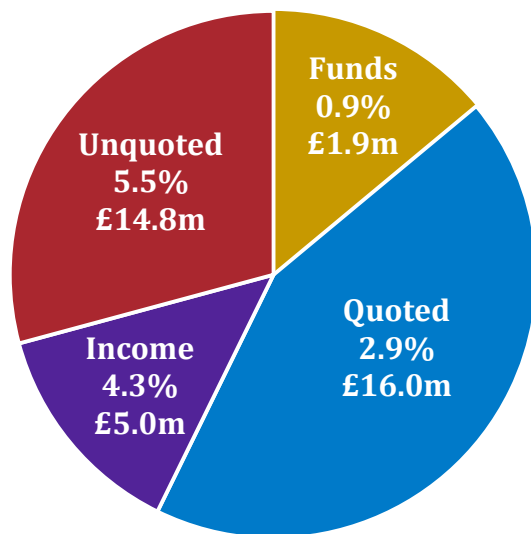


Geographic distribution

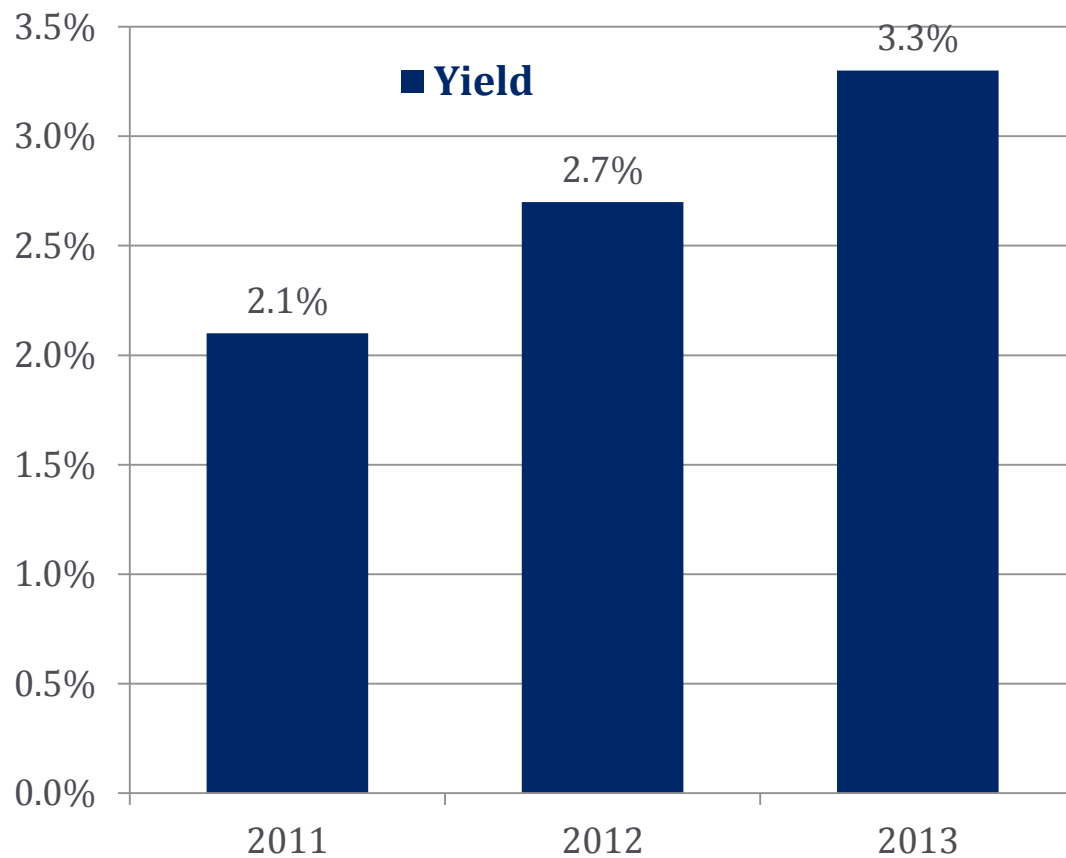


Improving portfolio yield

Year end 2013 - 3.3%

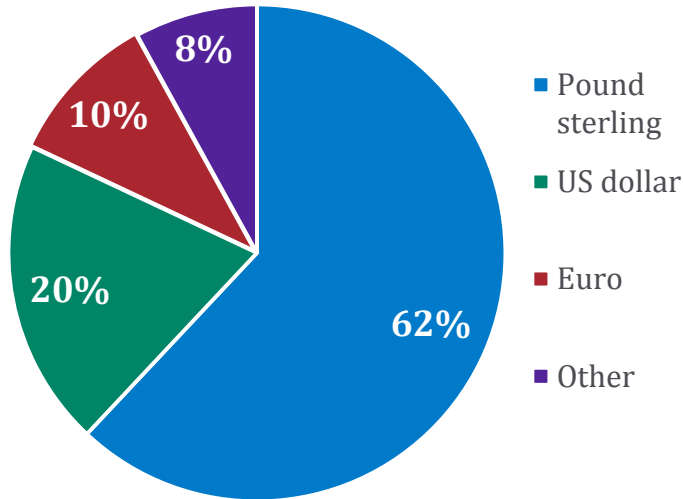


Excludes £1.7m of investment income from non-portfolio subsidiary

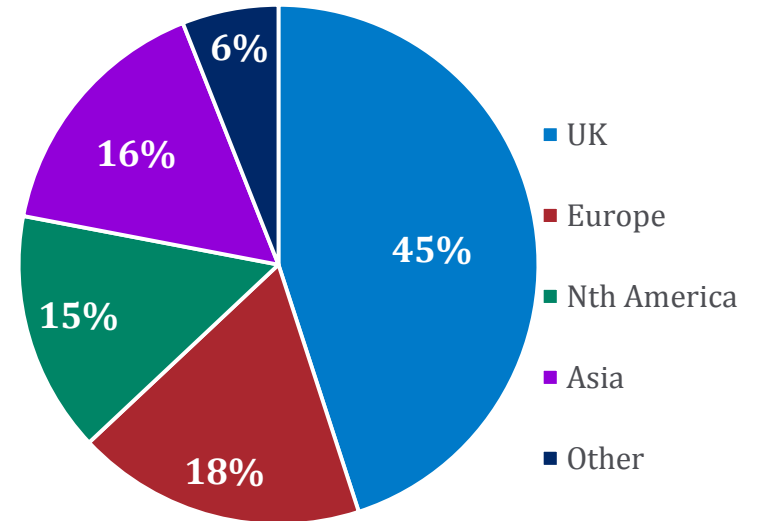


Sector, geographical & currency distribution

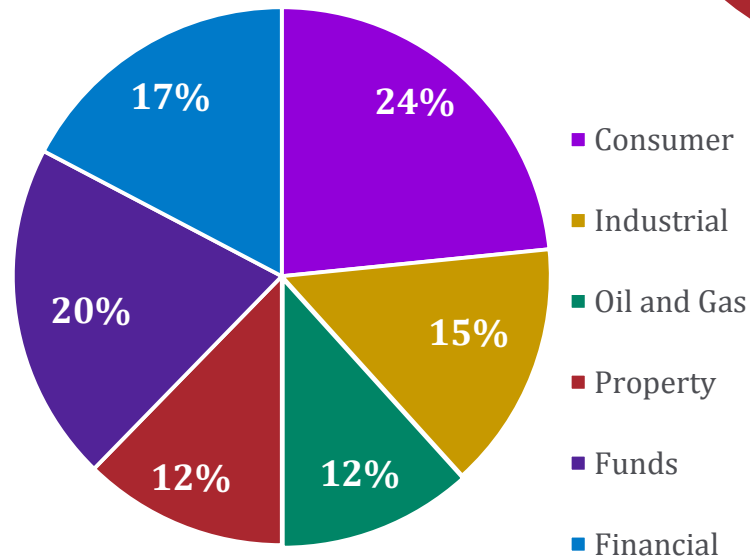
Analysis by currency



Analysis by revenue

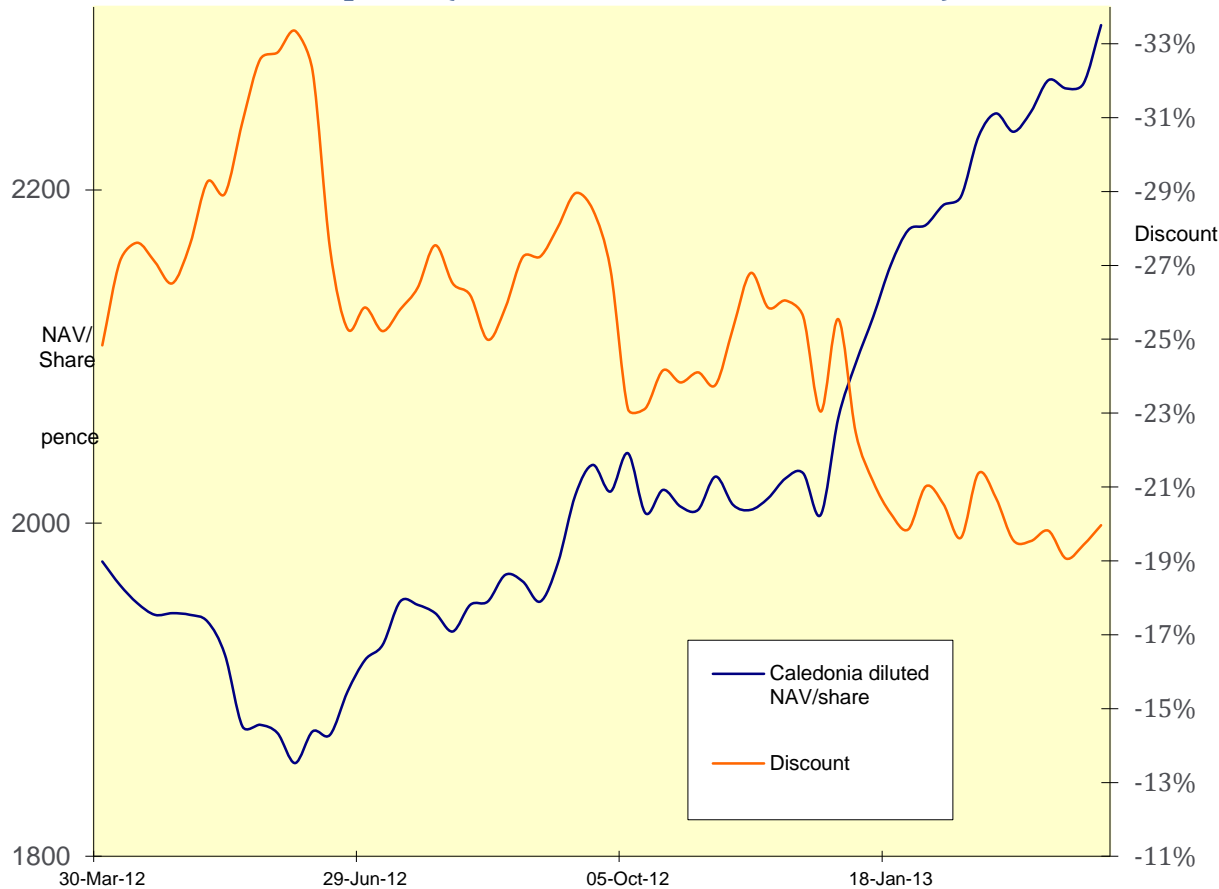


Analysis by sector



Split by geography based on revenue of investments using latest available financial information

Graph of Caledonia diluted NAV/share and discount to share price (31 Mar 2012 to 31 Mar 2013)



- Narrowed by 4.8% to 19.9%
- Invested £17.9m in shares buyback

Note: Discount is calculated by comparing the share price with diluted NAV/share



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Financial Review

Stephen King
Finance Director

Summary of comprehensive income

	2013 £m	2012 £m	Change £m
Investment income	39.4	33.3	+6.1
Gains/(losses) on investments	174.9	(119.0)	+293.9
Gross return	214.3	(85.7)	+300.0
Management expenses	(13.9)	(12.4)	-1.5
Provisions (net)	3.0	3.0	-
Treasury/taxation	3.4	1.9	+1.5
Profit/(loss) and total comprehensive income for the year	206.8	(93.2)	+300.0
Allocation:			
Revenue	28.1	23.0	
Capital	178.7	(116.2)	
Dividends paid	(25.1)	(21.8)	-3.3
Retained profit/(loss) for the year	181.7	(115.0)	296.7

Summary balance sheet

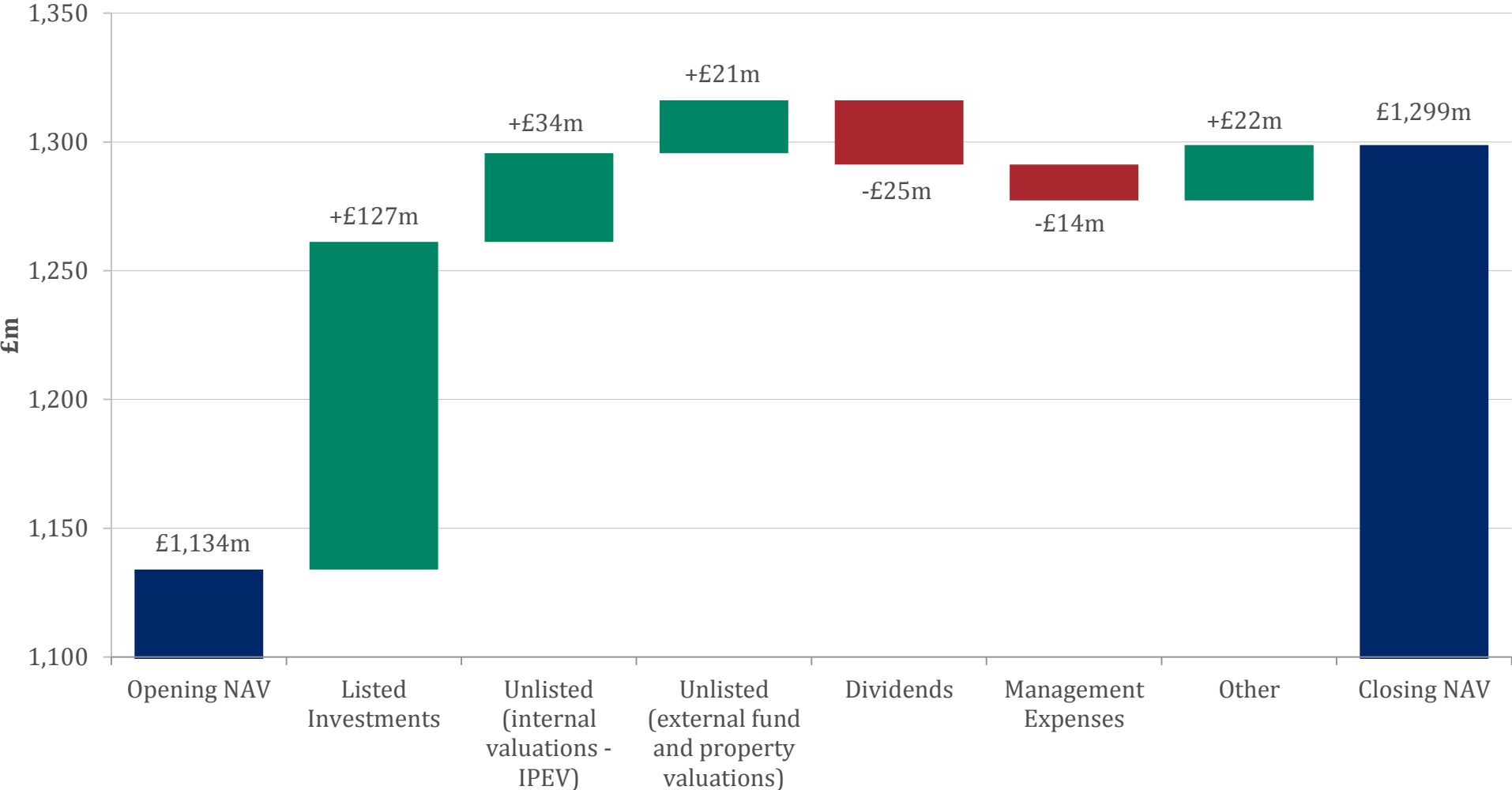


	2013 £m	2012 £m	Change £m
Investments and other non-current assets	1,205.6	1,181.5	+24.1
Trade and other receivables	11.9	8.0	+3.9
Net cash/(debt)	96.5	(36.6)	+133.2
Other liabilities	(15.2)	(18.9)	+3.7
Net current assets less debt	81.3	(47.5)	+128.8
Net assets	1,298.8	1,134.0	+164.8
Net asset value per share	2299p	1977p	+322p

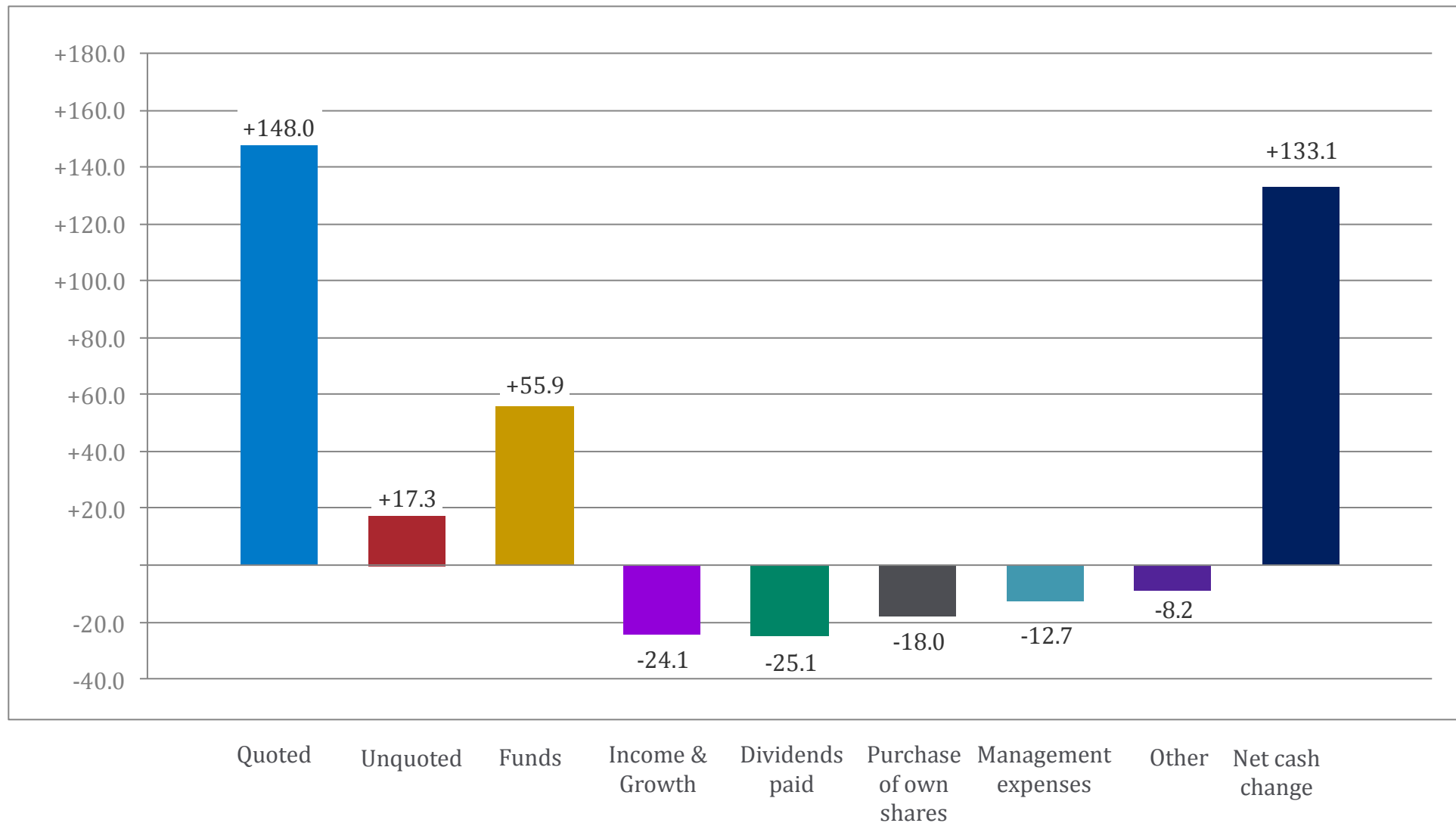
- £24m increase in investments due to £178m portfolio gain offset by net disposals of £154m.

Change in net asset value

As at 31 March 2013



Net cash movements for the year - by pool - £m



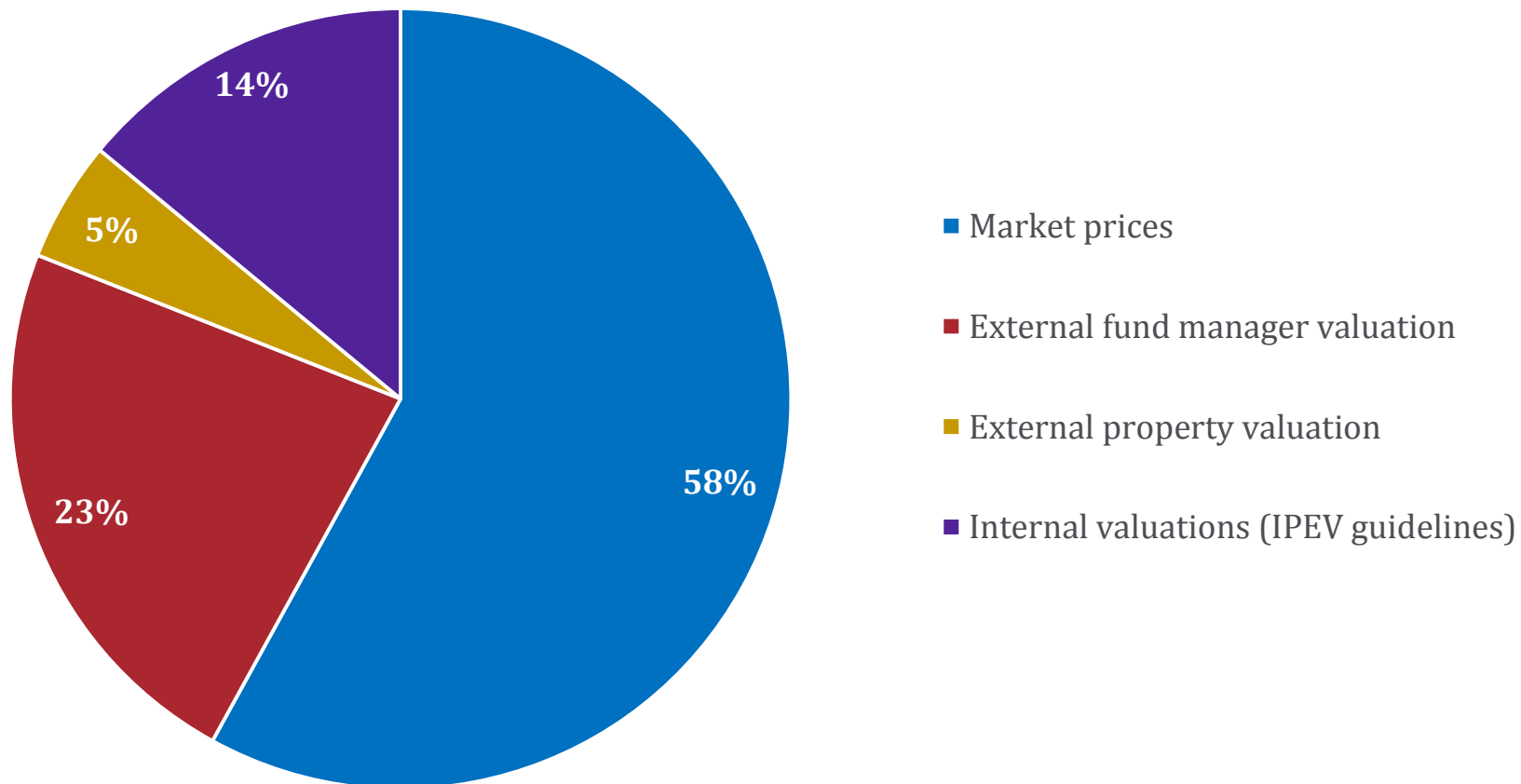
Net cash and facilities

- £96.5m net cash at 31 March 2013 (£36.6m net debt at 31 March 2012)
- Committed facilities renewed
 - £75m revolving facility (RBS/ING)
 - Blended average Margin: 208bp over LIBOR
- Overdraft facility £10m

Valuation sources

As at 31 March 2013

Net asset value – by valuation method





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Summary and outlook

Will Wyatt
Chief Executive

- A year of strong NAV performance
- Successful rebalancing of portfolio
- Settled management team
- Strong dealflow
- Well invested portfolio, tailored to shareholder's requirements

Balanced portfolio, tailored to shareholder's requirements

Outlook

- Economies and markets responding to policy initiatives but remain unpredictable
- Economic growth still muted
- Search for income continues to prop up markets
- Well positioned to deliver long term outperformance in the current macroeconomic environment

Appendices

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Top ten investments

As at 31 March 2013



Name	Pool	Business	Mar 2013 £m	Mar 2013 %	Change in weighting %
Bristow Group	Quoted	Helicopter services	105.7	8.1	+1.9
Cobehold	Unquoted	Investment company	91.6	7.1	- 0.1
Close Brothers	Quoted	Financial services	86.7	6.7	- 6.4
AG Barr	Quoted	Soft drinks	51.5	4.0	+0.6
Avanti Communications	Quoted	Satellite communications	47.2	3.6	+0.2
Oval	Unquoted	Insurance broking	37.8	2.9	+0.2
Quintain Estates	Quoted	Property services	36.7	2.8	+1.0
LondonMetric Property	Quoted	Property investment	35.5	2.7	- 0.4
Sterling Industries	Unquoted	Engineering	30.7	2.4	- 0.1
Capital Today China	Funds	China-focussed PE fund	29.2	2.2	- 0.2
			552.6	42.6	-3.3

Strategy - pools of capital

Pool	31 Mar 2013 £m	31 Mar 2013 %	31 Mar 2012 £m	31 Mar 2012 %	Strategic allocation range disposition %
Quoted	517.2	40	552.1	50	35-55
Unquoted	348.1	27	311.7	27	20-35
Funds	166.8	13	209.6	17	15-25
Income & Growth	162.0	12	110.6	10	15-25
Cash/borrowings	96.5	7	(36.6)	(3)	10-(10)
Other	8.2	1	(13.4)	(1)	
Net assets	1,298.8	100	1,134.0	100	

Pool Consolidation – 2012 Restatement

Pool	31 Mar 2013 £m	31 Mar 2013 %	31 Mar 2012 reported £m	31 Mar 2012 restated £m	31 Mar 2012 %	Strategic allocation target %
Quoted	517.2	40	402.7	552.1	48	35-55
Unquoted	348.1	27	280.4	311.7	27	20-35
Asia			147.7			
Property			96.7			
Funds	166.8	13	145.9	209.6	19	15-25
Income & Growth	162.0	12	110.6	110.6	10	15-25
Cash/borrowings	96.5	7	(36.6)	(36.6)	(3)	10-(10)
	1,290.6	99	1,147.4	1,147.4	101	
Other	8.2	1	(13.4)	(13.4)	(1)	
Net Assets	1,298.8	100	1,134.0	1,134.0	100	

Contact Details



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