



# CALEDONIA INVESTMENTS

30 September 2014

Share price: 2158p

NAV/share: 2677p

Discount: 19.4%

## About Caledonia

Caledonia is a self-managed investment trust, with net assets of £1.5bn. 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

Our NAV total return for the half-year was 4.7%, significantly enhanced by the results of our biannual revaluation of unquoted investments. In particular, the value attributed to our indirect interest in JD.com, the subject of a recent IPO, increased by £46m. JD.com, an online direct sales company, is one of the investments held within the Capital Today China Growth Fund LP, in which Caledonia is a limited partner.

During the month, we invested £6.5m and realised £10.9m. Also, we purchased for cancellation 30,000 of our own shares at a total cost of £0.6m. At the end of the month, our net cash was £49.1m, net of £20.0m drawn against our facilities.

From 7 October until 24 November 2014, being that part of our close period between the publication of our 30 September 2014 unaudited diluted net asset value per share and the release of our half-year results planned for 25 November 2014, we have given an irrevocable mandate to Winterflood Securities to purchase the company's shares on our behalf, within certain parameters.

## Ten largest holdings

Name	Business	£m	%
Cobehold	Investment company	96.2	6.4
Capital Today China	Private equity fund	92.3	6.2
Park Holidays	Caravan parks operator	81.1	5.4
Bristow Group	Helicopter services	68.3	4.6
Close Brothers	Financial services	65.5	4.4
AG Barr	Soft drinks	58.4	3.9
Choice Care Group	Care homes provider	50.2	3.4
The Sloane Club	Residential club	45.7	3.1
TGE Marine	LNG engineering	45.3	3.0
Sterling Industries	Engineering	39.2	2.6
		642.2	43.0
Other investments		786.7	52.6
Cash and other items		65.7	4.4
Net assets		1,494.6	100.0

1. Caledonia held an investment in the following investment trust company: Polar Capital Global Financials Trust (£10.2m).

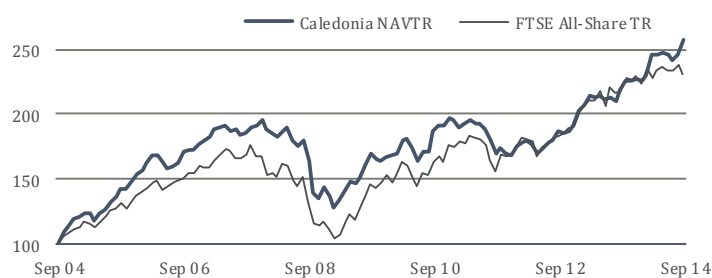
## Caledonia Investments plc

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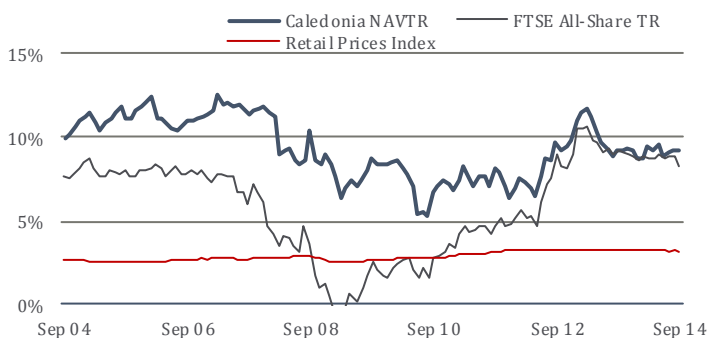
Caledonia reviews the valuation of its unquoted investments biannually, in March and September.

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.

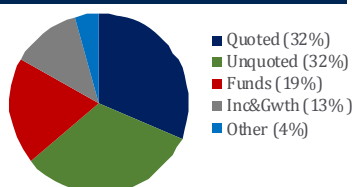
## NAV total return performance ten years



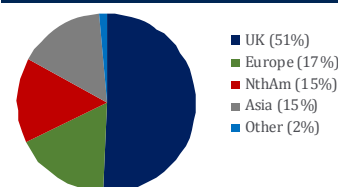
## Annualised ten year rolling performance



## Pool allocation



## Geographic allocation



## Performance to 30 September 2014 (%)

	6 months	1 year	3 year	5 years	10 years
NAV total return (cumulative)	4.7	17.8	52.0	51.9	141.6
NAV total return (annualised)	9.5	17.8	15.0	8.7	9.2
Retail Prices Index (annualised)	2.2	2.3	2.7	3.7	3.2
<b>Outperformance against RPI</b>	<b>7.3</b>	<b>15.5</b>	<b>12.3</b>	<b>5.0</b>	<b>6.0</b>
FTSE All-Share TR (annualised)					8.2
<b>Outperformance against FTSE</b>					<b>1.0</b>

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  
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