



CALEDONIA INVESTMENTS

30 April 2014

Share price: 2090p

NAV/share: 2593p

Discount: 19.4%

About Caledonia

Caledonia is a self-managed investment trust with net assets of £1.4bn. 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 currency and economic exposure.

We focus on established businesses, where return on capital employed is a differentiator of longer term performance and where underlying real assets provide risk mitigation to the balance sheet.

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 £37.5m and realised £90.3m. Through the Quoted pool, we invested £10.4m in Rolls-Royce Holdings, the UK aero engine manufacturer and £9.5m in Oracle, the US computer technology company. We also invested £9.0m in various funds, principally in the US and Asia. On 1 April 2014, we realised £70.0m from the sale of Oval, the UK insurance broker, to Arthur J Gallagher, the US-based global brokerage and insurance company. We had revalued Oval to its sale value at 31 March 2014, which represented a premium of more than 64% on our previous carrying value. We also realised £9.1m from the sale of various holdings in the Quoted pool.

At the end of the month, our net cash was £41.6m, net of £30.0m drawn against our facilities.

Ten largest holdings at 30 April 2014

Name	Business	£m	%
Cobehold	Investment company	99.6	6.9
Park Holidays	Caravan parks operator	88.1	6.1
Bristow Group	Helicopter services	74.9	5.2
Close Brothers	Financial services	63.9	4.4
AG Barr	Soft drinks	58.5	4.0
Choice Care	Care homes provider	50.2	3.5
Avanti Communications	Satellite communications	44.7	3.1
Capital Today China	Private equity fund	44.3	3.1
Sloane Club	Residential club	43.8	3.0
Quintain Estates	Property services	39.4	2.7
		607.4	42.0
Other investments		800.6	55.4
Cash and other items		37.0	2.6
Net assets		1,445.0	100.0

1. Caledonia held an investment in the following investment trust company: Polar Capital Global Financials Trust (£10.6m).

2. Net assets are presented in accordance with IFRS *Investment Entities*. Investment values shown above are grossed up for debt lent by Caledonia Treasury, a consolidated service company, with the related borrowings included in ‘Cash and other items’.

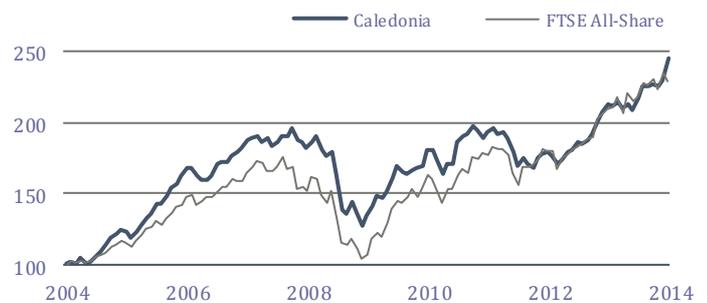
Caledonia Investments plc

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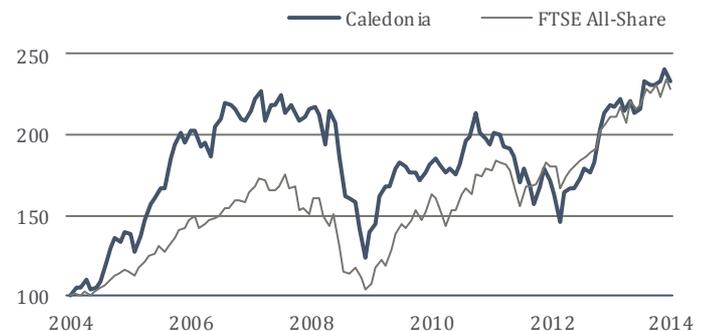
Caledonia reviews the valuation of its unquoted investments biannually, in March and September.

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.

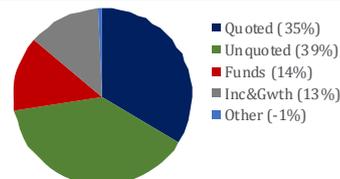
NAV total return performance ten years to 31 March 2014



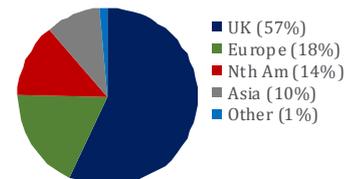
TSR performance over ten years to 31 March 2014



Pool allocation at 31 March 2014



Geographic allocation at 31 March 2014



Performance to 31 March 2014 (%)

	1 year	5 years	10 years
NAV total return increase	14.9	83.6	146.0
FTSE All-Share Total Return	8.8	113.3	128.7
Out/(under) performance	6.1	(29.7)	17.3
Total shareholder return	7.2	68.4	134.1
FTSE All-Share Total Return	8.8	113.3	128.7
Out/(under) performance	(1.6)	(44.9)	5.4

1. NAV per share is calculated on a diluted, cum-income basis.

2. 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