



# CALEDONIA INVESTMENTS

31 August 2013

Share price: 1770p

NAV/share: 2220p

Discount: 20.3%

## About Caledonia

Caledonia is a self-managed investment trust with net assets of £1.2bn. 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 £49.5m to buy 97.7% of Choice Care Group from Sovereign Capital, in a transaction which valued the business at £86m. The balance of the purchase price was funded principally by bank debt. Choice Care Group provides support services for adults with learning disabilities, mental health disorders or complex needs through a portfolio of 47 residential care homes, owned and operated in the South of England. Also, we realised £31.5m from the sale of part of our holdings in various listed companies.

During the month, we paid our final dividend of 34.3p per share in respect of the year ended 31 March 2013, amounting to £19.1m. Also, we purchased for cancellation 500,000 of our own shares at a total cost of £9.2m. At the end of the month, we held net cash of £67.6m.

## Ten largest holdings at 31 August 2013

Name	Business	£m	%
Cobehold	Investment company	92.3	7.4
Bristow Group	Helicopter services	69.8	5.6
Close Brothers	Financial services	64.4	5.2
AG Barr	Soft drinks	51.1	4.1
Choice Care	Care homes provider	49.5	4.0
Oval	Insurance broking	37.8	3.0
Quintain Estates	Property services	35.8	2.9
Polar Capital	Fund management	32.1	2.6
LondonMetric Property	Property investment	30.9	2.5
Sterling Industries	Engineering	30.7	2.5
		494.4	39.8
Other investments		674.7	54.3
Cash and other items		73.3	5.9
Net assets		1,242.4	100.0

Caledonia had an investment in the following investment trust company: Polar Capital Global Financial Trust (£10.6m).

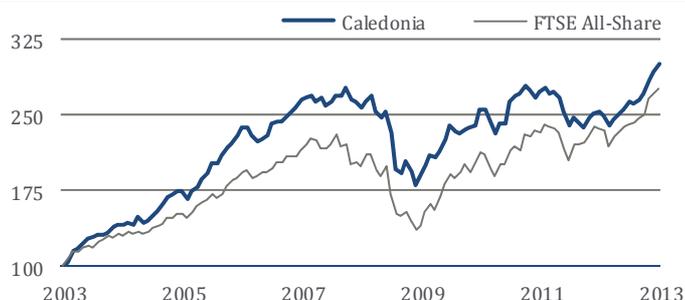
## Caledonia Investments plc

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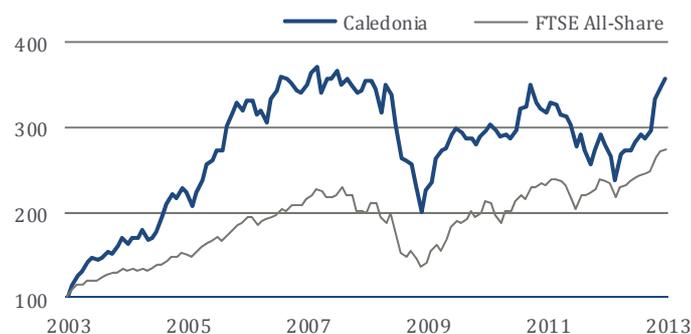
Caledonia reviews the valuation of its unquoted investments semi-annually, in March and September.

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.

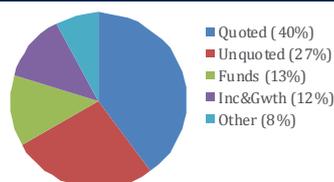
## NAV total return performance over ten years to 31 March 2013



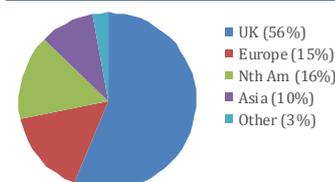
## TSR performance over ten years to 31 March 2013



## Pool allocation at 31 March 2013



## Geographic allocation at 31 March 2013



UK includes cash and other items.

## Performance to 31 March 2013 (%)

	1 year	5 years	10 years
NAV total return increase	18.9	17.1	201.7
FTSE All-Share Total Return	16.8	38.5	175.3
Out/(under) performance	2.1	(21.4)	26.4
Total shareholder return	27.6	0.7	256.5
FTSE All-Share Total Return	16.8	38.5	175.3
Out/(under) performance	10.8	(37.8)	81.2

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)  
Investing: Direct, Caledonia Savings Scheme and ISA  
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