



CALEDONIA INVESTMENTS

31 July 2014

Share price: 2145p

NAV/share: 2521p

Discount: 14.9%

About Caledonia

Caledonia is a self-managed investment trust, with net assets of £1.4bn. We invest in well-managed, long term businesses and funds, both listed and private, in a range of sectors and regions. We have a long term investment horizon – often over ten years – and a predominantly value investment style.

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 £46.6m and realised £26.2m. Our investments included £15.1m in NASDAQ listed Microsoft Corporation, £15.0m in the Newton Asian Income Fund, managed by BNY Mellon, and \$6.4m (£3.7m) of a new \$25m commitment in the Morgan Stanley Private Equity Asia fund. We realised €13.6m (£10.8m) from the sale of our investments in two Pragma Capital funds.

Other net assets included a £19.7m accrual for our final dividend of 35.7p per share, which will be paid on 7 August 2014. At the end of the month, our net cash was £51.3m, net of £20.0m drawn against our facilities.

Ten largest holdings

Name	Business	£m	%
Cobehold	Investment company	96.1	6.8
Park Holidays	Caravan parks operator	81.1	5.8
Bristow Group	Helicopter services	69.7	4.9
AG Barr	Soft drinks	62.4	4.4
Close Brothers	Financial services	58.1	4.1
Choice Care	Care homes provider	50.2	3.6
Sloane Club	Residential club	43.8	3.1
Capital Today China	Private equity fund	42.3	3.0
TGE Marine AG	LNG Engineering	37.7	2.7
Sterling Industries	Engineering	36.4	2.6
		577.8	41.0
Other investments		799.5	56.8
Cash and other items		30.6	2.2
Net assets		1,407.9	100.0

1. Caledonia held an investment in the following investment trust company: Polar Capital Global Financials Trust (£9.8m).

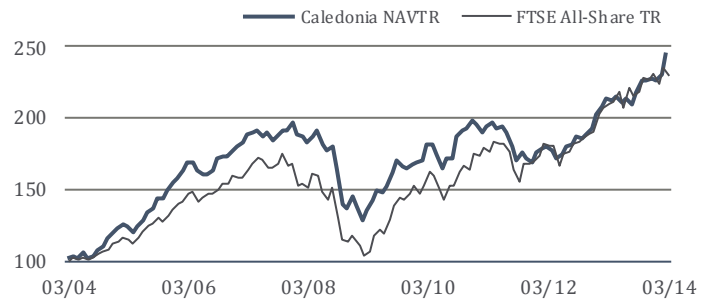
Caledonia Investments plc

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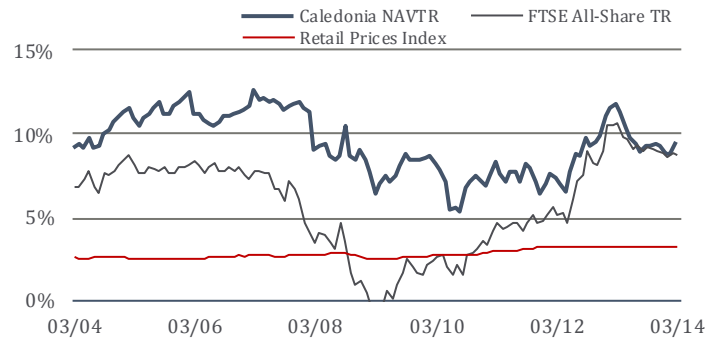
Caledonia reviews the valuation of its unquoted investments biannually, in March and September.

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.

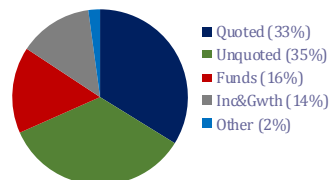
NAV total return performance ten years



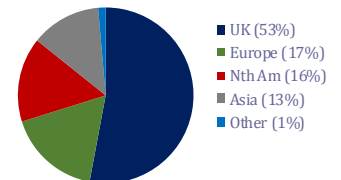
Annualised ten year rolling performance



Pool allocation



Geographic allocation



Performance to 31 March 2014 (%)

	1 year	3 year	5 years	10 years
NAV total return (cumulative)	14.9	27.4	83.6	146.0
NAV total return (annualised)	14.9	8.4	12.9	9.4
Retail Prices Index	2.5	3.1	3.8	3.3
Outperformance against RPI	12.4	5.3	9.1	6.1
FTSE All-Share Total Return (annualised)				8.6
Outperformance against FTSE				0.8

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