



CALEDONIA INVESTMENTS

31 December 2014

Share price: 2319p

NAV/share: 2725p

Discount: 14.9%

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 per share total return over the quarter since our 30 September 2014 half-year was 2.6%. As we only review the valuation of unquoted investment in March and September, this NAVTR does not include any unquoted revaluation movements.

During the month, we invested £11.7m and realised £20.1m. Realisations included £12.6m for the remainder of our holding in Dewan Housing Finance, the Indian-listed provider of housing finance.

At the end of the month, we held net cash of £75.5m. Other items included a £7.6m accrual for the interim dividend of 13.8p, declared on 25 November 2014. The dividend will be paid on 8 January 2015 to shareholders registered on 12 December 2014.

Ten largest holdings

Name	Business	Dec 2014 £m	Sep 2014 £m
Cobehold	Investment company	95.8	96.2
Capital Today China	Private equity fund	89.1	92.3
Park Holidays	Caravan parks operator	81.1	81.1
Bristow Group	Helicopter services	69.6	68.3
Close Brothers	Financial services	65.4	65.5
AG Barr	Soft drinks	55.3	58.4
Choice Care Group	Care homes provider	51.2	50.2
The Sloane Club	Residential club	45.7	45.7
TGE Marine	LNG engineering	45.1	45.3
Sterling Industries	Engineering	39.2	39.2
		637.5	642.2
Other investments		802.0	785.7
Cash and other items		86.3	65.5
Net assets		1,525.8	1,493.4

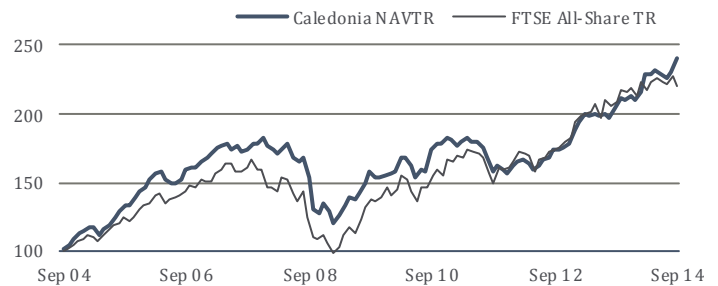
Caledonia Investments plc

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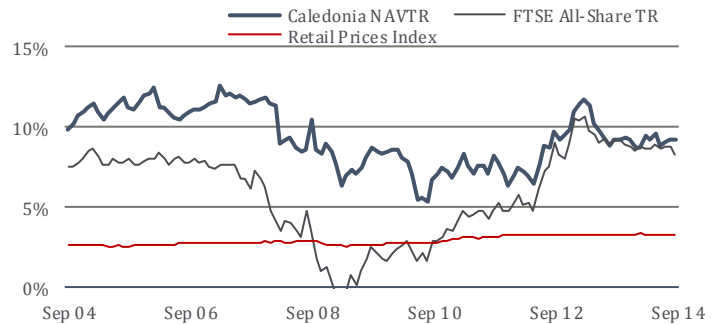
Caledonia reviews the valuation of its unquoted investments biannually, in March and September.

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.

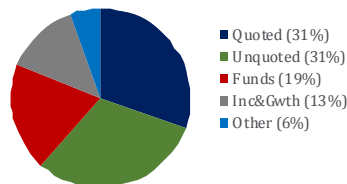
NAV total return performance ten years



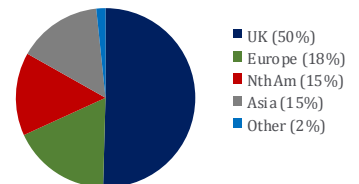
Annualised ten year rolling performance



Pool allocation



Geographic allocation



Performance to 30 September 2014 (%)

	6 months	1 year	3 year	5 years	10 years
NAV total return (cumulative)	4.6	17.7	51.8	51.7	141.4
NAV total return (annualised)	4.6	17.7	14.9	8.7	9.2
Retail Prices Index (annualised)	1.1	2.3	2.7	3.7	3.2
Outperformance against RPI	3.5	15.4	12.2	5.0	6.0
FTSE All-Share TR (annualised)					8.2
Outperformance against FTSE					1.0

1. NAV per share is calculated on a diluted, cum-income basis.
2. The performance record is updated biannually, concurrent with the revaluation of unquoted investments and funds.
3. NAVR and RPI increases in the 6 months column are over the six month period.

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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