



CALEDONIA INVESTMENTS

31 December 2013

Share price: 1900p

NAV/share: 2397p

Discount: 20.7%

About Caledonia

Caledonia is a self-managed investment trust with net assets of £1.3bn. 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

Net assets have increased by £4.5m (0.3%) over the month. This increase excluded any revaluation of unquoted investments, which are reviewed biannually, in September and March.

During the month, we invested £4.4m and realised £6.4m. The latter comprised distributions from a number of private equity funds, following their successful realisations of investments.

At the end of the month, our net debt was £17.3m, including £25.0m drawn against our facilities. Other items included a £7.4m accrual for the interim dividend of 13.4p, declared on 26 November 2013. The dividend will be paid on 9 January 2014 to shareholders registered on 13 December 2013.

Ten largest holdings at 31 December 2013

Name	Business	£m	%
Cobehold	Investment company	98.9	7.4
Park Holidays	Caravan parks operator	88.1	6.6
Close Brothers	Financial services	78.6	5.9
Bristow Group	Helicopter services	74.4	5.6
AG Barr	Soft drinks	53.4	4.0
Choice Care	Care homes provider	50.2	3.8
Oval	Insurance broking	42.7	3.2
Polar Capital	Fund management	39.3	2.9
Sterling Industries	Engineering	39.0	2.9
Quintain Estates	Property services	38.3	2.9
		602.9	45.2
Other investments		752.8	56.3
Cash and other items		(19.6)	(1.5)
Net assets		1,336.1	100.0

Caledonia had an investment in the following investment trust company: Polar Capital Global Financial Trust (£10.7m).

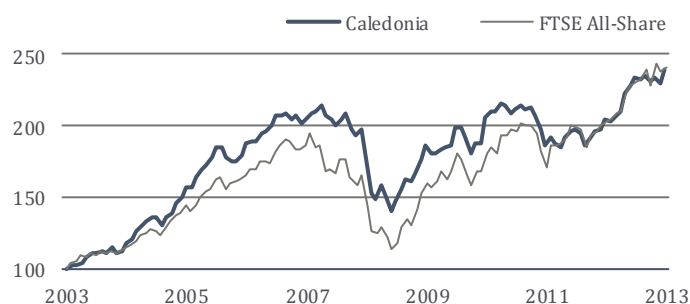
Caledonia Investments plc

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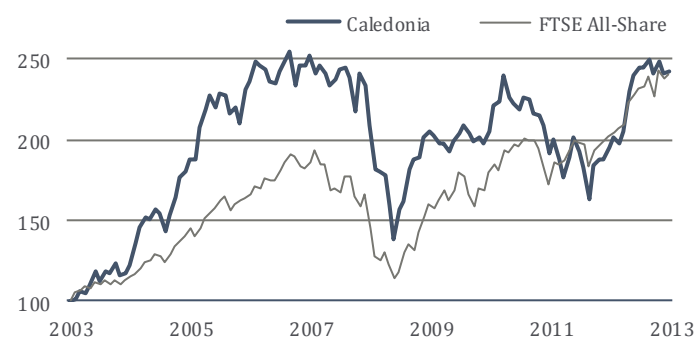
Caledonia reviews the valuation of its unquoted investments biannually, in March and September.

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.

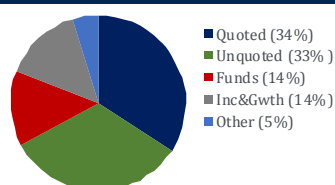
NAV total return performance ten years to 30 September 2013



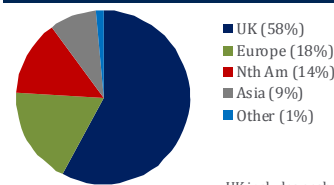
TSR performance over ten years to 30 September 2013



Pool allocation at 30 September 2013



Geographic allocation at 30 September 2013



UK includes cash and other items.

Performance to 30 September 2013 (%)

	1 year	5 years	10 years
NAV total return increase	16.9	33.0	139.6
FTSE All-Share Total Return	18.9	66.2	140.2
Out/(under) performance	(2.0)	(33.2)	(0.6)
Total shareholder return	24.8	16.0	143.1
FTSE All-Share Total Return	18.9	66.2	140.2
Out/(under) performance	5.9	(50.2)	2.9

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

Investor information

Sector	Global
Fund type	Investment Trust
Listing	London Stock Exchange (SEDOL 0163992, TIDM CLDN)
Investing	Direct, Caledonia Savings Scheme and ISA
Contact	Cayzer House, 30 Buckingham Gate, London SW1E 6NN tel +44 20 7802 8080, fax +44 20 7802 8090 enquiries@caledonia.com, www.caledonia.com